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**STRATEGIC LEARNING IN ENGLISH
LOCAL AUTHORITIES:
THE INFLUENCE OF LABOUR'S
MODERNISATION AGENDA 1997–2010**

GRAHAM JOHN WILLIAMS

A Thesis Submitted in Partial Fulfilment of
the Requirements for the Degree of
Doctor of Philosophy

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Volume I of II

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Abstract

This research explores the English local government modernisation agenda of the 1997–2010 Labour government with reference to its promotion of, and effects on, organisational learning. It does this by examining the concept of learning to learn, as constructed by local authority Chief Executives.

A synthesised analytical framework is developed by exploring the commonalities of three approaches to the exchange of knowledge: organisational learning; policy transfer, and change management.

Utilising this framework, local government modernisation is examined within the broader modernisation agenda and its historical context. This, and an examination of Best Value, the Beacon Council Scheme and the Comprehensive Performance and Area Assessments, exposes the links between modernisation and organisation learning that underpin a central contention of this research; that the success of local government modernisation relied on local authorities being better able to learn from each other.

Analysis of the data unique to this research, obtained largely through interviews with local authority Chief Executives, illuminates the way in which they construct their views of learning, modernisation and central-local relations.

The major conclusions concern the significance of networks, differences and trust and how views of each are constructed. Also important is trust within central-local relations. Modernisation consolidated the acceptance of other local authorities as sources of learning and enhanced particular characteristics conducive to learning. However, through the mechanisms utilised, modernisation also inhibited instances of learning and was less successful at embedding the concept of learning to learn within local government.

Original contributions to knowledge are made in this under-researched area through innovative use of exiting approaches to the analysis of change and learning; synthesising these provides a useful tool for the analysis of those matters. Additionally, such analysis sheds new light on the way in which local authority Chief Executives construct the world-views that shape their actions.

Chapter One

Introduction and Thesis Overview

*'And what do this comet mean?' asked Haymoss. 'That
some great tumult is going to happen, or that we shall die
of famine?'*

Thomas Hardy, Two on a Tower

1.1 The Management of Change and Learning

Though persisting even today, more common in former times was the belief that the arrival of a comet in the night sky presaged major change on Earth; that the appearance of a changing phenomenon against a largely stable background was soon to be mirrored by some upheaval in the affairs of Man.

To the ancient Chinese 'broom stars' (so called because of the belief that they would usher in a change by sweeping all before them) were symbolic of governance problems on Earth. The Chinese adopted a holistic approach to government, believing that the Emperor – divinely appointed – ruled both the Earth and the cosmos, linked like some giant organism that responded to his decrees. If he headed a good administration, celestial bodies followed their appointed courses. If, however, his administration was defective in some way, then the whole cosmos was affected and this manifested itself in the appearance of comets and other ephemeral phenomena (Ronan, 1996).

The Han dynasty (206BC–220AD) adopted a system of public administration in which public officials were appointed, dependent on their performance in competitive examinations, to a hierarchical officialdom on fixed contracts. It was a system that was to last for almost two thousand years (Hughes, 2003; Massey and Pyper, 2005). Astronomers were part of the complex bureaucracies that developed, but worked in secret as an Emperor would not want his people to know that his administration was being censured (Ronan, 1996).

Moving forward a thousand years, the Bayeux Tapestry famously depicts a comet believed by some to presage regime change in England. Nearly a thousand years after that, the brightest comet for many years hung in the skies over Great Britain throughout the period of the 1997 general election campaign. The victor in

that contest argued that the system of governance was not working satisfactorily, and proposed significant changes.

The purpose of the above passages is to introduce two distinctive attitudes to change, as described by Hayes (2010). Firstly, there is the *deterministic view*, where the forces of change originate outside the organisation, beyond the influence of its managers. Hardy's character, quoted at the start of this chapter, clearly adopts this view to the extreme. Secondly, there is the *voluntarist view* which gives more credit to the role of human agency in effecting change. Unexpectedly perhaps, the ancient Chinese astronomers adopted this latter stance, as they saw the appearance of a comet, not necessarily as the harbinger of some predetermined change, but as a prompt to effect a change of their own making (Ronan, 1996).

This thesis is not, though, concerned purely with change; it is about learning. The two terms are not precise synonyms but, to me, learning involves adopting a change, often in behaviour but sometimes in understanding or of meaning. This being the case, what follows adopts the voluntarist view that humans *can* effect a desired change, but with the caveat that help is sometimes needed to know *how*. In this, learning from the experiences of others becomes of central importance.

A more deterministic view, though not always far from the surface, is considered here only in the context of why some feel that their institutional constraints are such that they are unable to act, or that there is nothing to be learned from others.

The structures and workings of local authorities, though, are not by-products of celestial mechanics but are the products of human thought and design. The purposes and principles that underpin the structures of local authorities are laid down by Parliament, all local authorities work under the same legislative framework, are inspected by the same regulatory bodies, have employees who are members of the same professional associations and are governed by elected members, most of whom are drawn from a small number of political parties. Yet, despite these similarities in inputs, there is still a huge range of outcomes, as evidenced by the variation in the quality of services provided.

This may, of course, simply be a manifestation of the 'local-ness' of local authorities; after all, if the aim was for exactly the same services to be provided throughout the country, then there would be no need for local government, a national

organisation would suffice. This is, though, not how local government in England is organised, and a direct consequence of inserting the word 'local' is variation – a 'postcode lottery' to some, an expression of local priorities to others.

This leads to the posing of an obvious question: why aren't all local councils simply looking at who is the 'best' at providing a particular service and transplanting that way of working to their area? If they are, then the results are not working their way through to the many performance indicators collected; if they are not, then surely councils are letting down both their taxpayers and the recipients of their services. Having said this, it is still difficult to believe that, if one council finds a better way of delivering a particular service, news of this does not quickly pass around the local government world. Perhaps, then, there is something more subtle at work here, that one public authority learning from another is not as simple as would first appear and the spreading of news is not enough, in itself, to bring about change (Hartley and Benington, 2006). Ideas may not move around by a process equivalent to osmosis, but may have to be driven by forces as yet unclear. It may also be that there needs to be something in place in the culture, or the structure, or both, of a council that enables it to learn from, or indeed to teach, others. In considering these points, I come to the same view as Rashman *et al* (2009), that the public sector provides a distinctive context for the study of organisational learning; their comment that this is an under-researched area increases the relevance of this thesis.

There is, though, a paradox at the centre of any consideration of organisational learning. How can an organisation be said, in any meaningful way, to learn? Surely only people can exhibit learning. On the other hand, one would expect an innovation in local authority service delivery to be maintained even when the practitioners involved in its creation moved on; that the organisation somehow sustained this learning, and we speak of organisations possessing memories (Becker, 2005) and cultures (Morgan, 1986) that can be maintained despite the turnover of staff. That, surely, is the point of organisations. However, this is but one paradox that surfaces within this thesis.

To give a temporal context to this study, it will explore the Labour Government's modernisation agenda as applied to local government from 1997 onwards. It will do this with a view to examining both modernisation's role as a driver

for the increased attention being paid to organisational learning at that time, and any effects it had in repositioning local authorities as learning organisations.

Though individual case studies of how any particular council learned how to deliver a specific service may be useful in illuminating more general points, such instances are not the main focus of this study. Rather than concentrating on learning, this thesis is more concerned with *learning to learn*; with taking a strategic view of the creation of structures, processes and cultural attitudes that need to be in place for local government both to *want* to learn and to be *able* to do so. My view is mirrored precisely in other research findings:

Learning about learning is important: people need to know more about their own and the organization's learning processes. (Johnson, 2002, p.247)

To Morgan (1986), learning to learn hinges on being open to change and challenging assumptions. Argyris (1999) uses the term to describe a situation where people are learning about group dynamics; developing a deeper understanding of their role as organisational members; gaining insights that will allow to act more effectively – individually and collectively – in the future, and laying the groundwork for truly continuous improvement.

That learning about learning was an important focus of the government's Capacity Building Programme is noted by Rashman *et al* (2008, p.96) though they use the term "deutero-learning". The term "strategic learning" is used by Thomas *et al* (2001, p.331) and defined as "learning behaviors and processes that enable...long-run adaptive capability".

Consideration of these points led to the formation of the research aims set out below (§1.2.2) and contributes to the uniqueness of this thesis, as it explores local authority Chief Executives' subjective experiences of modernisation as a vehicle for improving organisational learning at the strategic level. I shall explain in more detail later (§4.3) why Chief Executives (and only Chief Executives) were chosen as informants for this study.

1.2 The Genesis and Development of this Research Project

In one sense, this thesis has been approximately 25 years in the making. As a councillor in the late 1980s, I was intrigued by the words of a then Chief Executive,

that one difference between the public and private sectors was exemplified by the contrasting ways in which 'good ideas' were dealt with. In the private sector these would be kept secret in an attempt to maximise the profits made from their use; in the public sector they would be shared freely, to benefit all. While this may seem an entirely laudable analysis, the second part of which is supported by Rashman *et al*, (2009), this thesis will show that sharing freely can be as difficult as keeping secrets. The intrigue mentioned above was heightened during the production of my Master's dissertation on tackling 'wicked' issues.

The consideration of how governments learn has a very long history, and I draw particular attention to two works.

The first is Tuchman's *The March of Folly* (2007); an impressive study of the failure of leaders and governments to learn from mistakes. Stretching from the Siege of Troy to the Vietnam War, it makes a convincing case for the persistence of 'wooden-headedness' among decision-makers. Reference is made there to the proposal, contained in Plato's *Republic*, to select a class of people to be trained as government professionals. Judging by the words of America's second President, such efforts at improving the conduct of government had not proved as successful as they might:

Government is at a stand; little better practised now than three or four thousand years ago. (Letter from John Adams to Thomas Jefferson, 1813, quoted in Tuchman, 2007, p.2)

The second work I wish to mention here is Sir Thomas More's *Utopia* (2011 [1516]). As will become evident from the quotes I include to head various chapters, More was well aware of both the advantages and the difficulties of learning from others involved in governance

Having cited these works, then, it is with some trepidation that I approach this subject. Standing on the shoulders of giants, to use Sir Isaac Newton's phrase, has never been more appropriate.

1.2.1 My Research Journey

In common with most, if not all, PhD students, the process of conducting research has produced a number of changes in me. Most of these concern issues of

ontology and epistemology, my current positions on which I set out in Chapter Four. However, I set out on this journey armed with the matrix illustrated at Figure 1.1.

Figure 1.1 A Modernisation–Organisational Learning Matrix

		Modernisation Initiatives		
		Initiative X	Initiative Y	Initiative Z
Organisational Learning Characteristics	Characteristic A			
	Characteristic B			
	Characteristic C			

As is evident in my design of this matrix, my belief at that time was that an examination of the literature would reveal some underlying characteristics of organisational learning and that all I would have to do would be to examine various initiatives contained within the local government modernisation agenda (LGMA) for the presence or absence of these. The matrix could then be populated with ticks and crosses, as appropriate. The reality proved to be more complex. My journey, illustrated in part by this example, is one from realist to relativist.

A second change concerns politics. I make no bones of the fact that I have been involved in politics – specifically, Liberal Democrat politics – for the whole of my adult life. Bearing this in mind, and that this study concerns the political organisations of local authorities, I wished to conduct this research under the auspices of a university politics department. Of concern to me, though, is not what the political science literature says, but that it leaves too much unsaid. As will become evident over the course of the following pages, psychology and organisational studies feature at least as prominently as political science. None of this was planned; my research took me in that direction as I found that literatures other than political science shed interesting lights on the issues I wished to explore. Nevertheless, even though the literature utilised is often focused elsewhere, the organisational field examined here is that of the public sector, and this has implications for learning.

1.2.2 Research Aims

Considering the personal journey outlined above, it is perhaps not surprising that the aims of this research have changed over time. Not that any changes were profound, but were more nuanced, reflecting my development as a researcher, my understanding of the issues, and my appreciation of what is possible. My research aims are set out in Figure 1.2:

Figure 1.2 Research Aims

To explore how the principles and policies of the local government modernisation agenda influenced organisational change and learning at a strategic level within local authorities.

To examine, through the lens of the local authority Chief Executive, any effects of the modernisation agenda on organisational learning in specific local authorities.

With the sub-aims:

- To examine to what extent the modernisation policies and practices repositioned local authorities as learning organisations;*
- To review, in particular, the aims, principles and policies of Best Value, The Beacon Council Scheme and Comprehensive Performance/Area Assessments;*
- To explore local authority Chief Executives' experiences in implementing the modernisation agenda; and*
- To contribute to theoretical understandings of learning in local authorities.*

The extent to which these aims have been met will be examined in the final chapter of this thesis.

I must also explain why the word 'English' appears in the title of this thesis. Firstly, my experience of local government has been obtained entirely in England. Secondly, and more importantly, one part of the wider modernisation agenda was the creation of, and devolution of decision-making to, the Scottish Parliament, the Welsh Assembly, and the Northern Ireland Assembly. Local government was one of the areas of responsibility devolved so, while many of the issues explored in the following pages are not necessarily specific to any country, some aspects of the particular modernisation initiatives discussed relate only to England. As the Labour government's first White Paper on local government modernisation made clear:

In this White Paper we set out our vision of successfully modernised local government in England, and our strategy for achieving change.

(DETR, 1998a, Foreword and Introduction)

Other government publications make the same point.

Policy-makers in Wales “turned their backs on both the Best Value regime and [Comprehensive Performance Assessments]” opting instead for a system of self-assessment and self-regulation; the ‘Wales Programme for Improvement’ (Downe and Martin, 2006, pp.468–469). Legislation on Best Value was not enacted in Scotland until 2003 (Stewart, 2003) and Beacon Councils and the Comprehensive Assessments were not introduced in either country. The absence of Comprehensive Performance Assessments (CPA) from Welsh local government allowed Lockwood and Porcelli (2013) to use councils there as a control group in their study of its effects on English councils.

1.3 An Overview of the Thesis

This thesis comprises a further eight chapters, which I outline here.

Chapter Two: Learning in an Organisational Setting

Faced with a desire for better, or different, outcomes in an area of public policy it seems entirely natural that those charged with governance would seek out information on what others in equivalent positions and in similar predicaments had done or were doing to produce more acceptable results and then, if appropriate, implement those policies. To me, this is the essence of organisational learning, at least in a governmental setting. The words ‘better’, ‘similar’ and ‘acceptable’ are, though, heavy with context-dependence and normative values.

Others might look at the process outlined above and describe it as policy transfer or change management. Though comparable, each approach is largely considered within differing academic disciplines. Policy transfer falls firmly in the political science domain, while the study of change management rests largely within the disciplines of business or organisational studies. Organisational learning falls into two further camps, with this being the term used in academic disciplines such as psychology, economics and management, and the slightly different ‘learning organisation’ being used by those more orientated towards practice.

This chapter explores these approaches in turn, reviewing the literature and setting out those factors believed to contribute towards the successful application of each. Finally, I undertake a comparison and synthesis of these three approaches to

develop an analytical framework suited to this research and which provides the structure to the analytical section of this thesis.

Chapter Three: Modernisation

Following a landslide victory in the 1997 general election, the Labour government embarked on a programme of reform of the public sector; a programme it called 'modernisation'.

Equipped with the framework developed in Chapter Two, I explore my central theme regarding the strong linkage between modernisation and organisational learning by using that framework to examine the local government modernisation agenda. This exploration is in two parts; discussions of a more general nature are followed by an examination of three particular modernisation initiatives, namely Best Value, the Beacon Council Scheme, and the Comprehensive Assessments.

Chapter Four: Methodology

Ontology and epistemology are important as an appreciation and understanding of these issues promotes reflection and the development of the skills needed for critical analysis.

Chapters Two and Three of this thesis could be replicated by any researcher. However, while that person would have access to precisely the same information as I did, which documents would be examined and how they would be used and interpreted would inevitably differ from my use and interpretation due to differences in standpoints, views and experiences.

Before moving on to an analysis of the data unique to this research, then, it is important to set out clearly how I have approached this research and show a consistent thread leading from the underlying ontological and epistemological positions adopted, through to the methodology and the methods chosen and the data sources selected.

This chapter also considers the historical institutionalist approach adopted for this research.

Chapters Five to Eight

These chapters draw on the literatures and the analytical techniques explored and developed in the preceding chapters to examine the data provided by those interviewed for this research project and those obtained from other sources.

In this study, central government and its policies, and local government and its practices and cultures, are all seen as institutions, each with features that can inhibit or assist learning. Moreover, the ways in which these institutions interact with each other are of critical importance in the production of environments conducive or obstructive to learning and so are considered in these chapters.

To provide a structure to this thesis, these analyses are organised around the four processual phases at the centre of the framework developed in Chapter Two, namely:

Chapter Five: Modernisation and Pressure to Learn

Chapter Six: Modernisation and Acknowledgement

Chapter Seven: Modernisation and Implementing Change through Learning

Chapter Eight: Modernisation and the Consolidation of Change and Learning

In each of these chapters I first examine what those interviewed said about local government modernisation more generally before moving on to consider their comments on each of the three initiatives mentioned above.

Chapter Nine: Conclusions and their Implications

In this final chapter, I bring together the most significant points brought out in the earlier analyses, discuss the implications of these for local and central government, and suggest areas for further research. I also discuss my contribution to knowledge and to what extent my research aims have been met.

Having now set out some pointers to who I am, what drove this research, and what this thesis contains, I now move on to the body of this thesis.

Chapter Two

Learning in an Organisational Setting:

Three Approaches to Institutional Change and Learning

*Your learning and your knowledge of various countries
and peoples would entertain him while your advice and
supply of examples would be helpful at the council board*
Sir Thomas More, Utopia

In the first three sections of this chapter I undertake a review of the literatures relating to three approaches to organisational change and learning, namely: organisational learning; policy transfer, and change management. In doing so, I introduce the main contributions to each field and some of the major criticisms that led to the development of other approaches, but with little analysis on my part. My personal analysis, what I have taken from these literature reviews, I leave until §2.4, where I synthesise elements of each approach into a framework well suited to this particular research project.

2.1 Organisational Learning and the Learning Organisation

The following statement encapsulates a central problem of organisational learning; that while, instinctively, it seems to be something that can happen and ought to be promoted, few have any real understanding of it and know how to bring it about:

If you enter a room full of NGO staff, and ask them, ‘hands up, who thinks organisational learning is important?’ you are likely to be greeted by a sea of raised hands. But, if you ask for practical examples of organisational learning, the response would be significantly different – you are likely to be met by a sea of blank faces and a sense of jadedness: ‘Does it make any difference anyway; is it just a fad?’

(Goold, 2006, p.1)

What organisational learning is, what supports it and what inhibits it are among the questions to be addressed by this thesis.

2.1.1 A Review of the Literature

To make an unpromising start, the concept of organisational learning has been addressed “since Weber” (Dodgson, 1993a, p.375), that is, from the end of the 19th century, or “did not emerge until the 1980s” (Wang and Ahmed, 2003, p.8). These latter authors, however, do accept that its principles have deeper roots in the study of management. More agreement is reached on the contention that interest in organisational learning grew significantly towards the end of the 20th century (Crossan and Guatto, 1996; Bapuji and Crossan, 2004; Antonacopoulou and Chiva, 2007).

In making a comment similar to that of Goold (2006) quoted above, Fenwick and McMillan (2005, p.43) note that it is difficult to be against organisational learning, but that the term “is not always used with any great precision”. Definitions of the term abound, but agreement is more elusive, with questions regarding what learning is, and who does it, provoking wide discussion (for example: Levin, 2000; Wang and Ahmed, 2003; Bapuji and Crossan, 2004; Fenwick and McMillan, 2005) but resulting in little harmony.

With agreement on a definition of organisational learning proving difficult to achieve authors have, in many cases, chosen instead to identify notions that underpin it (for example: Wang and Ahmed, 2003; Holmqvist, 2004). However, I need to set out here some guide as to how the term will be used in this thesis. In this, the reference to the creation, integration and application of knowledge (Thomas and Allen, 2006) comes closest to my conceptualisation of the term, though this is not meant to imply that learning is purely a matter of process. Adopting this approach, however, as those authors go on to say, shifts the problem of definition on to the related terms of information and knowledge. Again, though, I follow their lead and define information as data that can be codified and which, when depicted in a meaningful way, can inform the recipient. Knowledge is accepted to be “that information placed in context by virtue of human interpretation” (Thomas and Allen, 2006, p.124). A learning organisation, therefore, is one that is capable of creating, integrating and applying knowledge; one that maximises organisational learning by purposefully constructing the structures and strategies that enhance it (Dodgson, 1993a).

Within this thesis I use the term ‘organisational learning’ rather than intra- and inter-organisational learning. While others, for example, Holmqvist, (2004) and Fenwick and McMillan (2005) differentiate learning within from learning between

organisations, I feel this is not always useful when considering local authorities. My use also avoids the need for the later reintegration of the two strands undertaken by those authors.

Moving on to a more substantive review of the literature, I start by introducing various terms used by one of the more prolific authors on organisational learning, Chris Argyris. The first pair of terms is *single-loop* and *double-loop learning* (Argyris, 1999). The first of these refers to the actions taken by an organisation to detect and correct any mismatch between the organisation and its operating environment, but where such actions are incremental and are undertaken without questioning or altering the underlying 'governing variables' that drive and guide the actions of people within the organisation. Double-loop learning refers to a situation where such mismatches lead to the examination and adjustment of these governing variables and action follows. Both types of learning are needed by an organisation, though perhaps in different circumstances, but individuals within an organisation may not have the skills to learn the new skills necessary; moreover, they may be unaware that they lack these skills (Argyris, 1999).

The second pair of related terms is *espoused theory* and *theory-in-use*, though the introduction of these terms necessitates the discussion of *defensive routines*. Argyris (1999) argues that people have theories about the effectiveness of actions and bring these to bear in situations they encounter. However, asking what those theories are and deducing them from the actions taken produces a discrepancy; there is a difference between theories espoused and those used, with most people being unaware of this difference (Argyris, 1999). The quote with which I started this section (Goold, 2006) provides an example of this proposition.

The theory-in-use adopted by most people (Model I in Argyris' terms) has four basic values (remaining in control, winning, the suppression of negative feelings and emphasising rationality) the purpose of each being to avoid embarrassment, threat, vulnerability and the accusation of incompetence (Argyris, 1999). Such defensive routines are significant barriers to double-loop learning.

Well-educated, successful professionals are, it is claimed, particularly inclined to exhibit such defensive behaviour and so avoid learning. In being successful they will rarely have experienced the embarrassment or threat that comes with failure, so do not know how to deal with it, and are therefore even more likely to exhibit defensiveness when failure does occur (Argyris, 1999).

To overcome such barriers to learning, Argyris seeks to move people away from behaviours associated with Model I, and towards those consistent with Model II, where control is shared, differences are openly discussed, informed choices are made on valid information, and solutions tested. Such behaviours are more likely to result in double-loop learning (Argyris, 1999). His aim in this approach is to reduce defensive forces, rather than the common, but counter-productive approach of 'pushing harder'. A similar approach is adopted by Senge (2006).

One criticism of Argyris' work is that it defines organisational learning in terms of the acquisition of knowledge and skills by an individual, though one acting on behalf of an organisation, even if what, exactly, is meant by this is not clear (Elkjaer, 2004). The same article makes a similar criticism of Senge (2006, in its original, 1990, edition). That Senge (2006) does focus on the individuals within an organisation is confirmed by his statement that:

At the heart of a learning organisation is a shift of mind – from seeing ourselves as separate from the world to connected to the world, from seeing problems as caused by someone or something “out there” to seeing how our own actions create the problems we experience. A learning organisation is a place where people are continually discovering how they create their own reality. And how they can change it.

(Senge, 2006, p.12)

The separation of, or the connection between, individual and organisational learning is “a recognized problem” in the literature (Elkjaer, 2004, p.422). Higgins and Mirza (2011) note the confusion surrounding the roles of the individual and the collective in the process of learning, and Dodgson (1993a) uses organisational learning as a metaphor for individual learning. Research into individual learning has formed the basis of research into organisational learning (Shrivastava, 1983; Kim, 1993) but this conflation can result in one of two problems:

If a distinction between the organization and the individual is not made explicit, a model of organizational learning will either obscure the actual learning process by ignoring the role of the individual (and anthropomorphizing organizations) or become a simplistic extension of individual learning by glossing over organizational complexities.

(Kim, 1993, pp.42-43)

The difficulty experienced in explaining the transfer of individual learning to an organisation is due to reliance on the acquisition metaphor (Elkjaer, 2004). There is, though, another way of looking at organisational learning: through the participation metaphor. In this view, learning is relocated from individuals to being part of the participation patterns of organisational members: “an integrated part of everyday organizational life and its work practice” (Elkjaer, 2004, p.422). It is to this participatory view of learning that I now turn.

To bring together work and learning, Brown and Duguid (1991) examine contradictory views of each. Formal descriptions of work, as contained in manuals and rule books, can easily overlook – or even oppose – what is actually needed to carry out the work successfully. It is, though, “the actual practices...that determine the success or failure of organizations” (Brown and Duguid, 1991, p.41). Turning to learning, conventional learning theory values abstract knowledge above actual practice and so leads to the separation of learning from working, and learners from workers (Brown and Duguid, 1991). Employees, then, are viewed as performing to their job description, rather than to their actual practices – and partly because they too privilege abstract knowledge and describe their jobs in such terms (Brown and Duguid, 1991). This is a position that bears comparison with Argyris’ treatment of espoused and in-use theories.

Brown and Duguid (1991) and Wenger (1998) reject the notion of learning as the transmission of abstract knowledge, isolated from practice, with the former explicitly stating that they:

view learning as social construction, putting knowledge back into the contexts in which it has meaning. (Brown and Duguid, 1991, p.47)

It is worth recalling here the definition of knowledge I introduced earlier, as information in context.

The proponents of the social construction view of learning (but, importantly, not of teaching (Brown and Duguid, 1991)) do not claim that it says everything there is to say about learning, nor is it incompatible with other theories (Wenger, 1998).

Focusing on participation has significant implications for the understanding of learning, and therefore of what supports (or hinders) it. For individuals, learning becomes an issue of engaging in, and contributing to, practice. For communities, learning becomes an issue of refining practice and ensuring new generations of members. For organisations, it becomes an issue of sustaining the interconnected

communities of practice through which it knows what it knows and so becomes effective as an organisation (Wenger, 1998).

Learning, in this view, involves becoming an 'insider', joining a community and gaining, not explicit knowledge, but the ability to behave as a community member. Learning is about *becoming* a practitioner, not learning *about* practice (Brown and Duguid, 1991). Learning, therefore, is not a specific category of activity, and practice is not a context for learning something else; learning is embedded in the process of participating in and developing a practice (Wenger, 1998). More specifically, learning, so defined, involves developing mutual relationships, defining the purpose of roles, reconciling conflicting definitions of purpose, adopting tools and creating and breaking routines (Wenger, 1998). When using the term 'community of practice', the words 'community' and 'practice' are equally important.

Two issues that are particularly relevant to this thesis concern the adoption of something new; firstly practices and secondly people. Both, according to Wenger (1998), involve boundary connections, with the periphery of a community of practice being "a fertile area for change" (Wenger, 1998, p.118). Communities of practice can be connected by boundary objects – be they documents, systems or tools – but this often involves reification; making concrete something that is really much more ethereal. Of course, artefacts are often designed specifically to be boundary objects, but the reification that makes them exportable entails a loss of context (Wenger, 1998). Boundary objects, then, can both connect and disconnect (Wenger, 1998). In the context of this thesis, performance information and the Beacon Council Scheme can be seen as boundary objects, as will be discussed further in later chapters.

The second type of boundary connection involves 'brokering': a connection "provided by people who can introduce elements of one practice into another" (Wenger, 1998, p.105). Brokering, though, is a complex matter as it involves treading a delicate path between being pulled into being a full member of the community and being rejected as a stranger; being both different enough to bring a new perspective and similar enough to have legitimacy (Wenger, 1998).

These two types of boundary spanning need not be separated as an appropriate broker can interpret a document and negotiate its relevance (Wenger, 1998). Visiting a practice is one means of engaging with a community, but is a one-way connection, with the host community learning little of how the visitors function in their home environment (Wenger, 1998). Delegations involving a number of

participants may provide a two-way connection, but participants may maintain their own perspectives (Wenger, 1998).

Crossing boundaries, then, can be a process by which learning takes place. However, whether or not it takes place is dependent on attaining the right balance between experience and competence and on creating a tension between the two. Too close and there is nothing to learn, too distant and the two groups do not attach the same meanings to their roles (Wenger, 1998).

In concluding this consideration of communities of practice, it is worth noting that some configurations are too broad or too diverse to be usefully treated as a single community of practice; doing so would “gloss over the discontinuities that are integral to their very structure” (Wenger, 1998, p.127). They can, though, be viewed as constellations of interconnected practices if, for example, they share historical roots, belong to an institution, have geographical connections and compete for the same resources (Wenger, 1998). Local authorities and their departments therefore fall into this category. Building on the work of Wenger and others, Kislov (2014) links boundaries and constellations and notes that boundaries can both facilitate and inhibit knowledge sharing. Boundaries are both unavoidable and necessary, but can emphasise the differences, rather than the similarities, between individuals and groups on either side (Kislov, 2014).

The last individual work on organisational learning that I consider here is that of Huber (1991). Although he begins his paper by discussing the failure of researchers in the field of organisational learning to build on preceding work, to synthesise work from different perspectives, and to present their work in ways that give it social or administrative value (Huber, 1991), my main reason for citing it here concerns his treatment of four learning-related constructs, which he describes thus:

Knowledge acquisition is the process by which knowledge is obtained. *Information distribution* is the process by which information from different sources is shared and thereby leads to new information or understanding. *Information interpretation* is the process by which distributed information is given one or more commonly understood interpretations. *Organizational memory* is the means by which knowledge is stored for future use. (Huber, 1991, p.90)

I include this in full as it is the closest the literature considered here comes to proposing a 'stages model'. As will be seen in later sections of this chapter, such models are ubiquitous in other disciplines examining similar situations. Huber (1991), though, nowhere refers to this being a model of any sort; though a particular sequencing of events is suggested by the above quotation.

The literature on the learning organisation, as opposed to organisational learning, being aimed at practitioners rather than theorists, does not concern itself with definitions of learning, knowledge and information but relies on generally accepted views of these terms. In a manner similar to that discussed earlier, this literature tends not to define, or set out a blueprint for, a learning organisation, but rather describes some of its key characteristics. Pedler *et al* (1991) set out 11 of these, and include management acts being conscious experiments (with feedback loops) rather than set solutions, participative policy-making, using data to understand what is happening, rather than as a basis for rewards or punishments, having loosely structured roles and flexible departmental boundaries, using boundary workers (those in contact with customers and suppliers) as environmental scanners to collect information that is then collated and disseminated, and seeing managers' primary task as facilitating experimentation and learning from experience.

The importance of a corporate vision is also stressed and other advice given includes encouraging reflection and, perhaps surprisingly, avoiding teaching (Pedler *et al*, 1991).

Meta-Analyses

The organisational learning literature contains a number of reviews and meta-analyses of previous contributions to the field. Easterby-Smith (1997) considers the contributions made based on their originating discipline, while Easterby-Smith *et al* (2004) undertake their review based on the importance of the contributions. Thomas and Allen (2006) use a framework of environmental, structural and processual factors and include the literatures of organisational learning and of the learning organisation, as does Easterby-Smith (1997). It should be noted that the works cited above, and below, relate to the private sector and so see the purpose of organisational learning as establishing and maintaining a competitive advantage. Evidence of the connection between learning and performance, though, is often lacking (Thomas and Allen, 2006). Rashman *et al* (2008; 2009) acknowledge the literature's emphasis on the

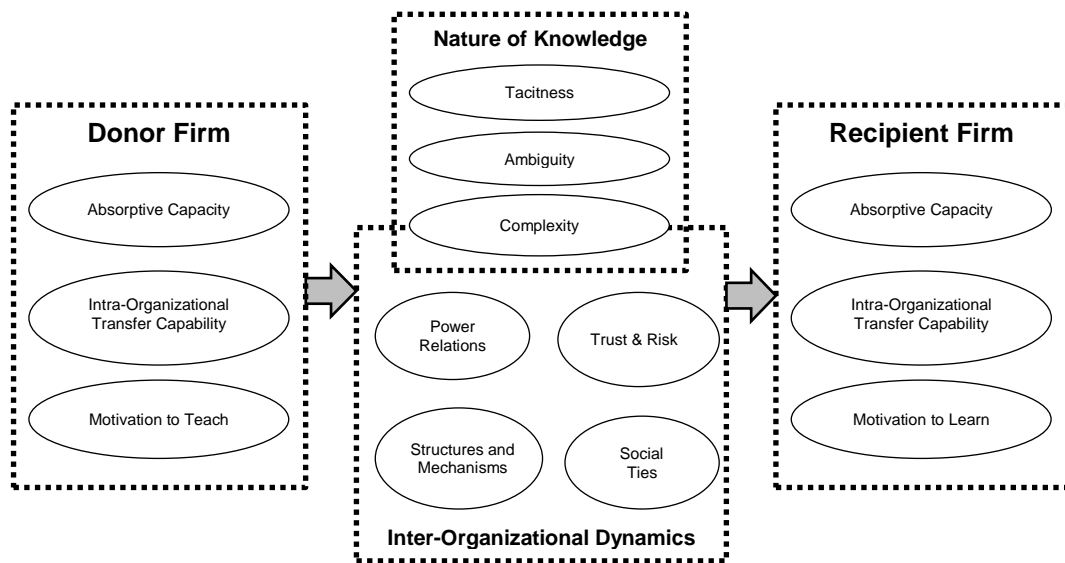
private sector and so examine the extent to which it can be applied to the public sector.

The major issues highlighted by Easterby-Smith (1997), Easterby-Smith *et al* (2004) and Rashman *et al* (2009) have been discussed in the preceding pages of this thesis, but Rashman *et al*'s (2009) finding that the social approach to organisational learning is particularly relevant to the public sector is an important one for this thesis. Thomas and Allen (2006) note that organisational learning is not the accumulation of individual learning events, but occurs when individual insights are embedded in the organisation's mental models. Knowledge, then, needs to be considered as a corporate asset, rather than an expense, and needs to be absorbed rather than processed. They also note the roles played by emotion and preconceptions in human behaviour and which lead to the discrepancies between the theories in use and espoused, noted earlier. The notion of knowledge as a corporate asset, though, needs to be considered carefully; if it is seen to be socially constructed, through the interplay of reality constructs, actions and institutions, it is rarely seen as an objective organisational resource (Rashman *et al*, 2009).

In the context of this research project, Easterby-Smith *et al* (2008a) are particularly helpful as, building on the work of others, they outline the factors that influence knowledge transfer and place these into a framework for mapping research on the subject. They define knowledge transfer as "an event through which one organization learns from the experience of another" (Easterby-Smith *et al*, 2008a, p.677) and so see it as falling within the domain of organisational learning. This framework is included below, at Figure 2.1

I shall discuss the sets of influential factors identified here in more detail in the following section, but it is important to note that they relate to characteristics of *both* recipient *and* donor organisations, the interactive dynamics between them and the nature of the knowledge being transferred.

Figure 2.1 Factors Influencing Inter-organisational Knowledge Transfer
 (Taken from Easterby-Smith et al, 2008a, p.679)



This discussion leads me on to a fuller consideration of what makes organisation more, or less, likely to learn.

2.1.2 Aids and Barriers to Organisational Learning

Although there are deep conceptual differences between the approaches adopted in the study of organisational learning (Easterby-Smith, 1997), it is still possible to find common threads running through the organisational qualities that help (or hinder) learning, even if how they are viewed depends on the approach taken. My analysis of the literature leads me to identify six issues as being particularly relevant to this thesis, these being *self-awareness and reflection*, *organisational vision*, *leadership*, *networks*, *risk* and *trust*. Below, I examine each of these in turn.

Self-Awareness and Reflection

The importance to organisational learning of the linked concepts of self-awareness and reflection centres on the need for an organisation to fully understand not only *what* it is doing, but *why* it is doing it. To Senge (2006), new ways of operating often fail to be implemented because they conflict with currently held mental models – “deeply held internal images of how the world works” (Senge, 2006, p.163). To him, managing these mental models promises to be a key issue in building a learning organisation and he offers two examples in support. In the first, long-term success depends on:

the process whereby management teams change their shared mental models of their company, their markets and their competitors. (Senge, 2006, p.174)

In the second:

complex challenges require [an approach] that allows us to pursue deeper, often hidden, meaning; surface underlying assumptions; and make connections between parts of the entire system. Then we can make sense of the situation and achieve shared meaning before taking action. (Senge, 2006, p.288)

In both cases reflection is not something that should be isolated from the rest of the participants' working lives; to be effective it has to be linked to action. A similar point is made by Wenger (1998), for whom reflective practice is important as it:

combines the ability both to engage and to distance – to identify with an enterprise as well as to view it in context, with the eyes of an outsider. (Wenger, 1998, p.217)

Organisations, then, need to establish a 'learning architecture', that is, cultures and structures built from the components of learning he identifies. As imagination is needed "for learning to encompass and deal with a broader context" (Wenger, 1998, p.238) such architecture should include "an infrastructure of imagination" that, in turn, facilitates, amongst other things, reflection, including "facilities for comparisons with other practices" (Wenger, 1998, p.238).

The common ground between these two theories is, then, that reflection, when linked to *doing*, provides an important space for the sharing of world-views, the agreement of meaning, and a deeper understanding of the context in which those participating find themselves. Reflection, however, cannot ensure that learning will take place; it can only enable it to do so.

Although not using the terms reflection or self-awareness, Argyris (1999) suggests that they are important concepts to consider if 'double-loop' learning is to take place as this depends "on questioning one's own assumptions and behavior" (Argyris, 1999, p.231) and so requires both reflection and self-awareness. Not that such learning is easy; even organisations deemed to be good at adapting the practices of others struggle with learning based on a critical evaluation and modification of their own norms and underlying routines (Higgins and Mirza, 2011).

Organisational Vision

Senge (2006) identifies five components of organisational learning, one of which is “building shared vision” (Senge 2006, p.9) though all need to be developed “as an ensemble” (Senge 2006, p.11). He defines a vision as being shared not simply when a number of people have it, but when they are committed to one another having it. A shared vision, defined in this way, is an important driver of learning and fosters risk-taking and experimentation (Senge 2006). Wenger takes a similar view:

sharing a vision...is being able to see each other as well as envisioning common goals.
(Wenger 1998, p.247)

To do their jobs, workers must align their activities with purposes beyond their immediate experience in order for them to direct their energies to a common purpose (Wenger, 1998). Such alignment (but, importantly, not achieved through coercion) is one component of belonging; something that can lead to a community of practice becoming a learning community (Wenger, 1998). Although not explicitly commenting on the need for clarity of any vision, Wenger’s concept of alignment is surely meaningless unless workers have an understanding of to what their individual activities are being aligned.

While discussing the creation of an organisation capable of “continuous learning” Argyris (1999, pp.44-45, though building on the work of Beer, 1994) notes the need for clarity of strategic vision, though by stating the converse, that one of the barriers to successful implementation is “unclear or conflicting strategic priorities” (Argyris, 1999, p.45). The literature on learning organisations makes a similar point:

A learning company does not know what its future is, but does have a picture of what it wants to be. It has developed the capacity amongst all its members to contribute to this picture and understand how you get there. (Pedler *et al*, 1991, p.35)

This view is similar to that of Senge (2006), who defines a learning organisation as one “that is continually expanding its capacity to create its future” (Senge, 2006, p.14).

Leadership

The conflation of ‘leadership’ and ‘top management’ is bemoaned by Senge (2006), though he accepts this as a traditional view. Expanding on this, Wenger

(1998) puts forward a definition of a leader as being, not a person who controls the behaviour of others, but someone who expands the “potential of negotiability for other participants in a community of practice” (Wenger, 1998, p.296).

Leadership in this view is a social construct involving interaction and negotiation of meaning between the leader and the led and is a *process* in which reality is defined in ways that make sense to the latter (Smircich and Morgan, 1982). As leadership depends on there being people who will give up their power to shape and define their own reality, leaders cannot exist without followers, and ‘formal leadership’ is achieved by the institutionalisation of these processes of definition (Smircich and Morgan, 1982).

Networks

It is tempting to see a network of people occupying similar roles as having much in common with Wenger’s Communities of Practice. This, though, needs more careful consideration as Wenger states that “the term [community of practice] is not a synonym for group, team or network” (Wenger, 1998, p.74). However, a connection is not entirely dismissed as he goes on to state that:

communities of practice could in fact be viewed as nodes of ‘strong ties’ in interpersonal networks. (Wenger, 1998, p.283).

It is, though, not the network of relations or the flow of information that are important here, but the practice that is created (Wenger, 1998, citing Wellman and Berkowitz, 1988). Again, it is essential to note the importance of practice in Wenger’s notions of learning.

Senge (2006) mentions networks only tangentially, and in doing so echoes the ideas concerning leadership discussed above. In introducing the concept of distributed leadership, based on his work on building learning cultures, he states that three types of leader are vital – one type comprising “Network Leaders” who are “helpers, seed carriers and connectors” (Senge, 2006, p.319). More specifically, network leaders:

often work closely with local line leaders in building local capacity and integrating new practices. They are vital for spreading new ideas and practices from one working group to another and between organizations, and for connecting innovative line leaders with

one another. They build larger networks that diffuse successful innovations and important learning and knowledge. (Senge, 2006, pp.319–320)

Expanding on these points, he goes on to say that ‘local line leaders’ are needed to test out ideas in practice while ‘executive leaders’ are needed to locate local action within a broader organisational context (Senge, 2006). Importantly for this thesis, local authority Chief Executives fall more naturally into Senge’s category of ‘executive leader’; “they lead in developing guiding ideas about purpose, values and vision” (Senge, 2006, p.320), and display the leadership characteristics discussed earlier.

Risk

In keeping with my ontological position (Chapter Four) I take the view that:

both risk and acceptable levels of risk are socially constructed phenomena. Thus risk management requires not just the application of scientific knowledge but also a political...process of negotiation. (Osborne and Brown, 2011, p.5)

Risk, in itself, has little meaning and is neither good nor bad. What is important is the negotiation of acceptable levels of risk: depending on the stance taken, it can enable or disable learning.

In discussing the search for new organisational forms, driven by increased competition and new information technology, Argyris (1999) notes that the requirements of these new organisations depend on there being, *inter alia*, a situation where “trust, risk-taking, and helping each other is prevalent” (Argyris, 1999, p.108). Moving towards this type of organisation is, he admits, difficult and requires very different behaviour styles to those exhibited in the more traditional pyramidal structure (Argyris, 1999).

To Pedler *et al* (1991) a learning company will take risks and, if an initiative does not achieve what it set out to do, will still see this as an opportunity to learn. In such an organisation small-scale experiments and feedback loops are in-built, roles are loosely structured and:

mistakes are allowed for...it is recognised that we will never learn if we do not try out new ideas, new ways of doing things...[there is] no such thing as a failed experiment as long as we learn from it. (Pedler *et al*, 1991, pp.18-23)

These authors, then, link risk with experimentation and connect both to learning.

Risk and its management are not themes much in evidence in Wenger (1998), but he touches on experimentation and innovation while discussing creativity. To him, for an employee to be able to exhibit creativity in the workplace requires of that person a significant level of personal investment and engagement, not merely “institutionalized compliance” (Wenger, 1998, p.253). This, he says, requires their employing organisation to recognise and value their contribution, so allowing them to take responsibility for some aspects of organisational learning. Wenger’s (1998) ‘infrastructure of imagination’ includes the facility of “exploration”: “opportunities and tools for trying things out...pushing boundaries” (Wenger, 1998, p.238). His ‘learning architecture’, then, includes space for innovation and experimentation.

Trust

In defining trust, I side with Mayer *et al* (1995), the first part of whose definition of the term is “the willingness of a party to be vulnerable to the actions of another party” (Mayer *et al*, 1995, p.712), and Argyris (1999), who adopts a very similar position. With its emphasis on vulnerability, this is a definition that has clear parallels with that of risk set out above. Indeed, a direct link between trust and risk is made, in that:

Making oneself vulnerable is taking risk. Trust is not taking risk *per se*, but rather it is a *willingness* to take risk. (Mayer *et al*, 1995, p.712, emphasis in original).

Having earlier accepted that risk is a social construct and is negotiated, rather than being an absolute, linking risk to trust in the above-mentioned way suggests that trust, too, is a matter of negotiation.

Issues of trust underpin many of the concepts central to learning. To take some explicit references first, these are not always expressed positively. Argyris (1999) contends that pyramidal structures tend to produce mistrust and reports that, because they believe that “low trust and high conflict are fundamental features of organizations”, executives establish managerial controls including the establishment of goals and the monitoring of the implementation of priorities (Argyris, 1999, p.329). Although mentioned while making a different point, Argyris (1999) also notes that executives are prepared to believe that:

the higher up one goes in the organizational hierarchy...the less the individuals tend to trust each other. (Argyris, 1999, p.370)

Argyris (1999) also maintains that everybody's underlying behaviour is aimed at winning and avoiding embarrassment, and so averting vulnerability. Trust, then, is a casualty of this behaviour. A climate of mistrust makes it more likely that issues become 'undiscussable', by which he means that all parties tacitly agree not to raise issues underpinning the approach adopted by themselves or others. Furthermore, they tacitly agree not to discuss the fact that they will not discuss these issues. A lack of trust, therefore, leads to the very things that would enable learning to take place being undiscussed.

In their publication on communities of practice in the public sector, Snyder *et al* (2003) also discuss issues of trust. To them, the effectiveness of a community of practice is dependent on the strength of three 'core structural dimensions' one of which is community, and is described in terms of relationships and levels of trust. To these authors, *voluntary* participation in a community of practice is a crucial characteristic as without it, members of the community are less likely to seek or share knowledge, build trust with others, or apply the knowledge in practice (Snyder *et al*, 2003). The links between the effectiveness of communities of practice and leadership and vision discussed earlier are supported by these authors as they see leadership as being the most critical factor both for participation in a community and in its effectiveness (Snyder *et al*, 2003). Echoing the view of Senge (2006) cited earlier, a role for executives is to link the activities of a community with the strategic objectives of the wider organisation (Snyder *et al*, 2003).

In a similar vein, and while acknowledging the importance of interpersonal trust, Dodgson (1993b) notes that this is susceptible to staff turnover and the breakdown of individual relationships. Important here, then, is inter-organisational trust, characterised by community of interest, cultures receptive to external inputs and widespread, continually reinforced knowledge among the workforce concerning the nature of any collaboration (Dodgson, 1993b).

Turning to more implicit discussions of trust, Wenger (1998) stresses the importance of relationships and it is difficult to see how positive relationships can be forged without a significant level of trust being present. Trust is, I suggest, also central to the notion of 'brokering' introduced earlier, with information being accepted

from sources similar enough to be accepted into the community of practice. I do not believe it is stretching this concept too much to change this to being similar enough to be trusted as a member of such a community. Indeed, the same could be said about his contention that an educator's power lies, not in his or her institutional position as a teacher, but as a member – and I would add a trusted member – of a community of practice (Wenger, 1998).

This view of learning as being a joint enterprise between teacher and taught is discussed further by Tobbell and O'Donnell (2013), although trust is not mentioned explicitly. These authors do, however, make two further points worth noting: that interpersonal relationships are complex and so take time to develop; and that "learning is much more than instruction" (Tobbell and O'Donnell, 2013, p.12). These authors point to other research (in a business setting) that refers explicitly to matters of trust and which suggests that their findings regarding learning hold true in at least one other situation.

Risk and Trust

In defining trust, above, I introduced a quotation (Mayer *et al*, 1995) that linked trust with risk and, as shown in Figure 2.1, Easterby-Smith *et al* (2008a) also link the two. It is, then, worth exploring these links further.

Firstly, though, Mayer *et al*'s (1995) point is not wholly accepted. While seeing a willingness to take a risk as something that may be important in some circumstances, Becerra *et al* (2008) see this as just one consequence of trust, and so as something that may be being over-emphasised.

One reason for linking the two concepts lies in the private sector orientation of the literature; in transferring knowledge from another firm, the learner may gain a competitive advantage (Easterby-Smith *et al*, 2008a; Becerra *et al*, 2008). However, while risk is inherent in knowledge transfers because the 'teacher' loses control of the uses to which the 'learner' puts this knowledge, trust counterbalances this by creating a sense of security that such exploitation will not occur (Easterby-Smith *et al*, 2008a, citing Dhanaraj *et al*, 2004).

It is useful here to introduce the concepts of tacit (non-verbalised, intuitive) and explicit (coded, articulated) knowledge (Nonaka, 1994; Becerra *et al*, 2008). Although it is not always possible to separate the two, and transfers of each may take place at the same time, there is evidence that such transfers take place through different processes (Becerra *et al*, 2008). Explicit knowledge can be transferred

verbally, while the transfer of tacit knowledge, being embedded in social relations, takes place through “direct contact and the observation of behaviour” and is positively related to high trustworthiness (Becerra *et al*, 2008, p.693). Nonaka (1994) contends that:

organisational knowledge is created through a continuous dialogue between tacit and explicit knowledge. (Nonaka, 1994, p.14)

Approaching the issue of organisational learning in this way has much in common with Wenger’s (1998) concept of brokering, discussed earlier. Social ties, tacitness, and trust and risk, though separated in Figure 2.1, have a complex interrelationship. Social ties “probably” alleviate cultural differences between organisations (Easterby-Smith *et al*, 2008a, p.680) and the issue of ‘culture’ will be considered again shortly, in a discussion of the policy transfer literature (§2.2).

I conclude this subsection by noting the importance of perception in knowledge transfer. When considering from which organisation(s) transfers might possibly take place, decisions will be based on the recipient organisation’s *perception* of both the ability and the trustworthiness of any potential donor organisation. If the perception of either is lacking, then the recipient organisation may look elsewhere, even before attempting any transfer, or any learning (Becerra, 2008). Similar points are made by Lucas (2005), though using the term ‘reputation’ to signify the opinion of others. For knowledge transfer to be more likely to succeed, both recipient *and* donor organisations need to have a high regard for the reputation of the other; a condition that is also required at the level of individual employees, and which can be enhanced by frequent visits (Lucas, 2005).

The perceptions and opinions of local authority Chief Executives form an important component of this thesis and are discussed more fully in Chapters Five to Eight.

These matters will be considered further at the end of this chapter. First, though, I introduce the second of the three approaches to change and learning considered by this research.

2.2 Policy Transfer

As this thesis concerns political organisations it is incumbent on me to examine how the discipline of political science deals with the transfer of information and practices from one polity to another. In that discipline, it is in the field of policy transfer that these matters are discussed and so it is to that literature that I now turn. In what follows I use the term policy transfer as referring to:

the process by which knowledge of policies, administrative arrangements, institutions and ideas in one political system...is used in the development of policies, administrative arrangements, institutions and ideas in another. (Dolowitz, 2000, p.3)

2.2.1 A Review of the Literature

The policy transfer literature contains three areas of substantial agreement: that it is a practice that has been around for a long time; that it, and the study of it, is becoming more widespread; and that it is mainly international in character.

The first of these propositions is supported by statements that policy transfer has been around “as long as organized government” (Dolowitz, 2000, p.1); “since the time [*sic*] of Aristotle and Toqueville” (Rose, 2000, p.623); or “always” (Dolowitz and Marsh, 1996, p.343). It has “been habitual practice since the dawn of civilisation” (Evans, 2009a, p.237).

Supporting the second area of agreement is the fact that policy transfer has been the subject of special editions of leading academic journals in the political science field: *The Journal of Public Policy* (1991); *Parliamentary Affairs* (2000); *Governance* (2000); *Policy Studies* (2009), and *Policy & Politics* (2009).

Reasons given for the growth in policy transfer over recent decades include globalisation and the related increased ease of communication (Dolowitz and Marsh, 1996; 2000) leading to public policy making now taking place on a world stage. Additionally, there has been a growth in international organisations, such as the Organisation for Economic Cooperation and Development, the International Monetary Fund and the European Union, that advocate similar policies across diverse countries (Dolowitz and Marsh, 2000; Evans, 2009b). Other reasons cited for the growth of policy transfer are increases in the amount of legislation and in the pace of change; governments are doing more, driving both the need and the opportunity to learn from others (Dolowitz *et al*, 1999). It may be, though, that there is simply more being written about policy transfer (Davis, 2009).

The third point of agreement requires more examination here as, if it is true, it suggests that policy transfer is not something with which this study should concern itself. However, while terms such as ‘foreign’ and ‘abroad’ are frequently found in the titles and abstracts of articles on policy transfer, this is not to say that policy transfer can *only* occur at the national level. On the contrary, I argue that, although the policy transfer literature concerns itself almost entirely with nation states, there is nothing in any of the approaches put forward that rules out policy transfer at other levels. The literature’s paucity of substantive treatments of transfers between local authorities in the same country enhances the relevance of this thesis, as I seek to contribute to the filling of that gap.

The Policy Transfer literature uses a number of related terms, some of which are set out here.

The term *Policy Learning* is used to describe an alteration in the behaviour of an organisation following the attainment of knowledge, through experience, that affects the “fundamental beliefs and ideas behind policy approaches” (Stone, 1999, p.52, see also Bennett and Howlett, 1992). *Lesson-Drawing* is used to describe a particular instance of policy transfer; one that is entirely voluntary (Stone 1999; Dolowitz *et al* 1999). Lesson-drawing diverges from policy transfer in the negative cases, where lessons are learned, but those lessons are *not* to proceed with transfers of policy (Rose, 1991; Newmark, 2002). Such cases are, by their very nature, difficult to identify, let alone examine in detail.

When attention is focused on the processes at work in the spread of a policy’s use, rather than on the policy itself, the term *Policy Diffusion* is used. Those working on diffusion emphasise structure, while those writing on transfer privilege agency (Marsh and Sharman, 2009, who argue for a greater integration of the two literatures). No inference should be drawn of this process being voluntary, though, and while this may suggest that the process is ‘agentless’ this is explicitly rejected (Dolowitz, 2000; Newmark, 2002). That policy diffusion concentrates on processes rather than content is underlined by Rose (1991) when he states that “nearly all” diffusion studies assume common responses to common problems, regardless of political cultures (Rose, 1991, p.9). The need to answer political questions ignored by early diffusion studies drove the move to the study of policy transfer (Dolowitz and Marsh, 1996). Finally, in discussions asserting that (usually) nation states are growing more alike leading to, or perhaps because of, their adoption of similar

policies, the term *Policy Convergence* is often used. Convergence, then, is an outcome of policy transfer (Stone, 2000).

These, then, are the most commonly used terms in the policy transfer literature, with a distinction often drawn that the first three are voluntary processes while the latter two can be brought about by coercion.

Degrees of Policy Transfer

Policy transfer is not an 'all or nothing' process but can be carried out to various degrees. Dolowitz and Marsh (1996) and Evans (2009b) identify four: *Copying* (adoption of a more or less intact programme); *Emulation* (adoption with adjustments to meet differing circumstances); *Hybridisation* (combining elements of programmes from several places), and *Inspiration* (programmes provide the intellectual stimulus to develop novel approaches). Rose (1991) increases this number to five, as he distinguishes between Hybridisation (combining programmes from two places) and Synthesis (from three or more).

Stages Models of Policy Transfer

For policy transfer to be said to have occurred, there must have been a time in the political history of an area when the policy was not in operation. At that same point in time, there must have been another place where the policy was being pursued. At some later point, the policy must be in operation in the first area, irrespective of whether it is still in use in the second, or any other, place.

How this occurs is of real and practical importance to those charged with bringing it about and one approach commonly adopted in the policy transfer literature is to examine the process by breaking it down into apparently discrete operations through the creation of stages models. The use of such models is not without its problems, as I shall discuss later, but their ubiquity necessitates discussion of their major elements. The following therefore draws together two examples of the use of such models to examine the voluntary policy transfer process. These models are the work of Evans and Davies (1999) and Rose (2002) and a summary of each is given below, as Figure 2.2. I do not give a detailed description or analysis of these models here, but instead draw out the features that will prove to be of use in the later chapters of this thesis.

Figure 2.2 Two 'Stages Models' of Policy Transfer
 (Based on Evans and Davies (1999) and Rose (2002))

12-Stage Model Evans and Davies (1999)	10-Stage Model Rose (2002)
Recognition	Diagnose your problem
Search	Where to look for a lesson
Contact	Investigating how a programme works there
Emergence of Information Feeder Network	Abstracting a cause-and-effect model for export
Cognition and reception	Designing a lesson
Emergence of transfer network	Should it be imported?
Elite and cognitive mobilisation	Resource requirements and constraints
Interaction	The problem of context
Evaluation	Bounding speculation through prospective evaluation
Decision enters policy stream	Foreign countries as positive or negative symbols
Process	
Outcome	

Both models agree that 'a problem' and its recognition are necessary precursors to further action. For the consideration of the introduction of a new policy to even begin, there must first be some dissatisfaction with the current situation, a mismatch between the ambition of either those in government or those being governed and the current performance in a particular area of public policy. Furthermore, this mismatch must be large enough to drive the search for something that will reduce this dissatisfaction.

This, though, is the only point where the two models agree on both the actions and the order in which they are undertaken. Here, I largely disregard the order in which activities are undertaken and instead concentrate on the similarities between the actions proposed in the two models.

Both models, not surprisingly, involve the search for other geographical areas where an apparently suitable policy is being pursued. This search for policy ideas is, though, viewed differently in the two models, being seen as "quite often an *ad hoc* process characterized by trial and error" (Evans and Davies, 1999, p.377) or a more

deliberative process, based on meeting a number of criteria for choosing which countries are more likely to provide satisfactory solutions (Rose, 2002). These criteria are based around 'similarities' that will be discussed in more detail shortly.

The importance of context is stressed in both models, as is a deep understanding of why the policy works, with this latter condition being achieved through the exchange of increasingly detailed information and fact-finding visits. In gaining this contextual understanding, cultural, institutional and financial factors must be compared. Evans and Davies (1999) stress the importance of a value system being common to both parties in recognising and being receptive to the working practices of others.

Also important to both models is the process of deciding what is going to be imported, with policies and institutions being given as two possibilities. As noted earlier, policy transfer need not be an all or nothing process; elements of a policy or institution can be imported even if the whole is not.

The two models diverge towards the latter stages, with Evans and Davies being more explicit about the fact that a number of policies may be deemed suitable for transfer and so enter a policy stream, still requiring a decision to be made about which is judged to be the most appropriate. Even then a policy still needs to be implemented; a considerable task that brings problems of its own.

These two models of policy transfer, then, have much in common. The order of events shared by the two models may differ, but there is significant agreement on what must occur at some juncture. That there will be precisely ten or twelve stages involved in every instance of policy transfer seems unlikely as both models contain apparently arbitrary distinctions between stages. The important point about breaking down a complex process such as policy transfer into discrete and recognisable stages is that it gives the policy analyst a way to examine the process and to be able to say, at each stage, what makes a transfer more, or less, likely to occur.

Other Approaches

The use of stages models is not the only method utilised to examine policy transfer and some of the other approaches are outlined below.

In his consideration of recent developments in the field of policy transfer, Evans (2009b) sets out five approaches: process-centred; ideational; practice-based;

comparative, and multi-dimensional. Within each, distinct avenues of study are highlighted, a number of which are of interest to this study. Firstly, and within the wider practice-based approaches, lies organisational learning. Additionally, and within the ideational heading, lie the social learning and epistemic community approaches.

The introduction of an organisational learning approach to the study of policy learning is credited by Evans (2009b) to Common (2004), who argues for a synthesis of policy learning and organisational learning. One point worth noting here is that *perceptions* of success and similarity are important in effective policy transfer (Common, 2004, citing Rogers, 1995).

While social learning approaches are more concerned with developing a general theory of policy change, rather than explicitly referring to policy transfer, there are clear links between the two. Policy transfer involves the movement of ideas between systems of government and the policy-making process must take into account the role of ideas. The system of ideas accepted by the policy-making community specifies what issues are important, and so should be addressed, as well as the goals of any policy and the instruments adopted in their pursuit (Evans, 2009b, citing Hall, 1993).

The lack of attention paid to learning by the policy transfer literature is noted by Dolowitz (2009) but, explicitly viewing policy transfer as learning, Dunlop (2009) explores recent developments in the study of epistemic communities and the influence they exert. She defines such communities as “amalgams of professionals...that produce issue-relevant knowledge” and who also share a set of beliefs and common practices (Dunlop, 2009, p.292). The expertise contained within such a community enables its members to control what knowledge is produced in any field, even if they cannot control what is learned by the decision-makers they seek to influence.

As before, similarities play a major role in that, to accept an epistemic community's proposals more easily, the belief systems or mental models of the decision-makers must match those of the relevant community. If there is no match, the expectation is that the epistemic community will adapt its message better to suit the particular circumstances. What is learned, then, depends on the preferences and values of both learners and teachers (Dunlop, 2009). Such an approach, though:

underlines policy transfer processes as variously strategic, unpredictable, highly specified and difficult to steer, even for experts who initiate the process.

(Dunlop, 2009, p.307)

Further approaches, which I mention briefly here, include one focusing on strategy and the role of material interests in motivating actors (Holden, 2009). Examining policy transfer from the perspective of the exporter Holden (2009) uncovers the efforts involved in convincing the prospective adopter of the 'rightness' of the scheme in question. In this, the actors involved in the transfer are far from being neutral advisors, concepts of knowledge communities and ideology add little to the understanding of the processes involved, and lesson-drawing is of little relevance. Incrementalism, which sees decisions as being but small adjustments to the existing state (John, 1998) is brought into the analysis of policy transfer (along with the policy streams approach) by Patel (2009). The incremental model "views institutions as sticky and given to inertia" and accepts that public policies are "not made in a vacuum, without any sense of what has gone before" (Patel, 2009, p.339). However, although policies may be being developed incrementally, their adoption and implementation may occur suddenly as a 'policy window' opens for a brief time. Timing, then, may have a significant impact on the transfer of a particular policy.

2.2.2 Aids and Barriers to Policy Transfer

Successes and failures of policies are contested terms in the political world and I make no comment on the desirability of adopting any particular policy. However, this thesis does have a role in highlighting those aspects of organisational structures and culture, and of the policy process, that can be manipulated to make a desired transfer more likely to occur. I define successful policy transfer as the introduction into one geographical area of a policy formerly observed in another that achieves the outcomes intended by those adopting the policy.

If it is true that, as mentioned earlier, increased communication has led to increased policy transfer then 'good communication ability' should surely figure as one of the major characteristics of organisations that successfully transfer policies. In their examination of the apparent domination of policy transfers to the UK from the US, Dolowitz *et al* (1999) cite the common use of the English language as a major

factor. Rose (2002) too cites language as an important factor in, and a potential barrier to, policy transfer.

Gaining a deep understanding of the contexts in which a policy operates and to which it is to be transferred is a significant factor in successful policy transfer, and failure to fully understand the originating context can lead to the drawing of wrong conclusions about a policy (Toens and Landwehr, 2009). While using a common language no doubt facilitates understanding, a focus on the language would be to mistake the means for the end. In a discussion of English local authorities, one would not expect language (in the sense of the English language) to be of concern. However, if 'language' is defined as the means by which understanding someone else's situation is obtained, this perhaps goes some way to explaining why a Social Services department, say, would not easily learn from a Housing department. While they share the same language, their views of the problems faced by their clients may differ, even if their clients do not.

Commonality of language, then, is accepted here as an aid to policy transfer that underpins other helpful characteristics. Other factors seen as helpful to policy transfer are examined below, though it will become apparent that the divisions between them are not always well defined.

The 1980s saw an increase in the scale of policy transfer from a United States under President Reagan to a Britain under Prime Minister Margaret Thatcher (Dolowitz *et al*, 1999). By the mid-1990s the Clinton administration had been established in the United States and, although not yet in government in Britain, many leading figures from the Labour Party visited America to learn not only what a more left-leaning government was attempting by way of policy implementation (Evans, 2009b; 2009c), but how such a government could be elected (Dolowitz *et al*, 1999). 'New Labour' learned much from the 'New Democrats' (Naughtie, 2002; Mandelson, 2010). The reason given for the easy transfer of so many policies at these times is *ideological compatibility* (Dolowitz and Marsh, 1996; Rose, 2002). The ideological aims of the two sets of governments were aligned in that each had the same view of the problems and each wanted the same outcomes. Peters (1997) also makes many of these points.

The transfer of a policy is eased by the political structures necessary for its implementation being in place in the adopting country, though those structural arrangements can be the subject of transfer in their own right. Such a position is

referred to as *institutional/structural similarity* (Dolowitz and Marsh, 1996). While the direct converse of this similarity can be a barrier to transfer, institutions have another constraining effect: they shape the actions and values of those working within them and so influence who searches for lessons and where.

The ability of the adopting country to provide similar resources to tackling the problem as has the exporting country is referred to as *resource similarity* (Dolowitz and Marsh, 1996; Rose, 2002). Indeed, the resource implications of adopting a programme can be critical when it comes to making a decision as to whether or not to proceed.

It is rare for a British policy-maker to look to France for inspiration, even though it is geographically close. The histories and cultures of the two countries have influenced the institutions created and the British policy-maker is uncomfortable with those of France. Instead, he or she looks to the United States, Australia and New Zealand for *psychological proximity* (Rose, 2002). This 'proximity' also plays a role in gaining the deep understanding of why a policy works elsewhere that is so necessary to successful policy transfer. Familiar people and organisations will be approached before the unfamiliar (Rose, 1991).

At first sight *geographical proximity* (Newmark, 2002) might seem to argue against the importance of psychological proximity. However, there is a role for both and Rose (1991) links the two (and history) by suggesting that, given the pressures on policy makers, they will follow the line of least resistance and start searching near at hand; 'near', though, is defined in terms of space, time and familiarity. Newmark (2002) comments on the importance of geographical proximity as revealed by studies into policy diffusion between American states where it can be assumed that psychological proximity, language and the ability to understand context are all equal and therefore cease to be deciding factors. In this situation governments may choose to draw lessons from their geographically close neighbours (Rose, 1991).

Reference has already been made to the amount, and depth, of information required by the potential adopter of a policy before he or she is in a position to make a decision on whether or not to proceed. Potential adopters should therefore take into account the *availability of evidence* (Rose, 2002) and avoid considering policies from countries where sufficient documentation (preferably in their own language) is not available. Dolowitz (2003) cites failure to gather adequate information from the foreign system as one of the most overlooked risks in policy transfer. To this, Dolowitz and Marsh (2000) add a further two significant factors that impede policy

transfer: the crucial elements of the policy or institutional structure are not transferred; and that insufficient attention is paid to differences in context.

These, then, are some of the factors that point to a more, or less, successful transfer of policy, depending on their presence or absence. They relate, though, only to the organisations involved, a point that has been criticised by Evans (2009b). Features of the policies being transferred have also received attention in an attempt to ascertain whether these influence the process. However, the conclusion that “the more complex a policy or programme is the harder it will be to transfer” (Dolowitz and Marsh, 1996, p.353) does not appear to be particularly insightful. Nor do the six propositions put forward by Rose (1993, cited in Dolowitz and Marsh, 1996, p.353). These all relate to the ‘simplicity’ of the problem and its proposed solution and say that a well understood solution to a single, simple problem that tackles that problem without producing unwanted side effects is more likely to be transferred than is one that is none of these things. While this may be true, it hardly seems particularly helpful, especially to those charged with tackling difficult, multi-faceted and long-lasting policy problems, the so-called ‘wicked’ issues.

More recent examination of the British policy transfer literature suggests that there are three broad constraints on successful transfer (Evans, 2009b). Firstly, cognitive obstacles refer to the process of recognising and defining problems, the quality of the search undertaken for, the receptivity of adopters to, and the complexities of, alternatives. Secondly, there exist environmental obstacles, which include institutional constraints, the absence of cohesive policy transfer networks and ineffective mobilisation strategies being employed by transfer agents. Included within these environmental obstacles are implementation constraints, among which are the need to set coherent and consistent objectives and the use of effective evaluation systems. The third constraint is public opinion, though this is broadened to include elite groups, the media and the attitudes and resources of groups that may have an interest in the transfer. The sets of variables outlined here, though, “do not exist in a vacuum; they interact in complex and often unexpected ways” (Evans, 2009b, p.247).

Not all of the potential impediments mentioned here are new to this thesis but their interaction and the suggestion that cognitive obstacles occur at the pre-decision, searching for alternatives, phase while environmental obstacles present themselves at the implementation phase, are useful ideas to bear in mind.

Trust

Trust emerged as a significant issue in the earlier discussion on organisational learning, and will do so again in a consideration of the change management literature. Here I explore how the policy transfer literature addresses this issue.

With two slight exceptions, none of the policy transfer literature cited above explicitly discusses trust, even in voluntary transfers. These exceptions, though, make only passing references to the problem of intercultural communication and trust (Toens and Landwehr, 2009) and to networks of trusted contacts (Duncan, 2009). Although Dolowitz *et al* (1999, p.727) make a brief reference to the role played by “personal relations” these are deemed less important than commonality of language and ideology. Newmark (2002) makes a similarly brief mention of the people through whom policies are spread, but the main factors influencing transfers are noted as shared professional interests and geography. If issues of trust are important in policy transfer, then they are only implicit in the wider concepts of ideological and psychological compatibility (Rose, 2002); policy entrepreneurs and experts (Dolowitz and Marsh, 1996); and consultants (Dolowitz and Marsh, 2000). I raise these points as it may be that sharing a belief system brings with it an inherent quality of trust. An element of choice – which consultant, expert or ideologically compatible administration should be utilised – is also likely to be present, and the choices made might, at least in part, depend on the level of trust present. Dolowitz and Marsh (1996) note that the more information agents have about how a programme operates, the easier it is to transfer, but they make no mention of trust playing a role in accessing this information. The reason for this lack of discussion of trust within the policy transfer literature may have its roots in the fact that few studies of transfer identify the process directly; rather, they describe the transfer without explaining the processes involved (Dolowitz and Marsh, 2000).

This last point is acknowledged by Wolman and Page (2002) who use this as a prompt to construct a framework and undertake research that sheds light on the processes of policy transfer. Their work, then, provides a notable exception to the literature outlined above in that it explicitly considers, and notes the importance of, trust in the transfer of policies and practices.

If the literature on policy transfer is of limited assistance in unveiling the importance of trust then other, related, literatures are of more use. In a discussion on policy communities Hindmoor (1998) notes that exchanges are possible because of the presence of trust, and members trust each other because their relations are

embedded in the system within which they operate. In a paper on governance networks, Klijn *et al* (2010) note that trust stimulates learning and the exchange of information and knowledge and this, in turn, leads to enhanced problem-solving capacity and better outcomes. Importantly, they also conclude that levels of trust can be enhanced and sustained by management actions. Klijn *et al* (2010) draw the hypotheses on which they base their research from other literatures due to the lack of studies of trust in the field of public administration.

2.2.3 Policy Transfer as an Analytical Tool

Policy transfer (and related concepts) has contributed to our understanding, not just of the transfer (or not) of policies, ideas and knowledge from one polity to another, but to the more general areas of policy-making and policy change. It has particular strength in examining what is transferred, from where, and by whom, as well providing insights into what restricts or facilitates these transfers (Dolowitz and Marsh, 2000). There are, though, problems with Policy Transfer, both as a concept and in practice, the most significant of which are its inability to demonstrate when policy transfer has actually occurred (Evans, 2009a), and that:

It may be that there is no such thing as a simple policy transfer, or indeed a transfer at all. (Massey, 2009, pp.384-385)

Massey (2009) therefore prefers the term 'policy mimesis' – "the imitation or reproduction of a policy in another context" (Massey, 2009, p.383).

One further concern, that policy transfer has descriptive rather than explanatory properties, has been noted by many authors (Evans and Davies, 1999; Dolowitz, 2000; Dolowitz and Marsh, 2000; Pemberton, 2009) leading to its categorisation as "a useful heuristic model" (Evans, 2009c, p.398). Policy transfer is described as having "no predictive ability" by Newmark (2002, p.160) and its study falls short of developing an explanatory theory because of its diffuse nature and the lack of a common discourse from which hypotheses can be developed (Evans and Davies, 1999). This is illustrated by the fact that, to some, looking at one's own organisation's past is "the simplest response" to a policy problem (Rose, 2002, p.1) and "the logical place to begin" (Dolowitz and Marsh, 1996, p.351), while to others it "can be described as non-transfers" (Evans, 2009c, p.399) as looking at an organisation's past is termed "normal policy development" (Evans and Davies, 1999, p.377). A similar point is made by Bennett and Howlett (1992) who argue that the

fundamental elements of learning are conceptually unclear and utilised in different ways by different authors. The disagreement about what constitutes learning and knowledge is commented on negatively by Dolowitz (2009).

This separation of normal policy development from policy transfer, and its separation from learning and diffusion, can be a distraction from a more complete examination of the policy process (James and Lodge, 2003; Dwyer and Ellison, 2009; Pemberton, 2009) with the policy transfer framework obscuring rather than illuminating the differences between two other well-used approaches (James and Lodge, 2003). Their point is that other analytical techniques provide just as good, if not better, explanations than does policy transfer:

it is hard to think of any form of rational policy-making that does not...involve using knowledge about policies in another time or place to draw positive or negative lessons.

(James and Lodge, 2003, p.181)

However, although policy making is regularly viewed as rational, it is often a “messy process” (Dolowitz and Marsh, 1996, p.356). The limited amount of conceptual work on policy transfer is also noted by Dolowitz and Marsh (2000).

Two final concerns worth noting are the “stark failure” of theorists to engage with practitioners (Evans 2006, p.479) and the contention that the literature is predominantly apolitical (Pemberton, 2009).

As well as reviewing the more conceptual literature on policy transfer, discussed above, I also examined studies of instances of policy transfer. At least, these were studies of situations where the authors claimed that policy transfer had been attempted, or was the analytical tool best suited to their study. Supporting the third point of agreement mentioned at the start of this section, all the studies reviewed concerned international transfers.

My examination of these studies leads me to support many, if not all, of the concerns about policy transfer expressed above. In a number of cases it was not clear what policy was being transferred, or from whom, while other instances clearly demonstrated the apolitical nature of the studies. Equally clear was that stages models were used neither by the authors in their analyses, nor by the practitioners they described.

In addition to the above-mentioned critiques, I have my own concerns about policy transfer that relate specifically to this thesis. The more significant of these are that it fails to adequately define the nature of the learning involved, that it too often views the process as rational when it is not, and that it fails adequately to describe the complexities of the situations it examines. These concerns are also expressed, though not necessarily together, by Duncan (2009), Dolowitz (2009) and Toens and Landwehr (2009). However, even proponents of policy transfer analysis accept that it alone cannot provide a general theory of policy change but can when combined with other complementary approaches (Evans, 2009a).

It is with this in mind that I include policy transfer as a contributing literature to the development of this thesis. As before, this examination of the relevant literature raises some important points that merit further discussion. I will, though, undertake this discussion in §2.4, after introducing the third approach to change and learning that will inform the later chapters of this thesis.

2.3 Change Management

It is difficult to bring to mind any organisation that will not, at some time, have undergone change. Whether this change was minimal or profound, planned or unplanned, sought or enforced, it will have occurred. Change “comes in all shapes, forms and sizes...and...affects all organisations in all industries” (By, 2005, p.370).

Change can be unsettling and destabilising both to an organisation as a whole and to individuals within it. However, this is not necessarily an entirely negative position, as the unsettling the equilibrium of an organisation is a necessary precursor to implementing change and the stress induced by recognising the need for change can act as a major catalyst (Kets de Vries *et al*, 2009).

Theories of change management have been developed that seek to make any sought after aim more likely to be achieved. While any particular change may well be unique to the organisation and its context, change management theories and models postulate that certain universal principles underlie change, the understanding of which can aid its implementation. Change, then, is seen as a manageable process that can be improved by the application of intelligent thought and, therefore, as a subject worthy of theoretical and empirical research.

2.3.1 A Review of the Literature

Until the late twentieth century the gradualist theory of change held sway. In this, change was seen as incremental and cumulative. Continuous improvement was the aim, with attention focused on parts of, as opposed to whole, organisations (Hayes, 2010). These incremental changes, implemented with the aim of the organisation doing better what it already does, are termed ‘transactional’ changes. Studies from the 1970s onwards, however, have cast doubt on gradualism’s ability to explain all instances of change. The rate of change is not constant and some changes occur very quickly. This realisation has resulted in the development of the punctuated equilibrium theory in which periods of equilibrium, when only limited, incremental changes occur, alternate with periods of ‘revolutionary’ change during which an organisation can be fundamentally altered (By, 2005; Hayes, 2010). Such changes are classed as ‘transformational’.

One point repeatedly made in the literature is that the pace of change is increasing that is, the time period between discontinuous change events for any given organisation is decreasing (By, 2005; Harshak *et al*, 2010; Hayes, 2010). The literature, though, does not seem to link this to another point, on which consensus is claimed, that “the benefits from discontinuous change do not last” (By, 2005, p.372).

The literature also distinguishes between changes that are sought by, and changes that are forced upon, an organisation; that is, proactive and reactive changes. Putting together these ‘dimensions’ of change produces a typology of change illustrated at Figure 2.3.

Figure 2.3 *Types of Organisational Change*
(From Hayes, 2010, p.26, adapted from Nadler *et al*, 1995)

	Incremental	Transformational
Proactive	Tuning	Reorientation
Reactive	Adaptation	Re-creation

These four types of change are described by Nadler *et al* (1995, cited in Hayes, 2010, p.26) as follows. *Tuning*, where internally-generated changes are made, better to achieve already agreed aims, and involving only minor adjustments

to maintain the alignment between the organisation and its environment. *Adaptation* involves an incremental response to external pressures to do things better. *Reorientation* concerns changes made in anticipation of future opportunities or difficulties that redefine the nature of the organisation. Finally *re-creation* considers reactions to external pressures that change the organisation in a fundamental way. Organisations may be involved in more than one type of change at any particular time (Hayes, 2010).

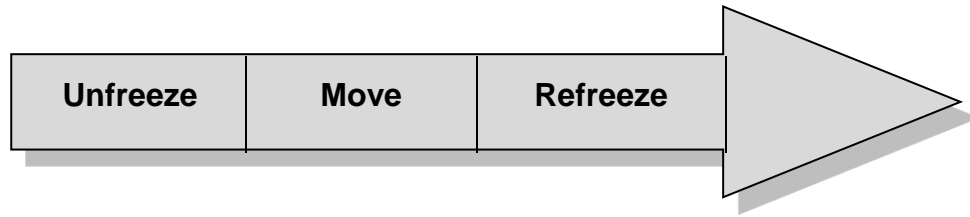
Expanding on the above reference to sought and forced changes, the literature, and what follows here, largely concerns *voluntary* changes to an organisation even though these may be *forced*. By this I mean that while a change may be required, *what* that change entails remains at the discretion of the organisation. This is not always the case and, in the context of this thesis, legislation may be used to determine what change is enacted; for example, the introduction of a Cabinet system of governance in many local authorities. This, though, is still a change, and still one that has to be managed and implemented, if not by those promoting it, and so much of the change management literature is still relevant in such situations.

2.3.2 Stages Models of Change Management

The second half of the twentieth century saw the development of a number of models of change management aimed at giving managers improved tools with which to implement change. Many of these models divide the process of planned change into separate stages set out in a linear pattern. However, it should be remembered that this division is undertaken for conceptual and managerial reasons. Any particular change may contain unique features and is almost certain to be much more complicated than any model can show. In addition, some processes are likely to be iterative and so call for one or more stages to be returned to, out of order from the model being followed.

One of the earliest and most influential models of change management is that posited by Lewin in the 1940s in which the change process is broken down into three stages, as illustrated in Figure 2.4.

Figure 2.4 Lewin's Three-Stage Model
(Adapted from Hayes, 2010, p.29)



Each stage in this process comprises a number of actions. *Unfreezing* is the term Lewin gives to preparing the organisation for change by bringing about an acceptance that the current processes and behaviours are not optimal and so need to be changed. More than this, previous behaviour has to be discarded (By, 2005) or unlearned (Goss, 2001). Unfreezing can be as necessary to incremental change as it is to transformational change (Hayes, 2010). *Movement* covers a wide range of actions undertaken to bring about change and *Refreezing* is Lewin's term for the consolidation of the new situation so that the behaviours or organisational processes do not revert to the old, inadequate state.

Following the work of Lewin, further models have been developed, between which the main point of difference appears to be the number of stages into which the process is divided. Here, I examine some of these models to draw out any common themes. Not that this is an easy task; Sirkin *et al* (2005) refer to a search of an internet book store revealing over 6,000 books with change and management in their title. It is therefore perhaps not surprising that By (2005) believes that a consensus is difficult to identify. Helpfully, though, authors in the field of change management have already published reviews and analyses of a number of leading models, and what follows is based on their work.

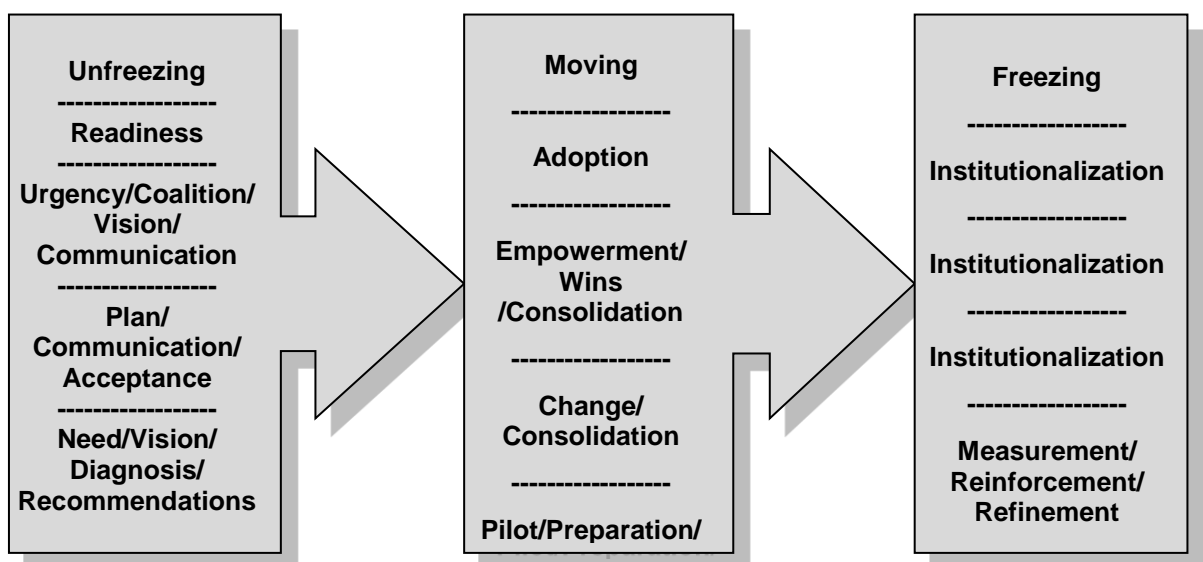
One review of models for adopting promising practices (Leseure *et al*, 2004) begins by stressing that it concerns the adoption of practices that have been successful in exemplar firms (that is, in firms not necessarily similar to those seeking to change). An example of this is the World Class Manufacturing framework (in which a firm compares its performance to that of an accepted superior) a central tenet of which is universality; that "World Class best practices...work...everywhere, and in any context" (Leseure *et al*, 2004, pp.169-170). Adopting best practice, though, is said to be an area where the UK lags behind its competitors (Leseure *et al*, 2004).

These authors develop a generic model of the adoption process that exhibits maximum compatibility with the models under review – four models supported by

empirical research and five conceptual models. This leads to the creation of a five-stage model of innovation adoption that starts with the events that lead to the decision to adopt a practice, including the discovery of needs, the search for solutions and the discovery of superior knowledge. Change, in this model, then moves through stages involving the decision to proceed and the adaptation of the best practice to suit the needs of the recipient organisation, the implementation of the change programme and the execution of short-term actions, using the new practice and resolving unexpected problems, and finally, embedding the new practice as routine and entrenched (Leseure *et al*, 2004).

Adopting a similar approach, Armenakis and Bedeian (1999) draw out common themes by examining eight models of change, four of which are stages models, with between four and nine phases. There is no overlap between the models examined by Leseure *et al* (2004) and Armenakis and Bedeian (1999). Integrating the models under review, and combining them with Lewin's three-phase change process, results in Armenakis and Bedeian (1999) producing the diagrammatic summary included here as Figure 2.5.

Figure 2.5 Change Agent Phases
(Adapted from Armenakis and Bedeian, 1999, p.305)



As with the policy transfer models, the process of change starts with the recognition that external events or internal circumstances require it (Burke and Litwin,

1992; By, 2005; Kets de Vries *et al*, 2009; Hayes, 2010). Although these external pressures, problems and opportunities are not included as a separate stage in the models considered here, their existence as *drivers* of change is acknowledged as being important. Leseure *et al*'s (2004) treatment of the drivers of change is considered below because of the assertion that these influence the outcome of a change process.

Common Features of the Models

A significant number of authors have chosen to divide the complex whole of change management into more manageable stages. The breaking down of a large problem into convenient, controllable parts is, of course, a familiar management tool and one that was seen earlier in the policy transfer models

That there are stages that must be gone through is, then, the most obvious similarity between these models. How many stages are necessary appears to be more contentious, with the number seemingly dependent on the level of detail the model's proponent wishes to include. It is not difficult to understand that a practitioner of change management may wish to apply a detailed stages model, if only to ensure that nothing important is missed. What I find more difficult is to accept that the addition of more stages, rather than detailing what needs to be undertaken at each stage, adds anything to our understanding of change.

Creating a model, though, no matter how many stages it contains, is not the same as developing a theoretical basis on which it can stand (or, just as importantly, fall). There is no doubt that many of the models mentioned above are the result of much practical work in examining successful instances of change, in many different organisations, operating in many different arenas, over many years. What is lacking, though, is any theoretical underpinning that might explain what is happening at each stage. Importantly, such a theory might explain why, for much of the time, change efforts appear to fail.

It is to the problems associated with bringing about change, and the characteristics that help change to be successfully implemented, that I now turn.

2.3.3 Aids and Barriers to Change

Despite – or perhaps because of – the large number of models available, the vast array of books and the availability of management consultants all intent on

helping the change agent to bring about a desired change, most attempts fail. A failure rate of 70 per cent is often cited (Beer and Nohria, 2000; Balogun and Hope Hailey, 2004 (cited in By, 2005, p.378); RSe consulting, 2006; Daniels, 2010) though this begs the question of how failure is defined. Whatever the truth of this figure, it is accepted in the literature that failure – in part or in whole, and at some stage of the process – is the more common outcome. This being the case, reasons for failure deserve considerable attention, even though others have tried and found “little agreement on what factors most influence transformation initiatives” (Sirkin *et al*, 2005, p.1).

I started the above paragraph with a passing reference to the fact that the sheer number of models available to the change agent may itself be a problem. This assertion is supported by Beer and Nohria (2000) who say that, in their experience most failures stem from managers:

immersing themselves in an alphabet soup of initiatives. They lose focus and become mesmerized by all the advice available. (Beer and Nohria, 2000, p.133)

To make successful change a more likely outcome, their advice is that “executives understand the nature and process of corporate change much better” (Beer and Nohria, 2000, p.133). Stages models, though, as the discussion above has shown, focus only on half of that advice, that concerning process. However, as the process followed in implementing change can influence the perception of change, the involvement of those affected, and the sequencing of activities (Armenakis and Bedeian, 1999), it is clearly an important issue and not one that can easily be separated from other considerations.

Below, I consider studies that have attempted to unearth the characteristics of organisations or of the change process that, by their presence or absence, make change more, or less, likely to be successfully achieved. As what makes a change initiative fail can be simply the converse of what makes one succeed, I do not separate the two considerations here.

Damanpour’s (1991) analysis of the relationships between innovation (with innovation being explicitly stated to be a way of changing an organisation) and 13 potential determinants yields a positive association between innovation and, *inter alia*, specialisation, functional differentiation, professionalism, managerial attitude, resources and communications. A negative association between innovation and centralisation is identified, as are non-significant associations with formalisation and

managerial tenure (Damanpour, 1991). Interestingly for this research, the characteristics of public sector organisations lead to high levels of bureaucratic control, which in turn inhibits “innovativeness” (Damanpour, 1991, p.560).

The importance of context, in the sense of adapting best practice observed elsewhere to the context of one’s own organisation, is stressed by Leseure *et al* (2004) as is the identification of the resources necessary for implementation.

While Beer and Nohria (2000) suggest that a combination of ‘hard’ and ‘soft’ approaches can radically affect the way organisations change, Sirkin *et al* (2005) concentrate on ‘hard’ change issues (time taken to complete, numbers of people involved and intended financial benefits) rather than ‘soft’ issues (leadership, culture and motivation) even though they too believe that, to successfully manage change, attention must be paid to both. Their work, which appears to be entirely empirical, with no hint of theory, concludes that the four factors that determine the outcome of a transformation initiative are the duration of the initiative, with short periods between review stages being an aid to success, the match between the skills required by the task and the skills possessed by those carrying it out, the commitment to the change by both managers and those affected by it, and the effort needed to bring about the change, with the less this is, over and above the employees normal workload, the better (Sirkin *et al*, 2005). In relation to the last factor listed here, the suggestion is made that the pressure on the existing workforce can be relieved by the bringing in of temporary workers, perhaps retired former workers, to undertake the routine activities while the permanent workers concentrate on the change process (Sirkin *et al*, 2005). This is almost the opposite of how many change programmes are handled, with temporary workers – consultants – being brought in to lead the change, while the permanent staff carry on with their day-to-day activities.

One further report (RSe consulting, 2006) supports Sirkin *et al*’s (2005) finding that the main obstacle to successful change is insufficient resourcing of the change process, and the statement that the most important factor in successfully enacting a change is engagement with staff (RSe consulting, 2006) leads me to consider a number of related findings.

People Issues

That “change is, at its core, a people process” (Harshak *et al*, 2010, p.1) should hardly need to be stated, but it is easy to overlook this in the stages models

outlined above. The terms transactional and transformational, introduced at the beginning of this section, can be redefined from a more behaviouralist standpoint that focuses on the people involved:

By *transformational* we mean [alterations that] will require entirely new behaviour sets from organizational members (Burke and Litwin, 1992, p.529)

By transactional we mean that the...alteration is via relatively short-term reciprocity among people and groups (Burke and Litwin, 1992, p.530)

With these definitions leading on to the statement that:

Transformational change is...associated more with leadership, whereas transactional change is more within the purview of management (Burke and Litwin, 1992, p.531)

If it is accepted that change involves a re-interpretation of events and the construction of shared meanings among the organisation's members at all levels then, in leading organisational change, senior executives should provide supportive leadership that fosters a shared mindset and new behaviours (Kets de Vries *et al*, 2009). Leadership, then, becomes an important factor in successful change, but leadership defined by a participatory style resulting in the establishment of shared meaning. Other authors accept this inclusive approach: Leseure *et al* (2004) stress the importance of gaining the acceptance and active involvement of those affected, to ensure commitment to the success of the change; and the second of Kotter's (1995) eight transformation steps is the creation of a powerful coalition of people who embrace the need for change and can convince others (Kotter, 1995). The third of his steps is "creating a vision", and he makes the observation that:

In every successful transformation effort that I have seen, the guiding coalition develops a picture of the future that is relatively easy to communicate and appeals to customers, stockholders, and employees. A vision always goes beyond the numbers that are found in five-year plans. A vision says something that helps clarify the direction in which an organization needs to move. (Kotter, 1995, p.63)

Critics of the planned approach to change adopted by each of the models mentioned so far argue that this presumes all those involved in the change project are willing participants interested in implementing it (By, 2005) but this is not necessarily the case. A feature common to change initiatives is the temporary

adoption, but ultimate rejection, of the necessary behavioural changes (Armenakis and Bedeian, 1999).

The successful implementation of a change initiative requires individuals to alter their behaviours but, if the change threatens an individual's self-interest, it may be resisted. Even if the need for change is accepted, the good of the organisation is not always of central concern to those affected (Armenakis and Bedeian, 1999). This leads me on to two issues that will become evident in the interview data collected for this research project: denial and resistance. Denial occurs when those in the organisation do not accept that a change is necessary, or will be implemented, and this can then be followed by resistance, as those affected withhold participation, or postpone implementation, instead making efforts to convince decision-makers that what they propose is inappropriate (Armenakis and Bedeian, 1999).

Two further, related, points are worth noting here. Firstly, Lewin (1951, cited in Hayes, 2010, p.43) argues that change can be accomplished either by increasing the forces in the direction of the required change or by diminishing the forces opposing it. However, it is the diminution or removal of restraining forces that is more likely to result in permanent change. The second point concerns the fact that, as touched upon earlier, although Leseure *et al* (2004) begin their stages model with the adoption decision, they identify that drivers for change exert an influence prior to this. These drivers fall into two categories which they term Need Pull (resulting from an internal problem, or recognition of poor performance) and Institutional Push (resulting from changes in the external environment in which the organisation operates). The pull of a strong, identified need usually results in a more successful adoption of a new practice than does a pushed adoption (Leseure *et al*, 2004).

Ironically, success can also be a barrier to change in that top executives have reached that position by successfully adopting certain practices. These practices are likely to be engrained, making them difficult to change (Hayes, 2010), and previously successful senior executives find it difficult to accept that new approaches are now needed (Kets de Vries *et al*, 2009).

In the above discussion I have moved away from the top-down approaches to change that are implicit in the stages models detailed earlier, and into an emergent approach that sees change driven from the bottom up. In this, change should be seen not as a series of linear events, but as a continuous process of adaptation to changing circumstances and conditions (By, 2005). This emergent approach is not

only concerned with alterations to organisational structures and practices, but sees change as a learning process (By, 2005). Kotter's (1995) model is an emergent model (By, 2005), though clearly a stages one. In developing this model, Kotter (1995) sets out what can go wrong at each point. His most general lesson learned is that change takes time, and each stage needs to be completed satisfactorily:

skipping steps creates only the illusion of speed and never produces a satisfying result.
(Kotter, 1995, p.59)

A lack of patience, along with a significant underestimation of the difficulty of convincing others of the need to change leads, he says, to a failure rate of 50 per cent during the first of his stages (Kotter, 1995).

One further matter that is very much a 'people issue' is that of trust. All three of the learning processes examined for this thesis involve, at some stage, the exchange of information. Very often this exchange is conducted at the personal level and so the quantity and quality of the information exchanged depends on the quality of the interpersonal relationships forged (Hayes, 2010). In this, trust plays a significant role in that a lack of trust can lead to the supply of favourable but irrelevant information and the withholding of unfavourable but relevant information (O'Reilly and Pondy, 1979, cited in Hayes, 2010, p.174). Lines *et al* (2005) make a similar point about trust and link it to both leadership and risk. To them, trust is necessary for a leader to gain access the knowledge he or she requires to solve a problem, and:

when followers feel they can trust their leaders, they will engage in behaviours that put them at risk. Such a behaviour may include sharing information with others. It may exclude a behaviour of 'covering one's back'. (Lines *et al*, 2005, p.224)

While it is not clear whether these authors have adopted the definitions of knowledge and information I set out in §2.1.1, they do draw a distinction between the two: information is exchanged, but knowledge is needed to solve a problem.

In Hayes' (2010) discussion of the "situational variables that can shape an implementation strategy" he cites one of these as being the:

Degree to which other stakeholders trust change managers: The more other stakeholders trust change managers, the more likely they are to be prepared to follow their direction. The lower the level of trust, the more change managers may have to involve others in order to win their trust and build their commitment to the change plan.
(Hayes, 2010, p.253)

Empirical evidence suggests that management actions can affect the level of trust exhibited within an organisation, with an increase being brought about by employing participative decision making, providing organisational support and the meeting of expectations (Allen *et al*, 2007).

Trust, then, has a major influence on change in a number of ways: externally, it influences the source, quantity and quality of information flowing into an organisation; internally, it affects the way people within the organisation react to change programmes.

I conclude this section with a short reference to another approach to change, but one that has strong links to both policy transfer and to the LGMA; best practice replication (Szulanski and Winter, 2002). This does not involve the creation of new knowledge, but relates to attempts by one group to capture and replicate the complex activities of another. In this situation problems arise not because of the complexity of the task, but because of the attitudes of those involved who “approach best-practice replication with...optimism and overconfidence” (Szulanski and Winter, 2002, p.64). Furthermore:

They assume, usually incorrectly, that the people running best-practice operations fully understand what makes them successful. (Szulanski and Winter, 2002, p.64)

This leads to the potential adopter making the mistake of relying too much on alleged experts and documentary evidence, neither of which fully capture the complexity of the situation. The second mistake is that managers forget that they are attempting to replicate a situation and immediately start to improve on it (Szulanski and Winter, 2002). The advice, then, is to copy as much of the original practice as is possible, as closely as possible. Only through the use of the practice and the achievement of outcomes similar to those first observed will an understanding of its qualities emerge (Szulanski and Winter, 2002).

This issue is considered further through the concept of causal ambiguity (Szulanski, 1996; Szulanski *et al*, 2004). Such ambiguity exists where the factors contributing to high performance cannot be determined precisely and may be tacit. One source of ambiguity lies in the difference between a formal description of work and the work as actually carried out, as was discussed in §2.1.1 with reference to Brown and Duguid (1991). If a donor firm cannot codify what factors have led to its

accepted success, this may lead to it supplying simplified, distorted or incomplete accounts to those wishing to replicate its practices. This, in turn, leads to the inaccurate copying of the practice. Trust then becomes an issue affecting transfer. Although also accepting the effects of trust as highlighted earlier, Szulanski *et al* (2004) and van Wijk *et al* (2008) contend that *too much trust* can be harmful to the transfer of best practices; when levels of trust of the exemplar organisation (in terms of ability or reliability) are high, the recipient organisation may postpone any critical examination of the practice, or the seeking of other sources, for longer than it otherwise would. Decisions on trustworthiness, then, need to be made carefully (Szulanski *et al*, 2004).

In this view of the transfer of best practice, the characteristics of both donor and recipient organisations are important (Szulanski, 1996).

This concludes my individual considerations of three approaches to change and learning in an organisational setting. I now move on to consider their commonalities in an attempt to build an analytical approach suited to the study of organisational learning within local government.

2.4 Analysis and Synthesis

As is clear from the foregoing discussions, there are at least three ways of viewing organisational change and learning. Indeed, the three approaches considered here contain numerous sub-divisions, each with its own epistemological basis and its own considerable literature. Each approach has its uses and, when rigorously pursued, is valid and internally consistent.

As a relativist (see Chapter Four) I do not argue for a unification of these, and other, approaches, rather I wish to explore what, if anything, they have in common, and what greater insights into a complex situation can be gained by building on each. In attempting to synthesise the approaches discussed I follow the leads, if not the details, of Huber (1991), John (1998), though his work relates to the wider field of public policy analysis; and Common (2004), who links organisational learning and policy learning. Wolman and Page (2002) and Evans (2009b) also see policy transfer as a form of organisational learning. Making a similar point, Dunlop (2009) contends that policy transfer needs to be more specific in its treatment of decision-maker learning before going on to add that:

One of the main problems is that despite the potential synergies with literatures elsewhere (most obviously in psychology, management and education) the study of policy learning remains remarkably parochial. (Dunlop, 2009, p.291)

Again linking two of the literatures discussed here, Hendry (1996) seeks to build a theory of organisational change that is congruent with learning theory and the concept of the learning organisation. I am, though, mindful of the comments of Easterby-Smith (1997) who argues against the creation of a single framework for examining organisational learning. I accept entirely that this is a multi-disciplinary field; in what follows my intention is to establish a framework that provides links rather than imposes uniformity.

2.4.1 Some Inherent Problems

In conducting the above-mentioned synthesis, I seek to address a number of problematic areas.

The first of these concerns interactions between individuals, organisations and processes. I noted, in §2.1.1, the difficulties in connecting individual and organisation learning and, in §2.2.1, the concentration on processes within the policy transfer literature. If people are mentioned at all, they are assumed to be rational agents making their decisions based on professional expertise. In §2.3.3, I noted that the planned approach to change, as exemplified by stages models, makes assumptions about the behaviour of individuals that may not be true.

This brings me onto my second concern; the common use of stages models. It is often not clear whether these are put forward as conceptual models, designed to support understanding, or as templates to be followed by practitioners. Attempting to be both runs the risk of falling between two stools. Heuristic models, as even the best models seem to be, are not without value, but to be of more use to those working in a difficult arena, work needs to be undertaken with the aim of elevating descriptions to the status of theory that explains, and allows practitioners to understand, what is taking place. In §2.1.1, I noted the comment by Kim (1993) that models (though not stages ones) of organisational learning can obscure the learning process.

My third concern is that the theories discussed in this chapter are descriptive rather than explanatory. This is, as I have shown, a common criticism of the policy transfer literature, but is also one made in the area of organisational learning (Johnson, 2002).

Two further issues that cause me some disquiet are the imprecise and varied terminology used even within a particular discipline and the contention that political science cannot demonstrate whether policy transfer has taken place. Similarly, Argyris (1999) notes both the contention that organisations cannot learn and that scholarly debate on this has lost its rigour. If these two central tenets can be undermined then surely so too can all that is built on them.

My final, and most substantial, concern relates to the issue of complexity. One point common to all three literatures is that, while each approach seems an intuitively obvious one to pursue, they are, in practice, fraught with difficulties. That the situations each literature describes are complex is no doubt a major contributory factor, but a further concern relates back to the use of stages models in that something is lost in adopting that approach, that the whole is more than the sum of its parts.

Through undertaking this research I have come to the view that it is the complexities of the situations that are the source of both the difficulties referred to above and my interest in this subject. The following comment, then, is apposite and has a utility wider than its original use in suggesting analogous relationships between work as undertaken and as set out in job descriptions, and a journey undertaken and as seen on a map. A map, though useful, does not, by itself, show how problems that present themselves can be resolved:

As a journey becomes more complex, the map increasingly conceals what is actually needed to make the journey. Thick description, by contrast, ascends from the abstraction to the concrete circumstances of actual practice.

(Brown and Duguid, 1991, p.42, based on Bourdieu, 1973)

The more complex the situation becomes, then, the more the tools so far invented to aid cognition actually begin to hinder it. Seeking to simplify the situations encountered, though understandable, is to overlook a central point. Academia, in my view, should aim at understanding complexities, not simplifying them out of existence (see Morgan, 1986). One of my aims, then, in undertaking the synthesis below is to develop a framework that allows for, and even encourages, the examination of the nature of complexity within organisational learning in local authorities.

2.4.2 Commonalities in Approach

I start this section by noting one overarching commonality. All three literatures claim that the instances of occurrence of each subject, and its study, have increased significantly in relatively recent times. Although difficult to pin down precisely, the last quarter of the twentieth century would seem to encompass the asserted increases.

Two reasons for these increases are regularly cited: globalisation and technological advances. Reference to these has already been made in relation to the policy transfer literature but very similar points are made in the change management literature (Kotter, 1995; Beer and Nohria, 2000; By, 2005) and in the organisational learning literature (Argyris, 1999; Senge, 2006). That there are many references to the increasing importance for organisations to change and learn in order to maintain their competitive edges in globalised markets emphasises the bias towards the consideration of private sector organisations. However, government publications on modernisation also contain similar references to the need for change – that the world had changed but local government had not (DETR, 1998a) – suggesting that linking the topics of local government, change and learning is a worthy undertaking.

Examining more specific commonalities within the literatures under consideration here, several thematic areas of accord emerge.

The first theme I address is that of context, in that, for a policy or practice to be transferred or learned, a deep understanding of contextual issues is needed. This is explicitly addressed within the stages models of policy transfer, is referred to in the organisational learning literature, where knowledge is defined only in its context, and in the change management literature, especially in the work of Leseure *et al* (2004). The appreciation of context is assisted by reflection and self-awareness and the value of visits is mentioned in two of the literatures considered previously.

Secondly, *what* an organisation is doing and *how* it is doing it are dependent on the wider notion of *why* it is doing it and this, in turn is embedded in an organisation's vision – its strategic aims, ambition and direction of travel. This concept is central to discussions of both transformational change and double-loop learning and is implicit in the idea of ideological compatibility.

Thirdly, networks as a means of transmitting and receiving knowledge about change and learning appear in two literatures. They are explicitly mentioned in the stages models of policy transfer and in Senge's (2006) work on organisational learning. While networks do not figure strongly in the change management literature,

it does acknowledge the important role played by groups with something in common in building coalitions for change. Groups of people undertaking the same work are central to organisational learning's theories of communities of practice and help to form policy transfer networks. In that latter literature, and in Senge's (2006) concept of 'mental models', can be seen the importance of the negotiation of meaning. Evans (2009b, p.251) notes that policy networks are "interpreted, reinterpreted and constrained by participating actors" and calls for the analysis of the complex relationship between structure and agency.

This brings me to leadership, the purpose of which can be defined as fostering shared meanings, perhaps explaining why notions of leadership and vision are sometimes linked. These issues loom large in the literatures of organisational learning and change management but feature more tangentially in the policy transfer literature. In all cases it is the clarity of such vision, the resolve with which this is pursued through leadership action, and the ways in which these permeate the structure and culture of an organisation that are deemed important and can be conducive to building a learning organisation.

Also of significance here are the treatments of denial and resistance within the organisational learning and change management literatures. While these issues, along with defensive routines, are covered in more detail in the organisational learning literature, they are raised by the change management literature and both literatures discuss the reduction of 'restraining forces' as a more effective approach to employ (Argyris, 1999; Hayes, 2010). In one seven-stage model of psychological reaction to change, denial is the second stage and is "characterized by a retreat from the reality of change" (Hayes, 2010, p.215). This may lead to changes being trivialised and energy being expended on other, less important, matters. One reason given for exhibiting denial is to reduce personal anxiety – not too far, I contend, from Argyris' notion of reducing threat and embarrassment. Importantly, and providing a link to resistance, "resistance to change is at its highest at this point" (Hayes, 2010, p.215). That denial is treated as but the second stage of a seven-stage model suggests that it is a transient position. Indeed, moving out of this stage is a prerequisite for change to be successfully implemented. How long any individual remains in the denial (or any other) stage is dependent on a range of factors such as the intensity of the change, personal resilience and the existence of other, simultaneous changes (Hayes, 2010).

Issues of trust underpin many of the above-mentioned matters. As both the organisational learning and change management literatures make clear, trust (or the lack of it) affects the exchange of relevant information, the relationship between leaders and the led, and the behaviour of those implementing processes of change. Importantly for this thesis, to adopt new practices, potential adopters must have confidence in the accuracy of the information being provided, with this confidence being a consequence of trust (Lucas, 2005). Though to a lesser extent, and not always explicitly, the policy transfer literature also considers the matter of trust, and reaches the same conclusion. That the level of trust present is a matter that is susceptible to management action is a point made explicitly in the change management and policy transfer literatures, and more implicitly in the participative model of learning contained within the organisational learning literature.

The importance of the characteristics of both recipient and donor organisations is made clear in Easterby-Smith *et al's* (2008a) treatment of organisational learning, Wolman and Page's (2002) consideration of policy transfer, and Szulanski's (1996) work on best practice transfer.

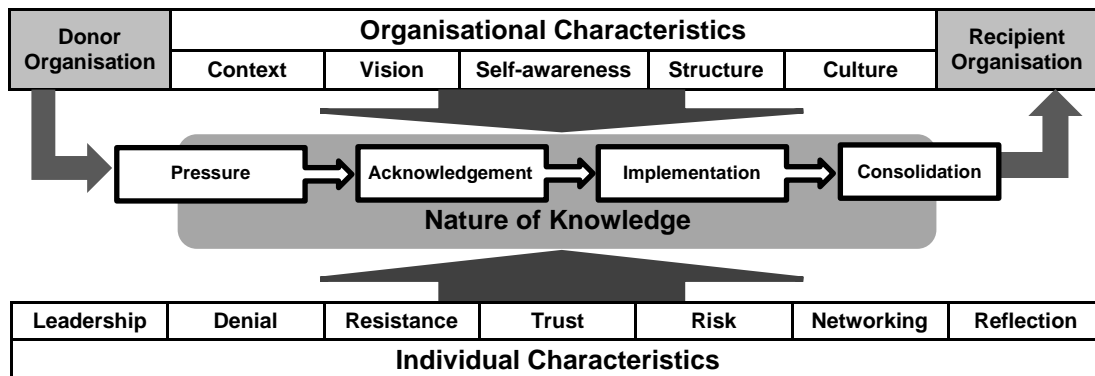
Finally, I note that the proposition that learning is embodied in doing is central to both Wenger's (1998) view of organisational learning and to Szulanski and Winter's (2002) approach to change. Similar points are made in the policy transfer literature in reference to implementation. To Evans (2009b, p.246) "the proof of policy transfer lies in its implementation", in that it is only possible to know whether a transfer has occurred, and what has been transferred, after implementation. Other policy transfer scholars also note the importance of implementation and, importantly for this thesis, link this to learning. To Toens and Landwehr (2009) learning begins only when implementation problems have been overcome, that is, when the adopted policy has been adapted better to suit the new context. Dolowitz (2009) contends that learning occurs by trial and error as the results of transfer begin to impact on the adopter's system.

2.4.3 Developing a Synthesised Framework

In developing this framework, I am cognisant of my criticisms of the use of stages models. Here, then, I make it clear that this is not intended to be a model to be followed by those seeking to bring about change and learning. Rather, it is a conceptual framework to aid the analysis of change and learning and to prompt the consideration of the interconnectedness of individuals, organisations, processes and

content of transfers in voluntary change and learning events. My framework is represented diagrammatically at Figure 2.6, and its development is described below.

Figure 2.6 A Diagrammatic Representation of the Synthesised Framework for the Analysis of Organisational Learning



The central part of this diagram results from my analysis of the change management literature, combined with Huber’s (1991) learning constructs. My contention here is that four phases adequately and sufficiently capture the change and learning processes. In this I follow the leads of Pettigrew (1985, cited in Buchanan *et al*, 2005, p.200) and Bullock and Batten (1985, cited in By, 2005, p.374) from the change management literature, and Crossan *et al*’s (1999), work on organisational learning.

Firstly, I make explicit that *pressure*, whether it results from a modification of the external environment in which the organisation operates or from an internal analysis of performance, is a necessary precondition for change to be considered and learning to be contemplated. I link this to Huber’s first construct in that the acquisition of knowledge, perhaps about comparative performance, plays a role in creating this pressure. At this stage a general area where learning should take place may be suggested, rather than what specific changes should be implemented.

Second comes an *acknowledgement* that change is required, with acceptable solutions being sought and decided upon, and the organisation prepared for the specific changes deemed necessary. I link this to Huber’s information distribution because of his reference to this leading to understanding.

Thirdly, there needs to be an *implementation* phase where the agreed changes are put into practice. I use the term implementation for three reasons: firstly because of its common use within political organisations; secondly, as a reference to the policy transfer literature, which contends that what has been transferred can only

be known after implementation, and thirdly to acknowledge the policy transfer literature's link between implementation and learning. This last point then leads to consideration of the organisational learning literature's contention that learning is embodied in doing; a point I connect to Huber's information interpretation, as information acquired and distributed becomes, through its application, knowledge.

Lastly, there needs to be *consolidation* of the new way of working, embedding it as the new organisational norm. In Huber's terms, it becomes part of the organisational memory.

The second, third and fourth phases outlined here correspond closely to the three phases illustrated at Figure 2.5, allowing the range of terms used in the literature to be examined and compared.

These, then, are the four phases that at the centre, diagrammatically, of my framework, though their separation is not always as distinct as the above description and diagram might suggest. Also, as each contains a number of sub-processes these could be divided further but this would be unhelpful: my purpose in suggesting four phases is to prompt consideration of the interconnectedness of the activities being undertaken, not the divisions between them.

The above discussion, though, focuses on processual features and this, in my view, is insufficient, and three other sets of issues need to be drawn in. The first of these relates to the nature of knowledge. This was highlighted explicitly in the diagram reproduced as Figure 2.1, and I acknowledge its importance and the effects it has on knowledge transfer. In an attempt to recognise this, I represent the nature of knowledge by the shaded, background box in Figure 2.6. In this, my intent is not to suggest that this matter should be relegated to the background but, rather, that it is an important concern that underpins the learning processes just described; it permeates and influences the processual phases.

The second set of issues relates to the organisational characteristics of the bodies involved in the learning events. These are represented in the upper box of Figure 2.6, and include the characteristics that were drawn out earlier as being central to change and learning: context; vision; self-awareness; structure, and culture. A key point to note here is that consideration needs to be given to the characteristics of both the donor and recipient organisations.

The third and final set of issues relates to individual characteristics, those of the people involved in bringing about change and learning. These are represented in

the lower box in Figure 2.6 and, again, include the main issues that influence change and learning as drawn out earlier: leadership; denial; resistance; trust; risk; networking, and reflection.

At this stage none of the individual or organisational characteristics are listed in any particular order; their influences will be exhibited at various points throughout the learning processes. Issues of similarity, seen as important in the policy transfer literature, do not feature explicitly in this framework but are considered within other, broader, characteristics, most notably that of context.

In summary, then, Figure 2.6 is intended to show that the characteristics of both the donor and recipient organisations, and of the individuals concerned, feed into the processes of change and learning and that these processes are influenced by the nature of the knowledge being transferred.

In §2.4.1 I set out six concerns I had regarding the literature reviewed in this chapter and these are addressed within the synthesised framework. Firstly, the interaction between individuals, organisations and processes is explicit in Figure 2.6. My second concern, regarding the use to which such models are put, I dealt with at the beginning of this section. The addressing of my third concern, the lack of explanatory powers of other models, will become more apparent through this model's use. By bringing together the various elements illustrated in Figure 2.6 to analyse change and learning events, an explanation of what is occurring becomes clearer. The varied terminology used within the various disciplines is not something that I can influence greatly. What I have done, though, is to devise a model that makes clear that although scholars in various disciplines are using different languages, they are, in essence, discussing the same issues. My fifth concern related to the inability, as some see it, of stating whether learning, or transfer, has indeed occurred. These points are best captured in the implementation and consolidation phases of Figure 2.6, where the act of learning or transfer becomes apparent in its adaptation and embedding within the recipient organisation. These procedures, though, need to be supported by the reflective practices of those involved and the structural and cultural aspects of the organisation that assess their effectiveness. My final concern, regarding the complexity of the situations being considered is addressed by the synthesised framework in that it draws together the various aspects that need to be considered if a fuller picture of the complex whole is to be revealed.

I now move on to make use of the synthesised approach to learning and change developed above in an examination of local government modernisation.

Chapter Three

Modernisation:

Labour's Local Government Reform Programme and its Links to Organisational Learning

*'That's a great deal to make one word mean,'
Alice said in a thoughtful tone.
Lewis Carroll, Through the Looking Glass*

This thesis examines modernisation through a very specific lens; that of organisational learning. Of necessity, therefore, it disregards much of the modernisation agenda and its treatment by the political science discipline and refers to that literature only where it and my interests coincide. For fuller discussions, I would refer readers to publications such as Newman (2001) for a general treatment of the subject, to Leach and Percy-Smith (2001), Stewart (2003) and Stoker and Wilson (2004) for analyses of local government modernisation, and to Stoker (2004) and Massey and Pyper (2005) for discussions of the antecedence of modernisation.

3.1 The Road to Modernisation

Underpinning this research is my contention that the modernisation agenda acted as a driver for more, and better, organisational learning within the public sector. Later in this chapter I will draw out the links between modernisation and organisational learning that led me to this view, but here I provide a more general overview.

As a Historical Institutionalist (see Chapter Four) it is incumbent on me to ask "why now?", that is, why should modernisation, rather than any previous reform programme, have such strong links to organisational learning? I believe there are three possible explanations. Firstly, that previous reform programmes contained similar connections, but these were either unnoticed or ignored. Secondly, that the two are linked only by *zeitgeist*, in that they happened at a time of heightened interest in both, but there is no causal link. Thirdly, that modernisation possesses a predisposition to organisational learning.

This is not a detached argument. If one takes the view, as I do, that both local government and organisational learning are important and the two ought to be more closely linked by practitioners and theorists alike, then an understanding of what factors may result in this closer linkage assumes major significance. That being the case, and while not totally dismissing the first two possibilities outlined above, it is the third on which I concentrate here.

Models of Public Administration

Public administration (not exclusively in Britain) is often divided into two phases: the Traditional Model, built on bureaucratic principles, beginning in the mid-19th century and lasting until the latter part of the 20th; and the New Public Management (NPM) that superseded it (Hughes, 2003; Cline, 2008). Whether the 'modernisation era' – variously known by that name, The Third Way (Giddens, 1998), local governance (Leach and Percy-Smith, 2001; Goss, 2001) or Community Governance (Ross and Osborne, 1999) – constitutes a new paradigm remains a matter of debate. My only contention is that, in terms of organisational learning, modernisation provided a need and a stimulus that previous models did not.

The Traditional Model and Bureaucracy

Integral to the Traditional Model is the impersonal application of rules and procedures (Hughes, 2003). While 'bureaucrats' need to learn these rules and apply them consistently, there is no need for the organisation to learn anything of their effects:

a bureaucratic organization...cannot correct its behaviour by learning from its errors.

(Crozier, 1964, cited in Hughes, 2003, p.37)

The separation of politics from administration, of policy making from policy implementation, is a characteristic of the Traditional Model, but inherent to it is the reluctance of officials to recognise the political significance of their work (Hughes, 2003). Further, the Traditional Model:

imposes a negative form of control, which seeks to avoid embarrassing mistakes rather than provide any positive incentive to improve efficiency. (Hughes, 2003, p.33)

New Public Management

NPM was characterised by the continued separation of strategic policy from operational management, a concern with results rather than procedures, a focus on the needs of citizens rather than the interests of the organisation, a withdrawal from direct service provision in favour of an enabling role, and an entrepreneurial management culture (Minogue, 2000). While these characteristics may promote organisational learning, the way in which they were embodied in the British local government reforms of the 1980s introduced serious impediments.

The first of these linked problems is that those reforms centred on economy rather than efficiency; on the reduction of the input of public money, with less regard being paid to outcomes (Lawton and Rose, 1994; Stoker, 2004). Secondly, those reforms centred more on competition than collaboration (Massey and Pyper, 2005) and thirdly, the way performance information was used resulted in a managerial approach to meeting targets set from above (Massey and Pyper, 2005).

Taken together, the reforms enacted under the banner of NPM created a culture of de-politicisation and managerialism, but:

Such a culture does not lead to the development of learning organisations, able to respond to the needs of customers and citizens, but the establishment of a monitoring and audit culture. It is a stunted, withered thing in which officials are afraid to make innovative decisions and managers enforce obedience to the latest centrally directed performance targets. (Massey and Pyper, 2005, p.38)

Similar points regarding NPM's damaging effects on the public sector's capacity to learn are made by Common (2004).

The Traditional Model and NPM, then, may not have prohibited *individual* acts of learning, but *collective* acts of *organisational* learning were largely unnecessary. Modernisation – a more collaborative, networked system of governance – then, seems a more likely driver of organisational learning.

Changes in Local Government

The above-mentioned models of public administration are mirrored in local government reforms.

The post-war era is often seen as a stable one for local government: the demands placed on it were “unchanging and certain” (Leach *et al*, 1994, p.52), and

local authorities were confident that they knew what was required, if delivering it in a “dominant and rather domineering” manner (Stoker, 2004, pp.12-13). Three events, though, contributed to changing the face of English local government.

The Maud Report, published in 1967, expressed concerns about the lack of unity within authorities and the dangers of departmentalism, and proposed fewer, more deliberative committees, with executive functions transferred to a Management Board consisting of five to nine councillors. The report led to the development of corporate management systems in local government, with the appointment of Chief Executives, rather than Clerks (Leach *et al*, 1994).

The Redcliffe-Maud Report, published in 1969, led to the 1974 reorganisation of English local government. Among the first actions of the newly-created councils was the elimination of any differences in policies and practices of the former constituent authorities in order to provide a common standard of service. However:

the possibility that the differences reflected real differences in needs and wishes was not even considered. (Leach *et al*, 1994, pp.23-24)

The Bains Report, published in 1972, commented on local government’s role in supporting an area’s economic and physical well-being, and wished to see the committee structure linked to an authority’s objectives, not to service provision. Its stress on the importance of corporate management led to the establishment of Policy and Resources Committees and a more clearly defined role for Chief Executives (Leach *et al*, 1994).

These three reports set both the terms of the debate around local government at the time and the structures (internal and geographical) that were still in place when Labour came to power in 1997 (and, though to a lesser extent, even today).

One further document is worth mentioning, albeit briefly, as it appears to have had little immediate effect. The Department of the Environment published, in 1991, a consultation paper that stressed the enabling role of councils and called for more responsive management structures. The executive could be strengthened by the creation of a cabinet, a directly-elected executive or mayor, a council manager, or by adapting the committee system (Leach *et al*, 1994). All these matters were raised again just a few years later as part of the modernisation agenda.

3.2 Key Themes of Modernisation

I start by setting out the main themes present in the major government publications on modernisation. Taking the modernisation of public services in general first, Figure 3.1 encapsulates the themes contained in four important documents.

Performing the same operation in relation to local government modernisation results in Figure 3.2 which, again, encapsulates the major themes contained in three significant White Papers.

Figure 3.1 The Principles of Modernisation

Modernising Government (Cabinet Office, 1999)	Reforming our Public Services (OSPR, 2002)	Building on Progress (PMSU, 2007)	Excellence and Fairness (Cabinet Office, 2008)
<ul style="list-style-type: none"> • Services responsive to public • Joined-up, strategic policy making • High quality services 	<ul style="list-style-type: none"> • Increased options for public • Devolution to front-line staff • Flexibility of staff to improve services • National Standards – target setting 	<ul style="list-style-type: none"> • Services responsive to public • Equitable provision • High quality services, continually improving 	<ul style="list-style-type: none"> • Citizen empowerment • Professionals as catalysts of change • Strategic leadership from Government

Figure 3.2 The Principles of Local Government Modernisation

Modern Local Government – In Touch with the People (DETR, 1998a)	Strong Local Leadership – Quality Public Services (DTLR, 2001)	Strong and Prosperous Communities (DCLG, 2006)
<ul style="list-style-type: none"> • Strong links between councils and local people • High quality services everywhere • Spreading Best Practice • Tackling serious failure 	<ul style="list-style-type: none"> • Clearly defined priorities and exacting performance standards • Regular assessment against those standards • Co-ordinated rewards and incentives to drive service improvements 	<ul style="list-style-type: none"> • Services responsive to local communities and citizens • Strong, visible, strategic leadership locally and across City Regions leading to place-shaping • Simplified performance framework • Efficient local services • Cohesive communities

The intentions of the 1998 Local Government White Paper are perhaps best summed up in the statements that the modernisation of local government was a strategy to achieve “a bigger say for local people” and “a better deal for local people” (DETR, 1998a, para.2.12). To these the desire for equity can be added. Although this emerges explicitly only in the later documents, it is implicit in the earlier publications, for example in the desire see high quality services provided *everywhere*. These themes can be seen to thread their way through the key principles set out in both Figure 3.1 and Figure 3.2. Whatever specific policies were outlined in the seven documents listed here, these principles underpin them. Modernisation, then, boils down to three ideas; better public services, more responsive to the public and equitably delivered. Explicit in the 1998 White Paper is that local authorities fell short of the new government’s aspirations: that local services were not good enough everywhere; and that councils were largely inward looking, more concerned with their own processes than with the needs of the public. The blame for this situation was laid firmly at the foot of the framework within which councils worked and so it was this framework that local government modernisation set out to change.

The coherence (or otherwise) of the LGMA has been the subject of academic analysis, with Downe and Martin (2006) outlining a number of such studies before detailing their own. In this, they find that consideration of the outcomes of the modernisation agenda, rather than the means of achieving them, uncovers a greater degree of coherence than previously acknowledged and outline five aspirations of modernisation that are similar to those I set out above. Stoker (2002; 2004), though, does examine the means of delivering the intended outcomes and finds the modernisation incoherent, but “with reason, and for a purpose” (Stoker, 2004, p.69). Labour’s strategy of deliberately “letting a thousand flowers bloom” (Stoker, 2004, p.78) was built partly on their distrust of local government and partly on a lack of knowledge of what would work (Stoker, 2002). Such a strategy could be effective and desirable, but:

will work best where the system develops an extensive capacity to learn about what works and a capacity to spread best practice. (Stoker, 2002, p.433)

These are both matters that will be considered in this thesis.

3.3 Modernisation and Organisational Learning

As the above quote from Stoker (2002) suggests, the success of the LGMA was, at least in part, dependent on the presence of organisational learning. In this section I examine the links between the two in more detail.

Evidence of Increased Interest

As part of the long-term analysis of one modernisation initiative the Department for Communities and Local Government (DCLG) commissioned Warwick University Business School to produce a systematic review of the literature on organisational learning. The fact that this publication (Rashman *et al*, 2008) exists, and was brought into being by the government is, in itself, evidence for an increased awareness of the concept of organisational learning, but may also point to a lack of understanding of the subject.

This publication noted the “explosion of interest” in organisational learning in recent years, resulting in “an extensive selection of literature from the 1990s and onwards” (Rashman *et al*, 2008, p.12) and detailed an upward, if uneven, trend in publication frequency with nearly half of the literature reviewed being published in the five years up to 2005. Earlier in this thesis (§2.1.1) I referred to other studies showing increased interest in organisational learning at this time. Despite the authors’ attempts to target public sector research, they found that the literature was “overwhelmingly related to the private sector” (Rashman *et al*, 2008, p.15). A general increase in interest in the concept of organisational learning had, then, recently occurred, and this interest had reached the DCLG despite little of the literature relating to the public sector.

Organisational learning seems to have been in the ether at the time the modernisation agenda was being devised and implemented but, for evidence of more direct links between the two, I look elsewhere.

More Explicit Links

Labour’s approach to governing was influenced by *Reinventing Government* (Osborne and Gaebler, 1992). This influence was both direct (Ashdown, 2000) and indirect via the Clinton administrations in America (Hughes, 2003; Blair, 2010), with the latter perhaps illustrating ideological compatibility at work. Osborne and Gaebler (1992) cite the creation of learning organisations as being one of the outcomes of the financial difficulties facing American local government in the early 1980s, the

experiences of which provide the bases for many of their ideas. A number of these proposals were taken up by the modernisation programme, including that public organisations should concentrate on “steering rather than rowing” (Osborne and Gaebler, 1992, p.25), providing a direction for public services, rather than being overly involved in their delivery. Their claim that ‘steering organisations’ can promote experimentation and learn from success is therefore particularly relevant here. Competition, too, is seen as a source of learning in that services in different cities should be compared through the use of management information. As will be shown, such comparisons were central to a number of modernisation initiatives. Hughes (2003) goes so far as to state that Osborne and Gaebler’s (1992) phrase ‘entrepreneurial government’ is synonymous with NPM, thereby supporting the contention, examined earlier, that modernisation built on this administrative model.

Osborne and Gaebler’s (1992) work, then, influenced the modernisation agenda and has running through it a number of references to the need to share knowledge and to learn. Although the use of the term ‘organisational learning’ is sparing, references to the concept are more prevalent and, importantly here, relate to the public sector.

Labour’s 1997 manifesto, *New Labour because Britain deserves better* (Labour Party, 1997), included references to the use (in the NHS) of pilots, innovation and the spreading of best practice, with this latter point being extended to cover local government in the new government’s first White Paper in this area (DETR, 1998a). Implicit in these statements is an assumption that, by some unspecified, perhaps even unknown, means it is possible for an organisation to adapt its policies, practices and behaviour through the acquisition of knowledge of what others have done; in short, that it can learn.

Not that this was seen as the only way to bring about improvements in service delivery, as Labour’s 1997 manifesto also refers to the government taking upon itself the ability to impose a new management team on any failing authority. Such powers are mentioned at a number of points in the 1998 White Paper, but a less interventionist approach to improving local government services also included there was the Beacon Council Scheme. I shall consider this in more detail later, but the very existence of a scheme to identify exemplar councils raises three points relevant to this thesis. Firstly, it presumes that councils are able to learn from the experiences of others. Secondly, it assumes that Beacon Councils can and will ‘teach’ their

success to others. Thirdly, it suggests that incentives for achieving and sharing excellence are necessary, in that Beacon Councils are promised “more freedom” and “greater discretion” (DETR, 1998a, paras 2.23–2.24). Such freedoms, though, did not always materialise, as I will discuss later.

Reading the 1998 White Paper with the knowledge acquired in the previous chapter of this thesis enables a number of relevant points to be drawn out. Firstly, although the issue is raised even in the introduction, Chapter One is entitled “the need for change”, thereby explicitly addressing the starting points of all three of the approaches to change and learning examined previously and perhaps attempting to reduce the restraining forces also mentioned earlier. Secondly, the White Paper explicitly states that:

The Government will motivate and manage the process of change in partnership with local government. (DETR, 1998a, Outline paragraph 4)

Partnerships between local and central government, though, are nothing if not asymmetric and, although the need for change to be managed is recognised here, it is clear who will be doing the managing; ‘Institutional Push’ will be applied if ‘Need Pull’ proves to be an inadequate driver of change. Thirdly, the White Paper attempts to promote a change by citing New Zealand and North Rhine-Westphalia as polities to be emulated. Both are named as areas that had previously based their local government systems on the British model, but which had changed to ones where executive and representative roles were separated. North Rhine-Westphalia was probably not an area with which many in English local government were familiar, nor was any evidence offered on the success of the changes to its governance structures. I mention this here as it is an example of policy transfer, albeit a clumsy one that ignores many of the issues explored earlier.

A further initiative, the legislative basis for which was set out in the 1998 White Paper, though the idea had been introduced somewhat earlier, was that of Best Value. Again, I shall discuss this in more detail shortly; here I merely note that it was a performance management tool. Not that performance management was being introduced to local government for the first time, as the 1998 White Paper noted, it was already well used by some local authorities:

The most effective authorities know where they stand...and where they want to get to.

(DETR 1998a, para.7.9)

Implicit in this statement are notions of self-awareness and vision: two issues I include in my synthesised framework. In that quote, though, any notion of 'vision' is a rather narrow, service-specific one. Other sections of the 1998 White Paper are, however, more explicit in defining a role of a 'modern' council as providing community leadership and developing a vision not just for their organisation, but for their locality. Again this combines two of the factors included in my framework: leadership and vision. 'Leadership', as used here, though, is of a more traditional kind and not linked to the sharing of meaning.

An examination of *Modernising Government* (Cabinet Office, 1999) shows that the concept of organisational learning was again present, as there are frequent references to innovation, sharing best practice and evaluating policies and programmes. Perhaps more importantly, this document makes reference to numerous mechanisms by which these ideas will be put into practice and states that the Improvement and Development Agency (IDeA) would champion "a best practice culture in local government" (Cabinet Office, 1999, p.39). These proposals culminate in the statement that:

The public service must become a learning organisation. It needs to learn from its past successes and failures. It needs consistently to benchmark itself against the best. Staff must be helped to learn new skills throughout their careers.

(Cabinet Office, 1999, p.56)

Here, then, is perhaps the first unambiguous statement linking modernisation with organisational learning. Not only is a closely related term explicitly mentioned, but it is acknowledged that knowledge does not, of its own accord, move around quite as freely as was previously implied; it needs to be helped by the development and use of appropriate mechanisms and skills. It is also worth noting the desire to create a "more innovative and less risk-averse culture in the civil service" (Cabinet Office, 1999, p.56) and the explicit reference to the existence of political cultures that:

create a situation in which the rewards for success are limited and penalties for failure can be severe. The system is too often risk averse. (Cabinet Office, 1999, p.11)

The treatment of risk is another of the issues contained within my analytical framework.

Early in its second term, the government produced another substantial White Paper on local government reform *Strong Local Leadership – Quality Public Services* (DTLR, 2001). As the name suggests, its aim was the improvement of local public services; improvements that would result from stronger leadership. Again, though, a more traditional view of leadership is adopted.

In the government's view, this White Paper marked "a radical change in the relationship between central and local government" (DTLR, 2001, p.9), along with a focus on outcomes, rather than control over inputs and processes. The relationship between central and local government, then, had been identified by central government as being an important factor, though 'trust' is not mentioned. While it may be the case that more trust in local authorities is evident in the government's proposals to reduce the number of plans councils had to produce, shift some financial controls to the local level and remove "many requirements for councils to obtain Government consent before acting" (DTLR, 2001, p.11), such trust had to be earned (Lowndes 1999a; Stoker, 2002). Later in the White Paper, it was made clear that, although the government's intention was "to reward and incentivise success, not to penalise failure" (DTLR, 2001, p.65), they were:

fully prepared to take freedoms...away from authorities that prove incapable of exercising them responsibly. (DTLR, 2001, p.65)

Any trust, then, was not absolute.

In order to ensure the delivery of better services, the government would:

draw together support...for building councils' capacity to deliver and improving the skills of councillors and council staff. (DTLR, 2001, p.12)

Indeed, a whole chapter (Chapter Five of Part I) of the 2001 White Paper was devoted to detailing the government's plans for supporting councils. The large number of issues highlighted bears witness to the varied nature of the factors affecting local government's ability to improve and the large number of bodies offering assistance points to the existence of a complex system of supporting mechanisms. This multitude of organisations does, though, give the impression that the government had adopted a 'blunderbuss' approach to improvement, firing at local government a wide range of differing but undifferentiated resources, with each treated as being equally relevant. What appears to be lacking at this stage is any

understanding of what mechanisms might work, in what circumstances, and why, echoing Stoker's (2002) point concerning the incoherence of the LGMA as a whole. The wide range of organisations providing assistance to local authorities was commented upon negatively by some local authority Chief Executives interviewed during the course of this research.

The fact that the government felt the need to 'draw together' the available support suggests some unease about the range of resources available, though it is unclear whether this disquiet centred on effectiveness or economy. That this was an issue of concern is underlined by the earlier commissioning, by a part of the Cabinet Office, of research into the dissemination of best practice. That research (King and Ollerearnshaw, 2000) found that little attention had been paid to the effectiveness of the available methods and highlighted a number of common themes present in successful dissemination, rather than providing a ready-made template.

One initiative contained in the 2001 White Paper and of particular interest to this research is the CPA. Again, this will be examined in more detail later, but briefly, the aim was to provide a picture of a council's overall performance by assessing its corporate capabilities (DTLR, 2001).

The publication *Reforming our public services* (OPSR, 2002), set out four principles for reform based, it said, on experience of what works. Three of these were National Standards (target setting), Devolution (giving front-line professionals freedom as to how the agreed standards are met) and Flexibility (removing bureaucratic barriers that prevent staff improving services). The positive influence of these on organisational learning has already been noted – though target setting can be something of a double-edged sword, depending on how it is used.

Of interest to this study is the almost total lack of any reference within this document to the sharing of best practice. In fact it goes further than simply not mentioning the sharing of information; it removes, in two instances, any need for it to occur. Rather than telling others what had worked for them, it was proposed that successful schools would be given opportunities to expand, and high performing local authorities would be allowed to provide their services in neighbouring areas (OPSR, 2002).

The importance of sharing best practice, though, was commented upon by the Prime Minister during a speech that centred on the personalisation of services and how this would induce continuous improvement. Driving up standards across the board, the Prime Minister said, was achieved “partly [by] the spread of best practice” with the centre acting “as a resource for best practise” so that it could be shared, and the benefits felt, more widely (Blair, 2004). Towards the end of his speech, Blair stated that “every public sector organisation needs to be a learning organisation” (Blair, 2004). Although not quite using the term, it is clear that ‘organisational learning’ was on the government’s agenda and it was understood, by the Prime Minister at least, that central government had a role to play in helping it to occur. Blair’s acceptance of the limitations of top-down reform, commented on in this speech, is said, though perhaps with the benefit of hindsight, to have occurred towards the end of Labour’s first term in office (Blair, 2010). In a more contemporary account, however, Stoker (2002) notes that Gordon Brown, then Chancellor but later to become Prime Minister, committed to a more localist approach at that same time.

The acceptance of the need to share good practice, and a commitment to making it happen, continued into Labour’s third term and are included in the government’s third major local government White Paper (DCLG, 2006). This contains explicit acknowledgement that mechanisms are needed to enable expertise to be shared and perhaps implicitly acknowledges that previous attempts to ‘draw together’ local government’s support systems, mentioned above, had not been entirely successful, as there is reference to changes being made “to provide a co-ordinated source of support for local authorities” (DCLG, 2006, p.129). Although one of the motives for this was value for money, the tone of the section concerning “sectoral improvement support” (DCLG, 2006, p.129) is one of helping local government to devise for itself the structures it would find most effective. In this, the government was being consistent with its approach to wider public sector reforms, as detailed in the Prime Minister’s Strategy Unit’s discussion paper *The UK Government’s Approach to Public Service Reform* (PMSU, 2006) where the establishment of a ‘self-improving system’ was repeatedly stated to be the aim of the reform process. Previously, the government had been criticised for acting upon an underdeveloped theory of change (Benington, 2000; Rashman and Hartley, 2002; Jones, 2005; Rashman *et al*, 2005); now it set out a model of reform that comes closest to articulating such a theory. Better public services would result from the combination of four approaches: top-

down performance management; the involvement of service users; market incentives, and strengthening the capabilities and capacities of service providers (PMSU, 2006). The first two of these strands were explicitly aimed at providing pressure to change and the last contained elements aimed at improved leadership and networking. Although each of the four components receives equal prominence, Rashman *et al* (2009, p.466) note that, in terms of both attention paid and funding allocated, learning was the “poor cousin” to the government’s preferred methods of raising performance that centred on top-down practices, audit and inspection. Explicit references to learning within PMSU (2006) number only three and none are substantial.

The 2006 White Paper also contained the proposal that a number of service inspections would cease, being subsumed, along with the CPA, into the proposed Comprehensive Area Assessment (CAA) to be introduced in 2009. Again, I will return to this later.

One further government publication *Excellence and fairness: Achieving world class public services* (Cabinet Office, 2008) is worth noting here as it looks back at the previous decade of modernisation – a word now conspicuous by its absence. In a critique of this document, Taylor (2008) comments that, in common with most descriptions of public sector reform, the differences between sectors are understated. He also teases out three distinct stages of reform: centralised reconstruction; system reform, and capacity building. While hindsight may play a part in identifying these phases, Barber (2007a), recounting his time at the Prime Minister’s Delivery Unit, makes a similar point, adding to the evidence for a change in approach. He states that, in the early days of the Labour government, a top-down approach to service improvement was necessary to move services from being “awful” to being “adequate” (Barber, 2007a, p.238). As the implementation of reforms brought the intended results, this was replaced by a less overbearing approach – one characterised by the acknowledgement of the needs to establish a self-improving system and to share best practice. Barber (2007b) acknowledges that the benefits of command and control are less clear once performance has reached an adequate standard, and Taylor (2008) cites the creation of a self-improving system as a characteristic of his system reform phase.

Evidence for a change in attitude on the part of central government is, then, contained in a number of documents published in the mid-2000s and inherent to this

new approach are notions of trust, self-awareness, reflection and learning by doing; all of which are included in my analytical framework.

The 2008 Cabinet Office document contains a number of further points worth noting here. To unearth the characteristics of world class public services the government had examined the best public services in the world and in the UK (Cabinet Office, 2008) thereby undertaking at least some of the processes of policy transfer. One common feature uncovered was that of professionals acting as catalysts for change, unlike in the past, when they had been “discouraged...from developing or sharing new ideas” (Cabinet Office, 2008, p.14). A further characteristic was that of governments providing strategic leadership, including establishing a clear vision, a stable framework and “accessible and consistent information on performance” (Cabinet Office, 2008, pp.13-14). In drawing these conclusions the government can be seen to recognise a number of concepts relevant to change and learning. Firstly that catalysts for change are necessary, that ‘professionals’ can undertake this role, and that they have previously been prevented from doing so. Secondly, that a clear vision is important, and thirdly that consistent performance information can aid reflection and self-awareness. Finally, and overarching the above, the strategic role of government – steering rather than rowing – is accepted as being important in providing a framework in which learning and change can take place.

The above analysis leads me to assert that, though varying in prominence and in detail, Labour’s modernisation agenda has running through it an assumption that organisational learning will occur. More than that, for the reforms to succeed, organisational learning must occur. Over the course of the modernisation programme, references to learning changed, perhaps in response to changes in the government’s own understanding of the issue. In the early phases there was no more than an implicit assumption that such transfers of knowledge could, and therefore would, occur. Later, this changed to a more explicit acknowledgement that learning and change needed support, and that the dissemination throughout local government of new policies and new ways of working could not be left to chance.

This assertion applies to specific initiatives as much as it does to modernisation in general, and it is to three particular initiatives that I now turn.

3.4 Specific Modernisation Initiatives and Learning

The following sections examine three LGMA initiatives: Best Value; the Beacon Council Scheme, and the Comprehensive Assessments. This examination is undertaken for two reasons, the first being to draw out the elements of these initiatives that have an influence on organisational learning. Secondly, the interviews with local authority Chief Executives carried out for this research involved discussion of these initiatives, so some knowledge of them is needed to fully appreciate the points those interviewees made. In each case I consider how the scheme was intended to work, as set out mainly in government and Audit Commission documents, before drawing out the links to organisational learning through the application of my synthesised analytical framework.

3.4.1 Best Value

What was Best Value?

The Audit Commission provide a useful outline of Best Value:

Best value is a performance framework...[that] requires local authorities to deliver services to clear standards by the most economic, efficient and effective means available. Authorities are expected to achieve continuous improvement in all their services. The poorest performing authorities are to reach the performance of the best within five years. (Audit Commission, 2001a, p.4).

Replacing the previous Conservative government's Compulsory Competitive Tendering (CCT), the duty of Best Value came into force in 2000 and applied not only to councils, but to Fire, Police, Waste Disposal, National Park and National Broads authorities as well (DETR/Audit Commission, 1999). Should an authority fail to deliver Best Value, the Secretary of State could intervene (DETR, 1998b). It was, then, one of the first LGMA initiatives and was aimed at improving the quality of public services while keeping cost as a matter of critical concern, as it included a target of two per cent efficiency improvements each year (DETR, 1999a). The overarching aim of the regime was to "achieve a commitment to sustained improvement" in all authorities, big and small, urban and rural and amongst members and officers (DETR, 1998b, p.7).

In advance of legislation being passed nearly 40 local authorities and two police authorities agreed to become pilot Best Value authorities, the intention being

to use their experiences to shape the framework's implementation (DETR, 1998b). In a parallel development a number of authorities joined together under the auspices of the University of Warwick's Business School to form the Better Value Development Programme. That programme's final report (Allison *et al*, 2000) accepted that, while the number of local authority networks was growing, there was less understanding of what learning took place in them. One aim of that research programme was therefore to explore the ingredients of inter-organisational learning networks in an attempt to find out what made them sustainable and replicable (Allison *et al*, 2000).

Best Value and Learning

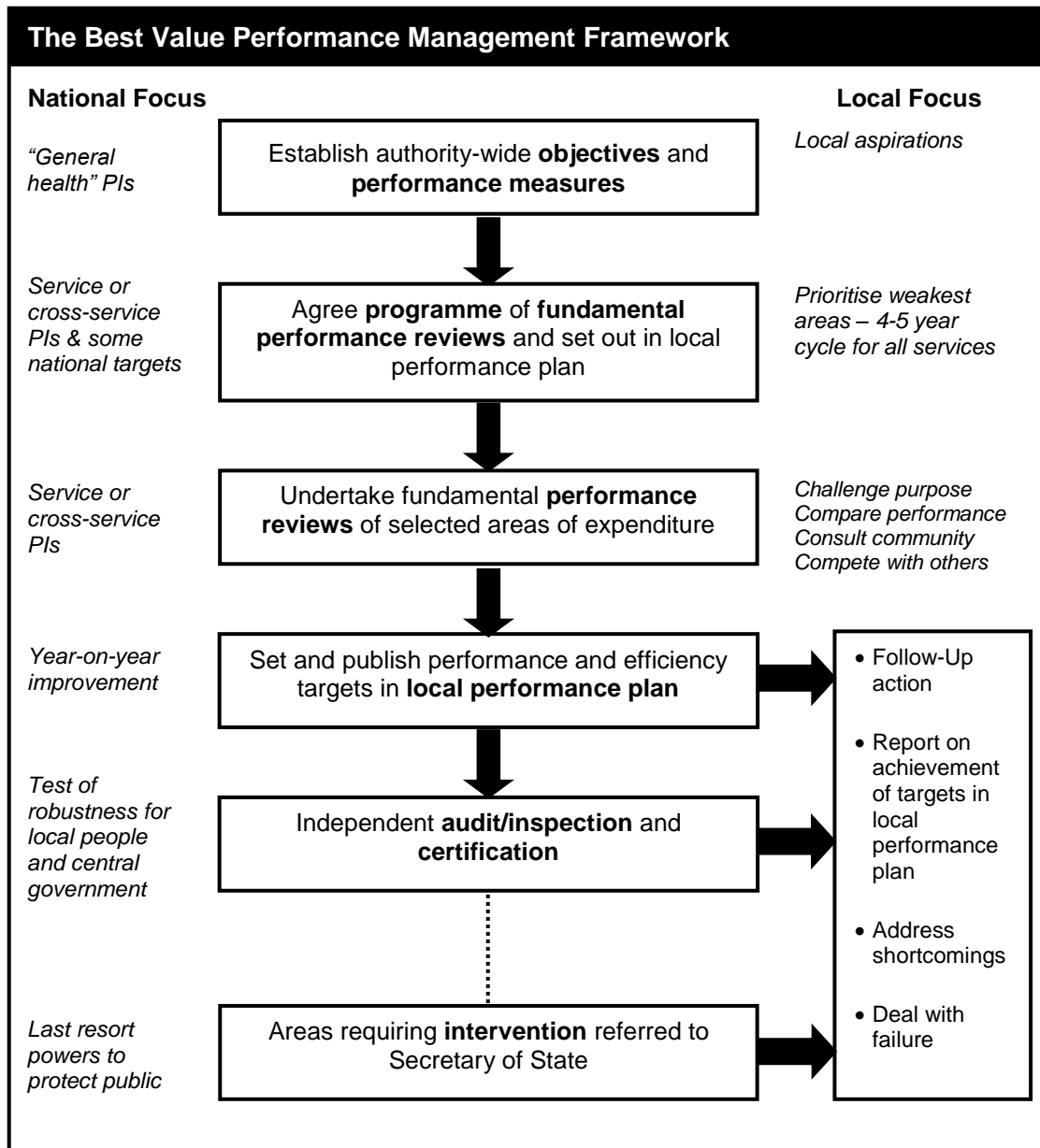
How Best Value would work in practice is summarised in a diagram, reproduced below as Figure 3.3, which divides the scheme into a number of stages.

The first stage was for each authority to develop a long-term vision for its area (DETR, 1999b). Armed with a clear understanding of its current performance, each council could then draw up a programme of Best Value Reviews that would help take it from where it was to where it wanted to be. Councils were urged to adopt a sufficiently long-term perspective (DETR, 1999a) and review all their services over a five year period.

Although local government was urged to examine its weaker areas first, the review of stronger-performing areas was specifically encouraged "so that the lessons of success can be spread quickly" (DETR, 1998a, para.7.17). How these lessons would be spread was not mentioned, underlining the fact that, at this stage, the government did not use the term 'organisational learning' and, if it had a theory of how organisational learning occurred, it did not set it out explicitly. Indeed, each of the 'four Cs' of best value reviews – *challenging* the purpose of the service; *comparing* performance with others; *consulting* the local community and *competing* with other service providers – contains only the assumption that those carrying out a review will, based on the information they generate or receive, change the way in which they provide that service, that they will somehow learn to provide it in a different way. The government provided no indication how this might occur, or said whether any infrastructure for learning was in place or even necessary.

Recognising that differences in the way authorities provided services would often rule out exact comparison, local authorities were urged to undertake "intelligent exploration" to identify not only differences in performance, but the reasons for these differences (DETR, 1999a, p.10).

Figure 3.3 The Best Value Performance Framework
(Taken from DETR, 1998b, p.11)



Frontline members of staff would play an important role in changing the way council services were delivered (DETR, 1998a) and bring a particularly important perspective to the reviews (DETR, 1999a). Those members of staff were key to improvement as they, along with councillors and managers, would be the ones who delivered change (Audit Commission, 2000a).

Similarly, current and potential service users were to have a role in Best Value Reviews. Indeed, government guidance stated that reviews would not succeed unless users' views were actively canvassed and considered (DETR, 1999b). The Local Government Association (LGA) stated that a focus on service users was one of

the core principles of Best Value in that improvement as experienced by local people, not as measured by performance indicators, was what really mattered (LGA, 2001). Involvement by people as *citizens* was also stated to be a core principle (LGA, 2001), but this concerned their involvement in agreeing the priorities of a council which would then shape the Best Value process more strategically.

The first stage of any individual Best Value review was to challenge the purpose of the service and ask whether it needed to be provided at all, a process I see as vision-building in microcosm. Best Value, then, was not only concerned with the *how* of service delivery, but also the *why*.

If comparison was to be a key component of a review then authorities needed information that was indeed comparable. Thus, the government guidance contains references to the framework of indicators that would reflect the performance of authorities, some of which would be nationally prescribed (DETR, 1998b). Current levels of performance were to be published by each authority in a Best Value Performance Plan (BVPP) that would also contain targets for future performance, based on comparisons with the best authorities, along with details of how these targets were to be achieved.

The final stage of the Best Value process was that of audit and inspection. The Best Value Inspection Service (BVIS) was created to undertake this stage and was part of the Audit Commission, though reporting to government. The BVIS saw itself “playing a major role in identifying and disseminating ‘good practice’” (Davis *et al*, 2001, p.9). Inspections were intended to concentrate on BVPPs, with support for individual reviews acknowledged as being “less frequent, but more demanding” (DETR, 1998b, p.25).

For inspections to be successful, skilled and credible inspectors would be their single most important feature (Audit Commission, 2000a) and so they would be carried out by people with relevant service experience, including those seconded from local government, the private sector and voluntary organisations.

Early government publications on Best Value stress the power of intervention where services were not thought to be of an acceptable quality, and refer to a number of Secretaries of State being able to intervene in the services for which they were responsible (DETR, 1998b). This underlines an important point, that although much of the modernisation agenda was driven and overseen by the department responsible for local government, other government departments play important roles in deciding what local government does and how it does it. However, the government

not only reserved for itself the power to intervene if felt appropriate but also gave the significant role of audit and inspection to a body outside local government.

Implementing Best Value: Problems and Improvements

That implementing Best Value was problematic becomes clear from reading the literature of the time.

After only months of operation, the Best Value regime “was in a state of crisis” (Downe and Martin, 2006, p.467) and only a quarter of authorities had “got to grips” with its most challenging elements (Audit Commission, 2001a, p.26). Some were accused of “playing safe” in their reviews (Audit Commission 2000b, p.9) and others, mainly the smaller district councils, had problems of capacity (Audit Commission, 2001a). Best Value reviews could be “long, difficult and resource intensive” (Audit Commission, 2001a, p.25) and the unexpectedly high number of reviews carried out made inspection of them impractical (Audit Commission, 2001a). Councils reported getting “lost in the process” and had to be reminded that reviews were not ends in themselves (Audit Commission, 2001a, p.23), though implementing changes suggested by reviews also proved difficult (Audit Commission, 2000b; 2001a). The BVPP was but one of over 60 statutory plans each principal authority had to produce and most found it difficult to reconcile with Best Value the requirements placed upon them in the production of these plans (Audit Commission, 2001a).

Finding and using comparative information was the most difficult aspect of Best Value reviews and the ‘compare’ element took up the greatest proportion of resources for the returns generated (Audit Commission, 2001a). Authorities were in danger of “getting lost in the data” (Audit Commission, 2001a, p.19) and expressed concern about the reliability and comparability of cost-based data (Audit Commission, 2001a). Concern was also expressed about councils being paralysed, putting off decision-making until “good enough” comparative data could be found (Audit Commission, 2000b, p.10).

In terms of involvement in reviews, councils found taking account of the views of service users easier than involving service managers, the public and frontline staff, but even so, reviews did not look at services from the user’s point of view sufficiently well (Audit Commission, 2001a). Councillors saw Best Value as “uninteresting and over technical” (Snape, 2000, p.123) and they were involved only to a limited extent (Audit Commission, 2000b; Entwistle *et al*, 2003)). This is an example of the

'modernisation silos' propounded by Snape (2000), in which officers and members develop differing interests in the modernisation agenda.

While early government guidance on Best Value commented on the value of sharing best practice it was short on detail of how to do this. Specific improvements, though, were suggested in the Audit Commission's second Best Value annual statement (Audit Commission, 2001a). One Best Value officer is quoted as saying that the Audit Commission should inform authorities about best practice in other places and the Commission itself called for investment in the provision of support, advice and help (Audit Commission, 2001a). The Audit Commission had already published the first in a series of 'Learning From Inspection' products and was working with the IDeA to develop a library of local performance indicators (Audit Commission, 2001a). Other suggested improvements included focusing on a manageable number of priorities, adopting a more strategic approach to improvement, being less prescriptive, leaving room for innovation and learning, and striking a better balance between inspections and supporting improvement (LGA, 2001). The Audit Commission (2001a) suggested refocusing around a single performance management framework, encouraging capacity-building in poorly performing authorities, and consolidating government initiatives. They also planned to produce more lessons from inspection to share learning among councils (Audit Commission, 2001a).

Not all experiences of Best Value were bad, though, as cultural changes experienced by many authorities led to stronger corporate management, acceptance of consistent performance management systems and recognition of the advantages of a mixed economy of service provision (LGA, 2001). Similar comments are made by Downe and Martin (2006), and by their interviewees, most of who believed that the concept of Best Value was a good one.

The Demise of Best Value

Best Value, though intense, was not particularly long lasting. The requirement for all council services to be reviewed within a five year period was removed well before the first of these proposed periods had expired. By this time the Comprehensive Performance Assessment (discussed below) was coming into being,

moving away from service-based reviews and towards more corporate improvement activities (Martin *et al*, 2006). According to the Audit Commission's Website:

Best value performance indicators (BVPIs) were introduced in 2000/01 and last reported for 2007/08. (Audit Commission, 2013)

Analysis

Applying the analytical framework developed earlier to Best Value enables the links – both positive and negative – between it and organisational learning to be drawn out.

The very essence of Best Value was that pressure for change would be established by the publication of performance data and that this would lead to the consolidation of improved practices and, therefore, to improved performance. The journey from pressure to consolidation, though, is one on which organisational and individual characteristics have a profound influence, as does the nature of the knowledge being created. Following the Best Value Framework illustrated at Figure 3.3 allows these influences to be considered at the various stages.

Firstly, establishing objectives for an authority has clear links to the organisational characteristic of vision; a consideration of the purpose of the organisation. Turning these objectives into a performance plan, and agreeing a programme of reviews that prioritises the weakest areas requires both organisational self-awareness and individual reflection. Undertaking an individual review – especially at the 'compare' stage – necessitates the gaining of knowledge of the context in which others (donor organisations) work, as well as that of one's own authority (recipient organisation). Such contextual knowledge would be gained by the 'intelligent exploration' referred to earlier, but is also dependent on the presence of trust, most notably of the performance data provided. The production of a BVPP, and the undertaking of reviews, move the organisation to the next processual stage – that of acknowledgement of the need for change and preparation for it.

The undertaking of reviews – especially through the involvement of practitioners and service users – and the enactment of review findings moves the organisation to the implementation phase and embodies the concept of learning by doing. The setting and publishing of performance targets, along with details of how these were to be achieved, and reporting on attainment consolidate the changed practices within the organisation.

The next stage – audit and inspection – relies in part on trust. As was seen earlier, inspection teams would include skilled and credible individuals; that is, people whose assessments could be trusted. Additionally, the imminent arrival of an inspector has been shown to add to the pressure for change. Without the inspection element, Best Value reviews carried less weight; with it, they became a useful lever for change (Entwistle *et al*, 2003).

This, though, paints a positive picture of the Best Value process, albeit one that could occur. Turning to a more negative possibility, I again start with an inherent feature of Best Value – that it was imposed by central government rather than being created by local government. It was more ‘Institutional Push’ than ‘Need Pull’. This opens up the possibility that local authorities would deny the need for such a scheme: the pressure for change may not, therefore, be felt and its implementation may be resisted. At the individual authority level, if trust in the validity of the performance indicator information provided by others was not present, this could lead to denial of the need to improve and resistance to the seeking out and implementation of ‘best practice’.

Best Value, as implemented by local authorities, did not always lead to the establishment of an organisational vision in the way that it might have done: firstly because of the limited involvement by councillors and secondly because of the failure to adequately take into account the views of service users. A failure to connect with some of the strategic leaders in local government does not bode well for Best Value’s contribution to the improvement of organisational learning, or for the scheme in its own right. The point concerning service users illustrates one of the government’s concerns about local government that the LGMA sought to address – an inward-looking approach – and suggests that the ‘why’ of service provision proved a slippery one to grasp. Central government, though, is not entirely blameless in this area; by insisting each authority produce over 60 plans, coherence between them, and their contribution to establishing a clear vision, was likely to be problematic, to say the least.

Through its collection and publication of large amounts of performance data for each local authority, Best Value created and distributed lots of information, but that this information was not always contextualised, so becoming knowledge, is clear from the Audit Commission’s (2001a; 2001b) comments regarding councils becoming lost in the data and paralysed. It should also be noted that performance data can be

used in two ways: to promote reflection and aid self-awareness, or to exert management control. The first of these is a positive aid to learning, the second a distinct barrier.

Secondment to inspection teams, while providing obvious learning opportunities for the individuals concerned and for those authorities being inspected by them, contains echoes of Wenger's (1998) theories of brokering. However, whatever the intent, it may still not work well in practice and the credibility of the inspection team could be undermined by a lack of trust on the part of the authority being assessed. The inspection stage and, even more so, any intervention by a Secretary of State, should be considered in the context of Argyris' (1999) warning that conditional devolution, where the power to act is *apparently* devolved, but control is not fully relinquished 'just in case something goes wrong' inhibits organisational learning. This point is not limited to Best Value.

All of this is also underpinned by the nature of the knowledge being made available for transfer. While the raw performance data may well be explicit, and so easily transferred, knowledge of the practices that result in 'good' performance is much more likely to be tacit, and so difficult to transfer (Hartley and Benington, 2006).

The suggested improvements to Best Value, noted earlier, attempted to address these possible negative outcomes and have particularly strong links to the implementation and consolidation phases at the centre of my analytical framework.

How those interviewed for this research experienced these aspects of the Best Value regime – negatively and positively – will be explored in detail in the analytical chapters of this thesis.

3.4.2 The Beacon Council Scheme

What was the Beacon Council Scheme?

The purpose of the Beacon Council Scheme was to ensure that "the very best councils can be examples to the rest" (DETR, 1998a, Foreword and Introduction) with beacon councils setting the pace of change and encouraging others to innovate and modernise (DETR, 1998a). To me, his scheme was the modernisation initiative most directly linked to organisational learning in that, at its very heart, was the concept of the best councils sharing their knowledge and experience with others.

It was also one of the more durable of the LGMA initiatives (Warwick Business School, 2008), being first mooted in the 1998 local government White Paper and in existence for a decade (Dixon, 2009).

Importantly for this study, the Beacon Council Scheme involved *both* the identification of exemplary performance by a local authority *and* the creation of a mechanism by which knowledge could be shared with others. Additionally, and in contrast to Best Value and the Comprehensive Assessments, participation in the Beacon Council Scheme was voluntary.

Achieving Beacon Status

While the Beacon Council Scheme would cover “all areas of council business” (DETR, 1999c, para.2.3), the government would, each year, publish a list of general themes, with more sharply focused areas within these forming the subjects for which beacon status would be granted. Successful applicants were allowed to style themselves as beacon councils for the following 18 months (DETR, 1999c). The 1998 White Paper promised that councils would be judged against “objective and transparent” selection criteria that took account of performance against national and local performance indicators, inspection reports and auditors’ statements (DETR, 1998a, para.2.21). While government guidance stated that all authorities could apply for beacon status, this was qualified by the requirement for all Beacons to be “good across the board” (DETR, 1999c, para.2.3).

To aid the Minister in his or her decision-making, an independent advisory panel was created that would advise on the selection criteria as well as on individual applications (DETR, 1998a) and on the choice of beacon themes (DETR, 1999c). In making recommendations on the granting of beacon status, this panel would assess the performance of the applicants and “their ability to spread good practice to other councils” (DETR, 1999c, para.2.9). Becoming a beacon was “about much more than gaining a badge” (DETR, 1999d, Foreword).

All councils were expected to participate in the Beacon Scheme, if not as beacons themselves, then by visiting beacons and taking part in other activities designed to spread best practice. After the first year, new applicants were expected to have participated in the previous year’s scheme “in one way or another” (DETR, 1999c, para.2.2). It was envisaged that the councils gaining beacon status would reflect the range of types of local authorities and over half of English local authorities applied for beacon council status at the first time of asking (DETR, 1999e).

Though the prospect of councils being awarded ‘overall beacon status’ was raised in the 1998 White Paper, this was later pushed to some unspecified point in

the future to be dealt with under 'phase 2' of the Beacon Scheme (DETR, 1999c) and was never implemented.

Importantly for this study, councils needed to be "open to innovation, ready to share experiences and eager to learn" (DETR, 1999c, Foreword), thereby explicitly linking this modernisation initiative to learning.

What Did Beacon Status Bring?

The point of becoming a beacon council was to show others how to perform particularly well, but if being recognised as "centres of expertise and excellence" (DETR, 1998a, para.2.18) did not prove to be enough for councils to apply for beacon status, then the government offered a number of incentives mainly relating to the relaxation of financial controls (DETR, 1998a). Each of the proposed freedoms, though, came with at least one caveat and many were linked to the granting of overall beacon status and therefore did not materialise. .

Dissemination

As already mentioned, the quality of a council's dissemination plan was taken into account when granting beacon status. That the dissemination of good practice was central to the Beacon Council Scheme, then, was clear, as was the link between this and learning:

Beacon councils have a job to do and must be able to provide other councils...with a valuable and worthwhile learning experience. (DETR, 1999c, para.2.4)

Becoming a beacon council entailed agreeing to host approximately six 'open days' during the lifetime of the beacon status. These events, to which officers and members from other councils would be invited, were to be "intensive learning sessions" for both host and visitors and the latter were "to go away with new ideas and inspiration which they could put into practice" (DETR 1999d, para.9.6). The IDeA was charged with producing both guidance on staging open days and a brochure setting out the details of the events to be held (DETR, 1999d). Though playing a major role in spreading best practice, the open day was not the only dissemination tool at the disposal of a beacon council: conferences, seminars, publications, secondments and more detailed follow-up sessions were also to be employed (DETR, 1999c).

To assist beacons in these tasks, the IDeA would co-ordinate a national programme to spread best practice (DETR, 1999c). In addition, and to help with the processes of selecting beacon themes and beacon councils, the IDeA was to commission and make available research on the beacon areas, assess the lessons learned from open days and publish annual assessment reports (DETR, 1999c).

More Than Beacon Councils

Prior to the creation of the Beacon Council Scheme, no UK administration had implemented a norm-based awards system, that is, one where the 'winner' is judged against the benchmark of the performance of their competitors, nor were there in existence any other state-sponsored, norm-based schemes for defining good practice (Entwistle and Downe, 2005). The more usual selection method is criterion-based, that is, involving the meeting of an agreed set of conditions. However, having adopted this unusual method, the government applied it quite widely: to schools, the NHS, Further Education and, indeed, to Central Government. However, none of these were to last for long. The demise of schemes in all other areas of public service meant that, in 2005, the Beacon Council Scheme could be renamed as simply 'the Beacon Scheme' with no risk of confusion. This change of name may also reflect the fact that, from 2003, the scheme was open to all Best Value authorities; a group consisting of more than just local councils, as I showed earlier. However, the involvement of other eligible authorities was minimal (Warwick Business School, 2008).

The End of the Beacon Scheme

The Round Ten Beacon Authorities approved in March 2009 proved to be the last, as that year saw an announcement that the Beacon Scheme would be replaced by the Local Innovation Awards (DCLG, 2009). That scheme, though, proved to be of much shorter duration, falling victim, in 2011, to the government's financial restraints (LGA, 2011a).

At the demise of the Beacon Scheme it was reported that 458 awards had been made, with 50 per cent of the local government sector attaining beacon status at some time. Only 33 local authorities had never applied for it and only one council had never participated in the learning activities provided (Dixon, 2009). As I stated earlier, when the Beacon Scheme started, norm-based schemes for deciding which councils should disseminate information were unheard of. At its conclusion, however,

a number of countries had either adopted the scheme or sent a delegation to examine it (Dixon, 2009). The fact that this list includes Wales underlines the 'Englishness' of this modernisation initiative, discussed in §1.2.

Analysis

Applying my analytical framework to the Beacon Council Scheme uncovers its links to organisational learning.

Pressure to change is exerted by the Beacon Scheme in a more subtle way than was seen in Best Value. Rather than local authorities being identified as poor performers, others are held up as being exemplars, and the rest of local government is pointed in their direction. Trust, though, still plays a major role here, if in a different way to that examined earlier. Instead of those in local government having to trust the information produced by their colleagues, in the Beacon Scheme, trust in the principles of the scheme itself and in those administering it is needed.

The work of the IDeA – producing research on beacon areas and assessing the lessons of open days – mentioned earlier, aids the processes at the centre of my framework, especially the latter two phases of implementation and consolidation.

In the preceding section, I noted that one of the criteria examined in the granting of Beacon Status was a council's ability to spread good practice. Similarly, I noted that open days were to be a learning experience for both host and visitor. Underlying both of these points is that the characteristics of both donor and recipient organisations play significant roles in the transfer of practices and knowledge. A deep understanding of context, identified as an issue for exploration in my analytical framework, is aided by both the open days and the more detailed follow-up sessions.

Wenger's (1998) concept of boundary objects is a useful one to consider here. Open days clearly are a boundary-spanning opportunity (indeed, the whole of the Beacon Council Scheme may be viewed as a boundary object) but whether learning takes place depends on those attending, and the host, being willing and able to share their perspectives. Attendances at open days and subsequent events provide only *opportunities* for sharing, and agreeing, mental models and meaning, they do not ensure that it happens. Again, the characteristics of the donor and recipient organisations play major roles.

In a similar vein, open days also provide the opportunity to commence the building of a network of local government officers sharing a community of practice, again one of the features of my analytical framework.

The widespread participation in the Beacon Council Scheme also has implications for dissemination and learning (Downe *et al*, 2004). The diversity of the beacons (in terms of both geography and authority type), allows an authority intending to visit a beacon to examine the issue of context in depth and in breadth, and may lead, through reflection, to a greater understanding of its own operating environment. The large number of councils involved in the Beacon Scheme also increases the opportunities for building larger networks.

Underpinning the transfer of practices, and knowledge about them is the nature of that knowledge. In the case of practices for which councils were awarded Beacon Status, this knowledge is, to a very large degree, tacit and ambiguous. Here, then, Szulanski and Winter's (2002) warning not to assume that those running a successful operation would fully understand what led to that success has significant implications and may lead to the supplying of incomplete, distorted or simplified information (Szulanski *et al*, 2004). The more detailed follow-up activities envisaged by the Beacon Scheme therefore become of major importance in contextualising the knowledge being transferred and understanding why the practice was awarded Beacon Status.

3.4.3 Comprehensive Performance and Area Assessments

What Was the Comprehensive Performance Assessment?

As has been seen, Best Value and the Beacon Council Scheme focused on specific services. However, the government came to believe that a more general assessment of the performance of a council as a whole was needed and set out its thinking and its plans in its second major local government White Paper (DTLR, 2001).

This belief stemmed from the view that the quality of individual services was linked to a council's corporate characteristics, that high quality services relied on "strong corporate governance from...political and administrative leaders" (DTLR, 2001, p.26). However, such organisational qualities were not measured by service-based inspections; what was needed was a comprehensive assessment framework. This would build on existing inspections, audits and performance data, underlining the continuing importance of the quality of individual services, but would also now include a corporate governance assessment. Thus the Comprehensive Performance Assessment was brought into being, under which the Audit Commission, supported

by other inspectorates, would classify each council as being high-performing, striving, coasting or poor-performing. The results, in summary, would be made available to the public and certain freedoms and flexibilities were to be made available, though not just for the higher performers. The government explicitly linked the granting of these freedoms to their second principle of reform, devolution of power and responsibility to local leaders and frontline staff (DTLR, 2001).

This very brief overview of the CPA raises two points worth exploring here. Firstly, the government's view of a local authority is clearly that of it being one organisation, exhibiting characteristics that stretch across its departments. While this is clearly an acceptable view, it is only one view. In §2.1.1, I adopted the view of local authorities as 'constellations of interconnected practices', thereby acknowledging the discontinuities that are integral to their structures. As the viewpoint adopted influences what is seen (Morgan, 1986), this is an important difference.

Secondly, by placing each local authority into a classification category, and making public this classification, the government is expressing its faith in the effects of 'naming and shaming' allegedly present in any league table. This is a continuation of the ranking of councils by performance against Best Value indicators, and of other instances prior to that. Evidence of the efficacy of this approach in driving improvement is, though, not provided.

Implementing the CPA

Assessments for all 150 single tier and county councils were carried out and published by December 2002, with assessments of all 238 district councils being completed by December 2004 (Audit Commission, 2006). The categories into which councils were placed, though, had increased to five, now being excellent, good, fair, weak and poor (Audit Commission, 2002a).

One paragraph from the final CPA framework document is worth quoting in full, as it refers to a number of issues that are relevant to learning and which will become important in the later analysis of the interview data. The Audit Commission state that:

We have sought to ensure that the corporate assessment process is credible, fair and transparent through the publication of key lines of enquiry and judgement criteria, the use of self-assessment, the inclusion of peer members and officers on the teams, on-site quality assurance visits, and the use of national moderation to ensure consistency.

(Audit Commission, 2002a, p.10)

The particular issues to note are those of credibility and consistency, the use of self-assessment and the involvement of peer reviewers. To expand on self-assessment, prior to the arrival of any inspection team, each council would complete a self-assessment form. This gave it the opportunity to set out how it believed it was performing on a whole range of subjects on which it would be inspected and assessed.

While the assessments of specific services, carried out by other inspectorates, would feed into a council's overall CPA rating, the Audit Commission sought to reach a judgement on other aspects that informed its 'corporate assessment'. These included ambition, focus, prioritisation and future plans.

It should also be noted that, as part of their corporate assessment, each council would be scored explicitly on its "learning" (Audit Commission, 2002a, p.11). This, though, was a line of enquiry that did not endure. For many local authorities it was reported only as part of their first CPA, making longitudinal comparisons impossible. Such a 'measurement' of learning is, in any case, one that I find problematic, as I will discuss in the following chapter.

Having assessed each council, and published the results, the Audit Commission produced a series of reports that analysed their findings. National reports, illustrated by case studies, drew out common features of councils deemed to be performing well in a range of areas, while a series of Local Government Briefings focused on specific topics. With regard to individual authorities, each took part in a programme of improvement planning that involved using its CPA report to build on its strengths and address its weaknesses. Each would agree a co-ordinated and proportionate inspection and audit programme, and implement either the freedoms and flexibilities now available or accept the support or intervention deemed necessary (Audit Commission, 2002b). What action any particular council took depended on the CPA rating received.

The Harder Test

Based on the experience gained, the Audit Commission made a number of changes to its processes, the most significant of which was the introduction of *CPA – the harder test* (Audit Commission, 2005a).

Over the course of the previous three years, council services had improved significantly and the inspection of the best-performing councils had been reduced,

with support focused on those performing less well. The CPA was “acknowledged to be one of the catalysts” for this improvement and was a “lever” for the change in the inspection framework (Audit Commission, 2005a, p.2).

In its new form, the CPA would be “a more stringent test” (Audit Commission, 2005a, p.2) and have more emphasis on outcomes and value for money. To achieve the top ratings councils would now have to reach higher standards than had been the case previously and the Commission would be more challenging to those at the other end of the performance spectrum. This new framework included a ‘direction of travel’ statement of whether a council was deemed to be improving or not (Audit Commission, 2005a). Self-assessment would remain as an integral part of CPA and the five categories to which each council would be assigned were re-named as 0–4 stars from 2005 onwards.

The Change to Comprehensive Area Assessment

The CAA was mooted in the 2006 local government White Paper, with the legal basis for it being established in 2007. The reason behind this change was that the government had come to believe that what was now needed was an assessment not only of how well public authorities were working, but how well they were working *together*.

A new assessment framework was prepared by a range of inspection bodies and came into operation in April 2009 (Audit Commission *et al*, 2009). An important issue to assess was what was being achieved for the residents of each area:

The power of CAA to support improving outcomes in an area will come from the added value of joining up the assessment of local services. CAA will focus on outcomes and how well local public bodies work with each other, the private and third sectors, other organisations working locally, including town and parish councils, and their local communities. (Audit Commission *et al*, 2009, p.8)

As the new name made clear, the focus was now on the area, not the local authority, and so the assessment would consist of two linked parts: *area assessments* looking at how well local public services were working (and working together) and how likely they were to improve; and *organisational assessments* for councils, including an external auditor’s assessment of value for money (Audit Commission *et al*, 2009). Each area assessment would be reported as a narrative, not a numerical score, while the organisational assessment would categorise councils as performing poorly,

adequately, well, or excellently. In addition, actions giving cause for concern would be indicated by a red flag, while promising, innovative actions would attract a green flag highlighting the practice as a “source of learning for others” (Audit Commission *et al*, 2009, p.11). All the reports referred to above were published on the Internet, at a dedicated website called “Oneplace” (now archived on the National Archives Website).

A detailed analysis of the first year of CAA was undertaken, examining both the processes used and the how the outcomes were utilised to drive improvement (Shared Intelligence *et al*, 2010).

As the Audit Commission’s then Chief Executive, Steve Bundred (himself a former local government Chief Executive) said, the CAA represented a “fundamental shift in emphasis towards subjects people care deeply about” and he believed that it could become the “most user-friendly public service reporting system ever” (Audit Commission, 2009a). Whether the public were quite so interested or, indeed, aided by the reduction of a complex organisation to such simple descriptions, along with the effects of ascribing red or green flags, were matters discussed by the Chief Executive interviewees.

Whatever plans for the CAA were expressed by the government or the Audit Commission’s Chief Executive, the initiative proved to be short lived and it was abandoned by the incoming coalition government immediately following the 2010 general election (DCLG, 2010a). The Audit Commission itself was to suffer a similar fate, with its demise being announced only slightly later (DCLG, 2010b).

Analysis

Again, the use of my analytical framework allows me to draw out the contributions made by the CPA and CAA to organisational learning.

To start with the issue of pressure to change and learn, the government clearly believed that low CPA/CAA rankings provided this stimulus. What was apparently not considered was the possibility that they may instead trigger resistance and the defensive behaviours discussed by Argyris (1999). In any case, what is more likely to be stimulated by the awarding of a low CPA rating is the desire to obtain a higher rating. Whether this is precisely the same as a desire to improve performance

is a moot point, and one on which those interviewed for this research expressed their opinions.

Examination of the Audit Commission's (2002b) statement, quoted earlier, on how it would ensure the credibility and fairness of its processes, reveals the presence of a number of features contained within my framework. The introduction of self-assessment provided opportunities for a period of reflection and an increase in self-awareness, but all the other issues have one feature at their core: trust. Efforts are clearly being made to ensure that local authorities trust the process, the inspectors and the outcomes. The inclusion of peer members and officers was particularly important to those interviewed during this research and has clear links to Wenger's (1998) considerations of organisational learning.

The characteristics of leadership and vision can be seen to contribute to, and be informed by, a council's ambition, prioritisation and future plans – all factors taken into account by the Audit Commission in reaching their corporate assessment.

Turning to the Audit Commission's publication of case studies and national reports, these can be seen as attempts to distribute and embed knowledge of good practice within other councils, and so contribute to the second and third processual stages at the centre of my framework – namely implementation and consolidation. These reports, though, can also be seen as boundary objects in Wenger's terminology but, as such, run the risks of reification and the loss of context.

Finally, a local authority's CPA report provided the opportunity for the processes of change and learning to begin again, though now with the benefit of enhanced self-awareness. Pressure to change would be provided through the awarding of a low score, but this pressure may now be targeted at more specific areas of a council's activities. The support provided to those authorities achieving a less than acceptable rating could aid the acknowledgement, implementation and consolidation phases of my framework, but these would still be influenced by organisational and individual characteristics including resistance and denial. Whether organisational learning would take place, then, was not a foregone conclusion.

3.5 Concluding Remarks

This chapter has drawn attention to the connections between local government modernisation generally and organisational learning in its widest sense. Discussions of the three specific modernisation initiatives have highlighted elements

of those procedures that have particular relevance to organisational learning. It should be remembered, though, that this is based on my analysis and rarely did government publications on modernisation explicitly mention organisational learning, nor is it an explicit aim of the three initiatives examined here.

With its emphasis on a more corporate approach aimed at setting and achieving objectives for an area, rather than on direct service provision, modernisation can be seen to build on previous local government reforms and on changes in models of administration, including NPM (Smith, 2002; Stoker, 2004; Cline, 2008). Adopting this view, though, unveils an apparent paradox: that modernisation – a reform programme reliant for its success on organisational learning – built upon NPM – an approach that inhibited it. This, however, can be explained. My contention is that, though a drive for increased organisational learning was *implicit* in modernisation, the concept was little understood. This led to the establishment of an overarching policy framework, the success of which relied on organisational learning, but which contained elements that inhibited it in practice. This apparent paradox, then, is only revealed when comparing views of the strategic and operational aspects of modernisation. Even so, it is a situation that is likely to be problematic, as I will discuss in more detail in the analytical chapters.

The discussions undertaken in this chapter are those that led me to undertake this research project. That these discussions have been conducted at the 'local government' level led directly to my first – and overarching – research aim: *to explore how the principles and policies of the local government modernisation agenda influenced organisational change and learning at a strategic level within local authorities*. Further deliberation on these matters led to my development of the additional aim and sub-aims, all designed to support the achievement of that first aim.

Contained within the above discussions, though, are references to another level at which learning can take place; that of central government. As was mentioned earlier, a group of Best Value pilot authorities was established by the government to assist in the more widespread implementation of the scheme. Such pilot schemes embody the concept of learning by doing and can provide central government with important learning experiences about policy implementation. Negative characteristics are also present, though. In the section on Best Value, I made reference to conditional devolution, and in the section on Beacon Councils I noted the caveats

attached to the granting of certain 'freedoms'. Neither of these shows central government displaying a high degree of trust of local government.

Similarly, in the section on modernisation in general, I noted comments contained within Blair (2004) and Cabinet Office (2008) regarding central government's role in providing a framework within which learning could take place. The successful construction of such a framework, though, requires learning how to learn. Putting these points together reveals the existence of a 'learning space' between central and local government. Again, though, any learning is influenced by the characteristics of both organisations involved.

The examination of this 'space' is important, but is not central to my research. However, I shall return to it in my concluding chapter. The bulk of this thesis mirrors this learning construct, though, as it explores the role of local authority Chief Executives in developing frameworks that support organisational learning in their councils.

In the following chapter I set out in more detail the methodological basis for this research that best supports this exploration.

Chapter Four

Methodology:

From Ontology to Sources and the Analysis of Data

Wisdom denotes the pursuing of the best ends by the best means.

Francis Hutcheson, Inquiry into the Original of our Ideas of Beauty and Virtue

Considering matters of ontology and epistemology fosters reflection (Bates and Jenkins, 2007) and the adoption of particular ontological and epistemological standpoints has far-reaching implications for research. While it may be possible for researchers to achieve their ends “without using an explicit theoretical framework” (John, 1998, p.9), I believe that any success is achieved in spite of, not because of, this. The purpose of this chapter is, then, to set out clearly my theoretical approach.

4.1 Ontology and Epistemology

In structuring this chapter I largely follow Grix’s (2002) directional relationship between the core concepts of social science; that is, that discussions of ontology should precede those of epistemology, and that these will influence decisions on methodology, methods and sources. The view that epistemology and methodology “logically” follow ontology (Grix, 2002, p.177) is acknowledged here as a contested one – an acknowledgement for which Bates and Jenkins (2007) and Furlong and Marsh (2010) all press. These latter four authors argue that what is out there to know (ontology) is shaped by what we can know about it (epistemology); that, rather than one preceding the other, the two concepts are interrelated, and that reflection on this relationship is required (Bates and Jenkins, 2007; Furlong and Marsh, 2010). Notwithstanding this, Grix (2002) provides a useful structure around which to organise this chapter.

One thing for which all the authors cited in the above paragraph argue is clarity in the use of terms and in the positions adopted, and this is my aspiration for what follows.

The positions underpinning this research are anti-foundationalist in terms of ontology and interpretivist in terms of epistemology. Expanding on this, the foundationalist (or objectivist or realist) view that the world consists of discrete objects that possess properties that are independent of the observer is, I feel, problematic in any discussion of political organisations and the concept of learning. Instead, and as set out earlier with regard to learning (§2.1.1), leadership (§2.1.2) and risk (§2.1.2), I contend that reality is socially constructed and that, in constructing their world, individuals have their views shaped by social, political and cultural processes (Furlong and Marsh, 2010). This is not to say that an institution such as a local authority or a concept such as learning do not exist, but rather that such terms have little, if any, meaning other than those ascribed to them by the (partial) observer. Interpretivists are concerned with capturing how any actor interprets his or her actions, focus on the meanings ascribed to actions, and present the results of their research as but one interpretation (Parsons, 2010; Furlong and Marsh, 2010). In the case of this research this results not in a search for the truth about how modernisation affected organisational learning in local authorities, but in an examination of how individuals within authorities viewed these effects and how they constructed their own realities. Not that this view of socially constructed reality stops with those interviewed for this research project, it also applies to me. This leads to the 'double hermeneutic' (Furlong and Marsh, 2010) in that the later analytical chapters set out my interpretation of the interviewees' interpretations of their worlds.

This interpretivist position is criticised, largely by positivists, and these criticisms can be difficult to refute due to the differing ontological positions adopted (Furlong and Marsh, 2010). The main criticism is that, if one person's view of the world is as legitimate as anyone else's, there is no basis on which to judge the validity of any claims to knowledge. In answer to this, interpretivists point to the fundamental argument of their standpoint, that they make no claims of absolute truth. Secondly, any actions have to be interpreted in terms of a wider discourse and so identifying that discourse and the influence it has on meaning is a key concern of interpretivists. Thirdly, any assertions made should be the result of significant reflection on the matter and, finally, those assertions are always available for scrutiny and challenge within the context of the standards and traditions of the academic community (Furlong and Marsh, 2010). This thesis, then, exemplifies these rebuttals in microcosm: it claims to be no more than one way of looking at the way

organisational learning and local government modernisation interacted; is steeped in the wider discourse of those subjects; is the result of much reflection, and is available for challenge.

Having established my ontological and epistemological standpoints, this still leaves open a number of valid approaches to this study. However, one particular approach stands out to me as being the most suitable one to adopt and so needs to be explained, and argued for, more fully.

4.2 Historical Institutionalism

Any one of a number of approaches commonly used in the social or political science fields might have been adopted and would have revealed interesting and useful insights. Those insights, though, would have differed from mine in ways dependent on the approach adopted. For the reasons explored below, I have adopted an historical institutionalist approach to this research as it has a number of strengths that I feel will yield the best returns in the pursuit of the aims of this research.

New institutionalism has many strands (Lowndes, 2010) of which historical institutionalism is but one. Over the past 30 years, though, historical institutionalism has emerged as one of the more influential theoretical perspectives in political analysis and policy studies (Béland, 2005) and its literature charts the development from contested and ill-defined beginnings through academic debate to a more structured approach to political analysis.

Institutionalism has a long pedigree in political science; in its 'old' form it was the dominant approach adopted for the first half-century following the emergence of political science as an academic discipline (Lowndes, 2010). However, the institutions under scrutiny at that time tended to be more constitutional in character: in America the Constitution and Congress, for example, in Britain, the Cabinet and the Civil Service. In the middle of the twentieth century behaviouralists, rational choice theorists and Marxists usurped institutionalism's domination of political science but by the 1980s the role of institutions was again coming to be recognised as important. This time, though, 'institution' had a different meaning and the change from 'old' to 'new' institutionalism involved moving the focus away from organisations

and towards rules, from formal to informal conceptions, and from the static to the dynamic (Lowndes, 2010).

In the context of 'new institutionalism', an institution is not necessarily the same as an organisation; it can be, but the term is used much more widely to include formal rules, standard operating practices, routines, conventions and norms as well as organisational forms (Hall, 1986; Norgaard, 1996, both cited in Aspinwall and Schneider, 2000). Importantly, to this list can be added *informal* procedures (Hall and Taylor, 1996). It is also important to note that this list consists of organisational attributes that are little affected by the turnover of individual members of staff, and are difficult for one person to change (March and Olsen, 1984). The issue of change, though, will be discussed again shortly. New institutionalism also emphasises the importance of the interaction between institutions and individuals (Lowndes, 2010).

Context is also important to historical institutionalism, often finding expression in the notion of path dependency (discussed in more detail below). To the historical institutionalist, the traditional notion that the same forces will generate the same result everywhere is rejected in favour of the view that the contextual features of a situation – inherited from the past – will have a significant part to play in deciding the outcome (Hall and Taylor, 1996). As others have put it:

Tackling big, real-world questions; tracing processes through time, and analyzing institutional configurations and contexts – these are the features that define historical institutionalism. (Pierson and Skocpol, 2002, p.17)

Additionally, research into context-sensitive policy transfers “benefits from and...shares...common ground with new institutional theories” (Choi and Kim, 2009, p.339).

Historical institutionalists rarely see institutions as being the only causal force at play; socioeconomic factors and ideas loom large in building a complex view of the world (Hall and Taylor, 1996; Béland, 2005). More specifically, ideas make their way into policy-making through social learning (Béland, 2005). Institutionalisation can be viewed as a process by which shared cognition defines both meaning and what is possible (Powell and DiMaggio, 1991).

To summarise the above, though institutions are of central importance to historical institutionalism, they are defined widely in terms of both organisational structures and organisational rules, of the formal and the informal. In addition,

interaction is acknowledged as an important factor that should be taken into account and studied, and not just interaction between institutions, but between individuals and institutions as well. Context is accepted as having an important influence and so too is social learning. Institutions – broadly defined – both give shape to and are shaped by the political world. They give political actors the space to act while simultaneously constraining them:

Institutions influence behaviour not simply by specifying what one should do, but also by specifying what one can imagine doing in a given context...institutions...provide the very terms through which meaning is assigned in social life.

(Hall and Taylor, 1996, p.948)

An understanding of what we do, the space to act, and the constraints on action are all defined by the institutions in which we find ourselves. What we do next is governed not only by our aspirations, but by what we do now and by what we did before.

Although based in social information processing theory, Lucas (2005, p.89) makes a similar point in stating that “decisions made by...individuals are deeply rooted in history”, with previous experiences aiding the determination of what can, and cannot, be accepted as ‘facts’.

4.2.1 The Adoption of an Historical Institutional Approach for this Research

Historical institutionalism, then, seems a theoretical perspective well suited to this particular piece of research, and one statement seems particularly apposite in this context:

A historical institutionalist scholar usually starts by asking about varied, historically situated outcomes of broad interest – perhaps posing a puzzle about why something important happened, or did not happen, or asking why certain structures or patterns take shape in some times but not others. (Pierson and Skocpol, 2002, p.4)

I adopted such an approach in Chapter Three, when seeking to establish a causal link between modernisation and organisational learning.

Of particular relevance here are three commonly cited aspects of historical institutionalism: that it places a strong emphasis on the interaction of institutions; involves meso-level analysis, and concerns itself with changes over relatively long

periods of time (Lowndes, 1996; Thelen, 1999; Pierson and Skocpol, 2002). A more detailed examination of each of these points in turn yields some interesting insights supporting the use of historical institutionalism to underpin this research.

Interaction

This research concerns institutional interaction on a number of levels. Central government is an institution, as is local government. Each, though, is clearly divisible – organisationally and institutionally – into smaller interacting units. Governments will, at different times, act through the various Departments of State, or through bodies such as the Audit Commission or Ofsted and, in the period under discussion here, a new institution, the IDeA, was created to promote the diffusion of good practice throughout local government. This research is manifestly concerned with the interaction of central and local government as institutionalised organisations, if sometimes mediated through a wealth of other institutional actors. In addition to this organisational definition of institution, each organisation has its own set of rules – formal and informal – its own operating practices, norms and conventions that can also be described as institutions. How these less tangible institutional aspects interact is also of concern to this research, though approached indirectly through an examination of the perceptions of the interview participants.

Going further, defining institutions as rules, standard operating practices, routines and conventions, as I did earlier, allows modernisation initiatives such as Best Value or the Beacon Council Scheme to be seen as institutions, and how these interact with local government or, say, the Audit Commission, is an aspect under scrutiny here. In these cases it was the interaction of government initiatives with local government and the Audit Commission that institutionalised these practices. Interaction, then, is central to this project on a number of levels. Historical institutionalism also gives a prominent role to power and asymmetric relations in its analyses (Hall and Taylor, 1996; Immergut, 1998; Thelen, 1999). Institutions distribute power unevenly across various groups and give some disproportionate access to the decision-making process (Hall and Taylor, 1996). As has been mentioned previously, the power relationship between central and local government is asymmetric – a fact that has significant implications for learning.

Meso-level Analysis

The introduction of any new initiative provides opportunities for learning at a number of levels. For example, the introduction of the Best Value regime offered an opportunity for the government to learn how to roll out a new initiative across the country. Carrying out Best Value reviews provided an opportunity to learn from others how to do this more effectively, and each Best Value review provided an opportunity to learn about the delivery of the specific service under examination.

However, this research does not concern itself with any particular local authority or the provision of any particular service. It is not about specific examples of learning, but instead concerns the higher level concept of *learning to learn* (§1.1). This has links to another feature of historical institutionalism, that it concerns itself not with individual organisations, but with categories or networks of organisations (Greenwood and Hinings, 1996). Policy transfer networks can be conceptualised as operating, and can be analysed, at the meso-level as they link micro-level decision-making within organisations to the macro-level systems of the state (Evans, 2009b)

The meso-level approach of this research is reflected in the choice of sources of data, as I will explore more fully below, but it is important to note here that the historical institutional approach involves the close analysis of a limited number of cases “unified by space and/or time” to be used in illuminating important general cases (Thelen, 1999, p.373). In contrast to rational choice institutionalists:

historical institutionalists start with institutions and ask how they affect individuals' behaviours. (Zysman, 1992, quoted in Thelen, 1999, p.379)

The issue of behavioural changes of individuals was discussed in Chapter Two, especially in relation to the organisational learning and change management literatures, and the fieldwork was conducted to examine this, in line with the approach outlined in the above quote.

Time Periods

What constitutes a long time period is arbitrary and entirely dependent on context. The time-frame of this research, though, can be no other than the period 1997–2010. However, to judge the effects of the LGMA, some regard must be paid to what existed at its start, to what it was that the government found unsatisfactory and wanted to change. Again this fits well with the historical institutional approach. Not only do historical institutionalists tend to have “beginning and end dates” (Pierson

and Skocpol, 2002, p.15), they also stress the importance of historical context; how an institution reacts to a new situation will depend on what contextual features have been inherited from its past experiences.

A relatively long time period is also needed in order to see which, if any, changes in local government become embedded and a new norm, and which, if any, can be seen in hindsight to have been a short-lived reaction to a new idea or piece of legislation. For example, a snapshot of local government in the first few years of the twenty-first century would have shown a true, but only partial, picture of local authorities preoccupied with Best Value. While that regime was designed for, and then imposed on, councils, it was subsequently shaped by its interaction with a local government on which previous initiatives of a similar kind had left their mark. This creates a unique historical context in which the rise and fall of Best Value needs to be situated in order to be fully understood. Taking a longer view enables Best Value to be placed in a more rounded historical framework of performance management initiatives. Lowndes (1999b) adopts a new institutionalist approach in her analysis of management changes and the rise of NPM within local government during the period immediately prior to that considered here. The purpose of historical institutionalism may well be to uncover the deep-seated 'rules of the game', however, these rules are never complete, but are always dynamic (Lowndes, 1996).

Strengths and Weaknesses

Choosing any single analytical approach brings with it a number of problems and while the adoption of historical institutionalism will uncover certain important aspects of learning within local government, it will also hide others. One of the most commonly cited problems associated with historical institutionalism is its weakness in explaining change, especially gradual change (Powell, 1991; Ebbinghaus, 2005; Greenwood and Hinings, 2006; Mahoney and Thelen, 2010). As this thesis explicitly concerns change, this is a matter I must address here.

The 'stickiness' of institutions is commonly discussed by institutionalists through the model of path dependence. In this, once an organisation has chosen to go down a particular path, subsequent decisions will serve only to reinforce this. Reversing this choice, the model states, is expensive; resources have been invested in making the initial choice and even more resources would be needed to adopt a different approach. The concept of increasing returns suggests that continuing along the same path yields a more favourable balance of outcome against input and so the

initial path continues to be followed (for more detailed discussions see Pierson, 2000; Lowndes, 2005; Gains *et al*, 2005). Embarking on a programme of change, then, involves the consideration of the costs to be incurred and the benefits to be accrued.

More recent developments in institutionalism and path dependence have sought to link these two areas and instances of change. Implicit in path dependency is that, while only one path is pursued, other options were available. Taking account of the “cognitive effects of institutions” suggests that one way out of the dependency is through learning (Crouch and Farrell, 2004, pp.12-13). An example of this is cited as being when it is learned that changes to the operating environment are not transitory and can be ignored, but have become permanent and should be responded to (Crouch and Farrell, 2004).

Further instances of historical institutionalism’s treatment of change can be found in Mahoney and Thelen (2010), a publication that highlights the new focus on institutional dynamism rather than stability. Of particular interest here is the final chapter in which change is viewed as occurring through a process of reinterpretation of meaning and where it is explicitly stated that:

Historical institutionalists are more inclined to view institutions as objects of active reinterpretation. (Hall, 2010, p.217)

Historical institutionalism, then, though more often used as a viewpoint to examine and explain stability, is a valid vehicle to do the same to change.

For these reasons, then, I have adopted historical institutionalism as an appropriate analytical framework for this research. Its level of analysis matches my research aims, as does its emphasis on institutional interaction, while the importance of relatively long time-frames allows me to examine modernisation in the context of previous local government reforms. As I will show shortly, these points also played a determining role in my choice of interview participants and, therefore, the data collected and available for analysis. Historical institutionalism, then, both underpins this thesis in a general sense and shapes it in a more practical one.

4.3 Methodology and Methods

The terms 'methodology' and 'methods' are often used interchangeably. Here a distinction is drawn and methodology is used to mean the research *strategy* and methods to mean the *techniques* or *procedures* adopted (Grix, 2002).

The adoption of particular ontological and epistemological positions and a research approach have important ramifications for the methodology to be utilised. In this case, all of the preceding decisions point very strongly to the application of a qualitative approach as this aids the understanding of "complex behaviours...systems and cultures" (Ritchie and Spencer, 1994, p.173). My research proposal also matches the description of qualitative research as lacking a firm hypothesis and being inherently exploratory and I was certainly on a "voyage of discovery rather than one of verification" (Bryman, 1984, p.84).

Having concluded that what can be known about the world of local government and learning is highly subjective and context-dependent it would make little sense to set out to measure, in any meaningful and replicable way, the learning capacity of a particular local authority. If such an approach were possible, it would have many attractions, not least the ability to measure 'organisational learning' in 1997 and again in 2010 and simply compare the two values. It will be recalled that, as part of the first round of CPAs, the Audit Commission allocated a score to the learning ability of each council, but soon dropped this element of the assessment. My contact with the Commission (in 2013) failed to elicit any further information about how this particular assessment was made or why it was discontinued. Others, though, have sought to measure organisational learning capability and Chiva *et al* (2007) set out their work and make reference to that of others. However, although these authors draw out five dimensions of capability that have much in common with the factors I discussed in §2.1.2, I find attempts to measure these problematic. To me, what are being measured are, at best, the *perceptions* of the workforce and, important as these are, they may be influenced, as the authors accept, by factors such as job satisfaction and organisational commitment (Chiva, *et al*, 2007). Additionally, I question whether each of the five dimensions being measured necessarily have equal influence on the learning capability of the organisation as a whole.

A quantitative approach, then, is problematic and incompatible with my epistemology and I therefore adopted qualitative techniques to explore the richness

of data obtainable from those steeped in the context of local authorities implementing modernising initiatives.

My overarching research aim is to explore how local government modernisation influenced organisational learning at the strategic level; that of learning to learn. This, combined with my interpretivist epistemology, leads me to the belief that this end would best be achieved by an examination of how those involved constructed their world-views, their understandings of modernisation and the meanings they attach to learning. The decision to adopt a particular methodology was, then, taken in pursuit of my research aims, as were all the decisions relating to the methods adopted, which I now detail.

Methods

The primary data collection method adopted for this research was that of the elite interview. This is an important research technique for social and political scientists (Richards, 1996; Aberbach and Rockman, 2002; Burnham *et al*, 2008; Morris, 2009; Harvey, 2011), especially institutionalists (Vromen, 2010). Examples of the use of interviews as an institutionalist research tool can be found in Galaskiewicz (1991), Onoma (2010) and Slater (2010). Elite interviews are used when those being interviewed can be regarded as experts in their fields, having more knowledge of the subject than the interviewer, and information is often obtained by conducting semi-structured interviews (May, 2001). In §2.2.3, I cited a comment regarding the failure of policy transfer theorists to engage with practitioners and my desire to avoid this same accusation is in part responsible for electing to collect data from such individuals. That, though, suggests only that interviews should be conducted, with the choice of interview participants remaining a matter to be resolved.

As outlined above, my ontological position is that reality is a social construct of individuals whose views are shaped by social, political and cultural processes. Elite interviews help to illuminate these social constructs by exploring in depth the political processes being undertaken and are an accepted tool for shedding light on people's perceptions of their world and the assumptions that shape it (Burnham *et al*, 2008). More specifically, these ends are well served by conducting the semi-structured interviews mentioned above. I accept the point made by Aberbach and Rockman (2002) that the purpose of any research should play a critical role in the design of any research project. The purpose of their research was similar to mine, and I came to the same conclusion as they did for the same reasons:

One of our main aims was to get at the contextual nuance of response and to probe beneath the surface of a response to the reasoning and premises that underlie it. Consequently, we decided on a semi-structured interview in which the open-ended questions we mainly relied on gave the respondents latitude to articulate fully their responses. (Aberbach and Rockman, 2002, p. 674)

Figures for, say, how many councils were awarded Beacon Status in any particular year are readily available and tell their own story (see previous chapter). However, the purpose of this research is not to state baldly how many councils were awarded this status, but to explore what they learned about their organisations through this process and how they used that knowledge. These are not questions that can be answered fully through surveys or questionnaires. What is required is the detailed analysis of deep, rich, often lengthy answers that may not exist until the questions are asked. The limitations of survey-based approaches in capturing “richness and social complexity” in this area of study is acknowledged by Pérez-Nordtvedt *et al* (2008, p.737).

Each research method has its own inherent problems and limitations. Questionnaires, for example, pre-categorise information and leave little room to follow up interesting, unexpected or even unclear points. Elite interviews are acknowledged to produce very individual, context-dependent results that may be open to different interpretations by different researchers, and results from a small number of interviewees may not be generalisable to the whole population. Not that everyone accepts this latter point as:

Even when the goal is more broad generalization, this is actually an area where small N elite interviewers have an advantage over researchers doing surveys of the mass public. (Goldstein, 2002, p.672)

In accepting these flaws I acknowledge elite interviewing as being an imperfect research method. Nevertheless, I believe it offers the most appropriate approach for this particular research project. Care will be taken, therefore, not to lose sight of these imperfections in the later analysis. Generalisations will be avoided unless clearly supported by the evidence and the issue of interpretation is addressed by this chapter in that, while total agreement with my ontological and epistemological positions is not sought, clear explanations of them are given. The limitations of this research project and, therefore, what can be drawn from it are, then, accepted.

However, although this thesis utilises new data obtained specifically for this study, the research of others – be it conducted through questionnaires, ethnography, documentary analysis or quantitative analyses – remains available. I draw upon this at appropriate points in the later chapters and encourage consideration of this thesis as but one contribution to a larger body of work on this subject.

For the reasons set out above, elite interviewing was chosen as the main method of obtaining new data in pursuit of my research aims: aims that focus on the experiences of those involved with learning at a strategic level. The precise questions asked and, indeed, the choice of interviewees was influenced greatly by the theoretical approach set out here and by the documentary analyses that make up the preceding chapters of this thesis. My general approach to the analysis of the data obtained will be described shortly (§4.5).

Sources

The choice of data sources for this research was crucial to its success and was influenced by the foregoing, as I now explain.

As mentioned above, this research has been conducted at the meso-level and is not about any specific learning events, but about learning to learn. Of concern here are the cultures, structures and working practices created as councils throughout the land responded in their own ways to the LGMA. For the purposes of this thesis, then, the government and its modernising agenda are viewed as being at the macro-level, as it attempts to influence the whole of English local government. At the other end of the spectrum are the micro-level effects on particular services and those who provide them. Between these two extremes lies the meso-level of those people who provide the link between the two, who translate (or play a major role in translating) government intentions into council actions.

To meet my aims, then, my research needed to focus on those occupying strategic roles within local authorities; on those who took decisions or were in a position to influence the decision-making process. In terms of being selected to take part in this research, their knowledge of cultures and capabilities outweighs any lack of detailed knowledge of service delivery.

The importance to historical institutionalism of a relatively long time-frame has also influenced the choice of interviewees as it suggests a need to narrow the list of

possible interview participants to those who not only satisfied the above criteria, but who had done so for some time.

Finally, as discussed in Chapter Three, leadership is an issue that crops up time and again in the government's literature on modernisation and strong corporate leadership has been shown to be of major importance to change in local government (Ritters *et al*, 2009). Additionally, in commenting on their methodological approach Wolman and Page (2002) state that, instead of focusing on a specific policy area or decision, their:

unit of analysis is the *important actors* who are potential policy learners within a system of governments with respect to one or more policies.

(Wolman and Page, 2002, p.482, emphasis in the original)

These actors were identified by their position within the organisation (Wolman and Page, 2002) and, as the objectives of these authors chime with mine, their work provides a useful guide.

Leadership, though, and as I discussed earlier, takes many guises, and is not always provided by one person. There exists a wealth of literature that refers to leadership teams, be it in the form of academic treatments (such as Haleblian and Finkelstein, 1993; Asquith, 1997; Hartley and Allison, 2000; Walker and Enticott, 2004; Leach and Lowndes, 2007; Enticott *et al*, 2009), or originating from local government-related organisations (for example, Audit Commission, 1989; IDeA, 2006; IDeA, 2009; SOLACE, 2012; SOLACE *et al*, 2013). That which relates to English local government often refers to the joint political and managerial leadership team (IDeA, 2006; Leach and Lowndes, 2007; SOLACE *et al*, 2013).

The importance of leadership teams to an organisation is not questioned here, but this acceptance requires me to explain why I have chosen to concentrate on only one member of these teams – the local authority Chief Executive.

In introducing their work, Peterson *et al* (2003) chart the change in research emphasis from one on *the* leader, to the top management team and, importantly for this study, back again. Their research (though in the U.S., and in the private sector) is based on, and provides support for, the contention that, although team dynamics are important determining factors in organisational performance, the disposition of a Chief Executive can play a significant role in determining how such a team functions.

Indeed, the Chief Executive can also play an important role in determining the membership of a management team, as well as how they interact with each other once in place (Peterson *et al*, 2003). The organisational learning literature's contention that leaders can play an important role in creating a learning environment is noted, as is the fact that there is "surprisingly little evidence on this topic", by Rashman *et al* (2009, p.481).

Turning to the local authority Chief Executive in particular, even those studies that examine the role of leadership teams acknowledge the particular role played by the Chief Executive. Below, I make reference to but a few of the instances where the literature acknowledges the distinctiveness of the Chief Executive role; all of the papers cited refer to research relating to aspects of their work, though not always exclusively. Taken together, these references support my contention that the Chief Executive plays an important and particular role in English local government and that my use of them as prime research participants is therefore valid.

The title of an Audit Commission (1989) Management Paper – *More equal than others* – shows the importance attached to the Chief Executive by that organisation. This report goes on to say that Chief Executives are crucial to the development of central processes that can evaluate performance, make comparisons and so aid effective decision making. "Crucial" is also the word used by Hartley and Allison (2000, p.37) and Dereli (2003, p.254, though quoting Maddock, 2002) to describe the role of Chief Executives. Dereli (2003) also draws on the work of a number of researchers and theorists in stating that the position of Chief Executive is pivotal. This, she says:

seems to testify to the role they have in the development of new government initiatives.

(Dereli, 2003, p.254)

This latter point is also accepted by Harbour and Wilson (2003) who acknowledge that Chief Executives have unique roles and play a key part in responding to the modernisation agenda; they go further by adding that the role will become even more significant because of Labour's reform agenda. Stoker (2002) asserts that New Labour was clear that the cooperation of local authority Chief Executives was necessary to the successful management of change in the public sector.

That Dargie (1998; 2000) chose to examine the role of the local authority Chief Executive (among others) suggests there is something distinctive about this role that

is worthy of academic research. This is borne out by Asquith's (1997, p.86) reference to the "change management agenda of the chief executive", and the thrust of Joyce's (2004) article is that the appointment of a new Chief Executive was pivotal in achieving the 'turnaround' of a London borough council. Similarly, Jones (2005, p.669) found that authorities with "strong and focused" Chief Executives were better able to create and sustain improvements in performance. Orr (2014, p.1042) examines the "everyday leadership and learning practices of UK local government chief executives". Even those who argue against using evidence drawn from the examination of a single tier of informants accept that "the values of chief administrators are shown to influence actions" (Walker and Enticott, 2004, p.419).

Though perhaps only to be expected, SOLACE funded a research project to examine the skills needed by a local authority Chief Executive "as distinct from a senior manager" (SOLACE *et al*, 2013, p.2) thereby confirming that, at least in their view, there was a distinction to be drawn.

Further support for the relevance of my research, and of the methodology adopted, is contained in that statement that:

very little is known about the views of chief executives on the fundamental changes Labour is introducing. (Harbour and Wilson, 2003, p.51)

My research, which brings together the very specific ingredients of Chief Executives, modernisation and organisational learning, contributes to the filling of an identified gap in knowledge concerning Chief Executives' views of modernisation.

Finally, in §2.1.2, I noted the organisational learning literature's view of the important roles executive leaders play in developing organisational vision and linking it to the activities of employees (Snyder *et al*, 2003; Senge, 2006).

Based on all of the above I decided that this research should focus on local authority Chief Executives; people at the corporate centre of their organisation, giving leadership and helping to define the organisational culture and who would have occupied senior positions for much of the modernisation period. They will have played a major role in their councils' responses to the government's proposals whilst retaining a generalist oversight and not necessarily being involved in the minutiae of any service-specific arrangements. This decision flows from my overarching research aim and feeds back into the development of the subsidiary aims; aims that underpin

this research project's exploration of Chief Executives' knowledge of, and influence on, their councils' approach to learning how to learn.

Chief Executives were not, though, the only group that I considered examining when framing my research aims. Many of the arguments outlined above, regarding the importance of Chief Executives, could also be made with regard to elected members. Indeed, I made passing reference, above, to the literature on the leadership team of a Chief Executive and Council Leader. Interviewing leading members, though, while providing interesting and useful results, also presents a number of problems. Firstly, while members will have played a major role in setting the culture and organisational structure of any council, decisions on the latter will have been based largely on the advice of others – notably the Chief Executive. Secondly, members would not necessarily have detailed knowledge of the implementation of the range of modernisation initiatives, as was discussed earlier with reference to Snape's (2000) 'modernisation silos'. Thirdly, members will view the modernisation agenda through the lens of their political beliefs. Of course, Chief Executives have strong beliefs too, but they will have had experience of making a system work, regardless of whether or not they agreed with it. Lastly, there is the practical problem of identifying suitable members – ones who had played a leading role in their council throughout, or at least for a substantial part of, the modernisation period. Asquith (1997) and Rashman and Hartley (2002) raise the practical difficulty of even gaining access to elected members; a problem Asquith (1997) attributes to the part-time nature of their council work.

There is an important point contained in the above that is perhaps so obvious that it is not always stated explicitly; that the interviewee must have the information the researcher is seeking. More than that, he or she must be willing to share it (May, 2001). That my choice of interview participants satisfied both these points is supported by the interview data. A willingness to share information was aided by a common interest and employment in local government, as is shown by the use of the words 'we' and 'us' by a number of interviewees and by the ease with which illustrative stories were related. The issues of trust and similarity discussed in Chapter Two can be seen to be at play here.

Methodological Considerations of Using Single Informants

Having established that local authority Chief Executives play significant and distinct roles within their employing authorities and are, therefore, a valid and worthy focus of research, this still leaves a number of methodological issues to be addressed. Such issues include why Chief Executives are the *only* focus of my research, and how many of my findings, drawn from interviews with a relatively small number of people, can be applied to local government more generally.

The weaknesses of examining single informants or one tier of management within an organisation are set out explicitly by Walker and Enticott (2004) and Enticott *et al* (2009). The concerns of these authors are that the methods I have adopted give undue weight to the views of senior executives and fail to reflect the variety of views of an organisation (Enticott *et al*, 2009) and that recall is unreliable (Walker and Enticott, 2004). They argue, therefore, for the use of quantitative analysis of large-n surveys of multiple informants in public administration research.

In answer to these allegations of weakness, I make the following points. Firstly, it is the views of these informants that my research has been designed to unearth. The weight afforded to these views is, then, not undue, but is intentional and explicit. Had I wished to unearth the variety of views on organisational learning and modernisation contained within any single local authority, I would have cast my interview net wider, but I deliberately did not. My research was designed to examine the views of, and the effects of modernisation on, Chief Executives. Even Enticott *et al* (2009) go on to state that:

If the aim of the study is to investigate the thoughts of a particular group of organizational actors (e.g., chief executives) toward a new policy initiative, then that requires surveying only those officers. (Enticott *et al*, 2009, p.248)

Secondly, the research described in Enticott *et al* (2009) is clearly based on an ontology that differs from mine. This is shown through the use of phrases such as 'more accurate', 'less accurate', 'reliable measures', and 'best vantage point'. In my ontology, such phrases have little, if any, meaning. My answer to these criticisms – and the point about unreliable recall – is that I am seeking to uncover information on how Chief Executives construct their world; even if their views are built on less accurate information, or on unreliable recall, it is still their world-view and it is this that shapes their actions.

To address the issue of generalisability, I turn to a number of studies more similar to my own. Dereli (2003) interviewed four Chief Executives, as did Dargie (1998), though her subsequent study (Dargie, 2000) involved shadowing eight. Leach and Lowndes (2007) interviewed nine Chief Executives (and council leaders, and twice) while Joyce (2004) concentrated on only one. Asquith (1997) conducted his research in eight local authorities and he states, along with Leach and Lowndes (2007) and Allison and Hartley (2000), that this covers a diverse range of local authorities. A number of these research reports address generalisability head on by stating that this is not the aim. Leach and Lowndes (2007) explicitly state that their findings are not representative, but “provide contrasting examples from which broader lessons can be drawn” (Leach and Lowndes, 2007, p.186). The aims of the above-mentioned studies were not dissimilar to mine, and nor were the sample sizes on which they based their findings.

In a further, private sector, study, the reliability of the data collected from a relatively small sample of single informants is increased by “choosing executives who had been personally involved” in the issue under consideration “to ensure an appropriate level of awareness” (Sammorra and Biggerio, 2008, p.824). Their approach, then, was similar to my own.

One further point is that my research project needed to balance the need to collect enough data for robust analysis against my capacity to collect and analyse it. In my case, this meant designing a research project that could be undertaken by a single, part-time researcher in addition to my full-time employment. In the case of Allison and Hartley (2000), 75 interviews were carried out (though in only four authorities) but this involved a research team spending two days in each authority, as formed part of a wider research project.

Other Possible Approaches

Elite interviewing, the approach adopted (along with some documentary analysis) for this research project, was not the only approach possible, or considered. Ethnography is an obvious contender, and is referred to explicitly by Dargie (1998; 2000) and Orr (2014). However, this methodology is time-consuming and is dependent on the host providing a significant level of access to individuals, meetings and documents. Dargie (2000) spent a week with each Chief Executive she shadowed, and Orr (2014), who spent four years observing a sample of Chief Executives only twice the size of mine, makes it clear that he had to balance this

research against the demands of his 'day job' as a professor. For these reasons, ethnography was not an avenue pursued particularly strongly.

The use of surveys was another possible methodology to adopt, but this too has its drawbacks. The most significant of these is that it can constrain the answers provided into pre-determined categories. Additionally, Broussine (2000) reports anecdotal evidence of Chief Executives becoming frustrated with the demands on their time presented by requests to complete surveys.

Taking into account all of the above, I believe that the methodology I adopted for my research project sufficiently balanced the competing demands of academic rigour and achievability, and was appropriate to my conceptual framework. Reflecting the meso-level approach outlined earlier, "historical institutionalists look at forests as well as trees" (Pierson and Skocpol, 2002, p.15) in this research, the nature of the local government forest is revealed by conversations with Chief Executive trees.

4.4 Ethical Considerations

This research project, including the use of interviews to procure primary data, was approved by the University of Huddersfield School of Human and Health Sciences School Research Ethics Panel on 30th June 2009. A copy of the form submitted to that panel is attached at Appendix A.

Prior to each interview I provided the interviewee with information regarding the research purpose and aims and each signed a consent form in line with the School Research Ethics Panel's regulations. In countersigning these forms I undertook to preserve the anonymity of the interview participants, I have therefore removed any identifying information from the appended interview transcripts (Appendix B) and from any quotations included in the following chapters. In the cases of the Chief Executives, this consists largely of removing references to their current and previous employing authorities, but also includes references to identifiable individuals known to the interviewee (and to me). I have not removed references to third parties – either authorities or individuals – where such references merely provide information widely held within the cohort of interviewees and more generally.

The preservation of anonymity does, though, present one problem. As I will detail shortly, there were two stages in the process of data collection and analysis where I consulted Audit Commission reports on individual councils. These reports are

acknowledged here as an important data source. However, I cannot refer to these reports explicitly, nor can I list them in the reference section of this thesis without compromising the anonymity of the interview participants. This point should be borne in mind in the following analytical chapters.

Finally, a substantial contribution to the fees for this research project was made by my employer, Calderdale Metropolitan Borough Council. The costs incurred in carrying out the fieldwork were largely met by two small grants totalling around £200 from Huddersfield University. I gratefully acknowledge receipt of these financial contributions.

4.5 Undertaking the Fieldwork

Having made the decision to interview local authority Chief Executives, a number of practical considerations still had to be addressed, not least *how many*, *who* and *when*? To answer the question of who to interview, the importance of long time-frames was brought into play. The questions to be asked of the interviewees concerned initiatives ranging from those introduced immediately after the 1997 general election to those that were still being implemented at the end of Labour's last term in office. Because of this, only those who had been a Chief Executive (or at least a senior local government officer) throughout the period of the LGMA were asked to take part in the research interviews.

To answer the question of how many interviews should be undertaken, it is necessary to remember one of the limitations of elite interviewing, weak generalisability. Each council and each Chief Executive may have reacted differently to the stimuli of various Local Government Acts and governmental guidance and it is the detail of those different experiences that is of interest to this research, thereby removing the need to interview a statistically significant sample. In this research, insights would be gained from the richness of the different answers given to searching questions; representativeness was not the aim and so was not sought in the sample (Tansey, 2007). The data collection process was brought to an end when my pre-analysis of the data suggested that no significant new information was being provided.

The issue of when to interview proved to be problematic. The interviews commenced early in 2010 and several difficulties were already visible on the horizon. Firstly, and as in every year, all Chief Executives would be heavily involved in the

consideration of budgetary plans that would have to be agreed by their councils in February or March. Secondly, and of particular interest in 2010, were the coming elections. Most Chief Executives hold the additional role of Returning Officer at elections and many would have been facing the running of an election to their council in May of that year. However, this situation was complicated by the looming general election, which was expected to be, and was, held on the same day as any local elections in May 2010. Elections, then, would take place everywhere in England and not just in those places where local elections were scheduled. Whether or not council elections were held in their authority, Chief Executives would immediately be moving on to the organisation of their Annual Council Meetings to be held in May or June and which would shape the council's political leadership for the year. A further complication was that, in June 2010, the new coalition government produced an emergency budget that included several billion pounds-worth of reductions in public expenditure. Many of these affected local authorities and came into effect immediately.

If Chief Executives were not generally busy enough, the first half of 2010 contained enough extra complications to make finding time to be interviewed even more difficult than otherwise might have been the case. Being sensitive to this situation, letters of introduction and an invitation to take part in this research were sent, in the quieter periods of the year, to a number of Chief Executives already known to me. Initial reactions were good and all positive responses were taken up. The fact that I knew some of the early interview participants had the potential to be problematic, but I do not believe that this potential was realised. I had only a passing association with some, and that was based entirely on shared professional interests. That this acquaintance did not influence the outcome of the interviews is illustrated by those of whom I had no previous knowledge providing illustrative stories just as freely as did those whom I knew. That less than one third of the interviewees knew something of me was an advantage as it gained me access to them, but nothing more.

Additional assistance in identifying potential interviewees was also obtained from work colleagues and from a network of those occupying similar positions to mine in other authorities throughout the country. Both led to the undertaking of a number of interviews. Following each interview, the participant was asked if he or she would supply the names of other Chief Executives who might be willing to take part in the research; a process known as 'snowball sampling' (May, 2001; Goldstein, 2002)

or the 'snowball effect' (Richards, 1996). Many supplied information on further potential interviewees and those meeting the established criteria were approached, though not all responded. All interviews took place at locations of the interviewees' choosing.

Interviews took place with 17 current or recent Chief Executives who had experience of working in a wide range of authorities. They were currently working in four of the nine (by now defunct) Government Office regions and had been Chief Executive in 23 different councils in seven regions (and Wales). Other positions held had seen them working in a further nine councils, bringing the total of English regions worked in to eight (and Scotland). The interview data also contain references to work in four unspecified councils. Their current positions involved them working in County, Metropolitan, District and Unitary councils, with a variety of CPA ratings and sizes. Two interviewees were past presidents of SOLACE. Also worthy of note are the professional backgrounds of the interviewees, which covered a wide range of local authority service areas, and the private sector. The breadth of this range reflects the findings of a SOLACE/LGC survey in 2004 (LGC, 2004) but is in stark contrast to the position reported earlier, where most Chief Executives were former lawyers (Audit Commission, 1989). Only one of my interviewees had a legal background.

All the interviews were recorded (with the interviewee's prior written permission) and notes were taken during the interviews. Recordings were transcribed as soon as possible after the meeting – always within a few days – and interview participants were immediately supplied with a copy of the transcript for comment and amendment. The opportunity to amend their responses was taken up by only two interviewees.

My preparation for each interview included reading documents relating to the council to be visited, always including the latest CAA report, to gain some understanding of the context in which the interview would take place and as stressed by Harvey (2011).

Three Variations

Shortly after the interviews with Chief Executives commenced, geographical proximity provided opportunities to interview two further individuals. The first was Interviewee R; 'a person closely associated with the Beacon Scheme' and so able to supply insights into the working of the scheme that would not be available from any

other source. This interview included discussion on anonymity and agreement on the above description. The second was Interviewee S; a person who agreed to be described as 'the head of the local government arm of one of the major political parties'. Although tangential to the main purpose of this research, this latter interview was undertaken to gain some insight into how at least some elected members, and an organisation established to support them, reacted to the modernisation agenda. As one role of this organisation was to spread 'best practice' on being a councillor, this interview also gave the opportunity to explore if and how its activities had been modified as a result of local government modernisation. These interviews were undertaken, transcribed and agreed as described earlier, and the transcripts are included in Appendix B.

One further variation concerns Interviewee P1 who, without my prior knowledge, invited to the interview a senior colleague with a particular interest in organisational learning. As not allowing this person to participate in the interview would deny me a further data source, and would appear rude, the necessary consent forms were signed and I proceeded to interview both. This second officer is denoted Interviewee P2 in both the transcript and the analytical chapters of this thesis.

Information on the interviewees and, for the Chief Executives, their employing authorities, is given below, in Table 4.1, and further information is attached at Appendix C.

Data Collection

Having decided upon the data collection method and sources, there still remained the important question as to what data should be obtained, that is, what questions should be asked during the interviews.

Decisions on this point were aided by my immersion in the literature outlined in the previous two chapters of this thesis. Reflection on the issues contained in those literatures led to the design of an interview script that grouped questions into four categories.

Firstly, I asked each interviewee two questions about themselves. This was partly to ease both the interviewee and myself into the discussions, but also partly to obtain information supporting his or her inclusion as an interview participant.

Table 4.1 The Research Interviewees

Interviewee	Position Held	Authority Type	Background	Previous Senior Positions Held	CPA Rating (2008)	CAA Organisational Assessment (2009)	Population (2009) (approx)	Workforce/ FTE (2010)
A	Chief Executive	Metropolitan Borough	Marketing	Chief Executive, District Council	3 star, improving adequately	Performs Adequately	200,000	10,312 7,124
B	Chief Executive	Metropolitan Borough	Education	Chief Education Officer, Metropolitan Council	4 star, improving adequately	Performs Adequately	400,000	18,781 13,731
C	Chief Executive	Metropolitan Borough	Legal	Executive Director, Legal Services, Metropolitan Council	3 star, improving adequately	Performs Adequately	750,000	34,059 24,780
D	Chief Executive	District Council	Highways/ Regeneration	Director, Regeneration & Development, Metropolitan Council	N/A	Performs Adequately	50,000	290 252
E	Chief Executive	County Council	Economic Development	Chief Executive, 2 Metropolitan Councils	3 star, improving adequately	Performs Well	1,100,000	42,514 30,464
F	Chief Executive	Metropolitan Borough	Leisure	Chief Executive, Metropolitan Borough	3 star, improving well	Performs Adequately	255,000	10,503 7,579
G	Chief Executive	Metropolitan Borough	Housing	Head of Housing, Metropolitan Borough	2 star, improving adequately	Performs Adequately	500,000	22,128 15,746
H	Chief Executive	Unitary Council	Education	Chief Executive, Unitary Council	N/A	N/A	290,900	11,279 8,092
I	Chief Executive	Unitary Council (Directly Elected Mayor)	Finance	Chief Revenue & Benefits Officer, Borough Council	N/A	N/A	156,000	7,507 5,275
J	Chief Executive	Metropolitan Borough	Housing	Director of Housing, Metropolitan Council	4 star, improving strongly	Performs Well	280,000	10,878 7,034
K	Chief Executive	County Council	Finance	Chief Executive, Borough Council	3 star, improving adequately	Performs Well	1,100,000	42,514 30,464
L	Chief Executive	District Council	Social Services	Director of Social Services, Metropolitan Council	N/A	Performs Adequately	143,500	1,029 893
M	Chief Executive	Borough Council	Social Services/ Housing/ Policy	Acting Chief Executive, Borough Council	N/A	Performs Well	110,000	643 551
N	Former Chief Executive	Metropolitan Borough	Policy/Retail (private sector)	Assistant Chief Executive, Metropolitan Council	2 star, improving well	Performs Well	434,900	17,762 14,502
O	Former Chief Executive	Metropolitan Borough	Town Planning		4 star, improving strongly	Performs Well	280,000	10,878 7,034
P1	Chief Executive	Metropolitan Borough	Social Services	Chief Executive, County Council	4 star, improving well	Performs Well	300,000	11,553 8,955
Q	Interim Chief Executive	Metropolitan Borough	Voluntary Sector/Policy	Chief Executive 2 Unitary Councils	3 star, improving adequately	Performs Adequately	200,000	10,312 7,124
R	Person closely associated with the Beacon Council Scheme							
S	Head of the local government arm of one of the major political parties							

Secondly, I asked a group of questions relating to their understanding of organisational learning, how they had obtained their knowledge and how, if at all, they had sought to apply this within their council. This set of questions also included one that would enable me to judge their support (or otherwise) for my contention that the modernisation of local government provided a stimulus for organisational learning to occur. At each stage of the interviews I was careful not to lead the interviewee into providing the 'correct' answer, but this was particularly relevant at this point as I was seeking to educe the interviewee's construction of organisational learning.

Thirdly, I asked a set of questions regarding council structures and cultures. Building on the literatures discussed in Chapter Two, these questions probed issues of vision, reflection, risk and experimentation, structures, and change management. Although I did not explicitly link these matters and organisational learning during the interviews, the fact that these questions were being asked within the context of research into that subject meant that the interview participants often did.

Fourthly, I asked a series of questions relating to specific modernisation initiatives, though this section concluded with a more general question that allowed the interviewees to comment, should they wish, on any aspect of local government modernisation. The particular initiatives around which these questions were based were those explored in Chapter Three of this thesis, namely Best Value, the Beacon Council Scheme and the Comprehensive Assessments. There are a number of reasons why I have focused on these initiatives, at the expense of others, and these are, briefly, that they were among the more significant modernisation initiatives, they were implemented widely, and each has been extensively studied by academia, providing a wealth of data on which to build. I discussed the links between these initiatives and learning in Chapter Three, and these played a significant role in framing each of the questions in this section. I sought to draw out from the interviewees how they viewed the learning aspects of each initiative and what use they and their organisation had made of these.

Each interview session concluded with my providing the participant an opportunity to comment on any issue he or she felt appropriate, or to add to previous observations. The semi-structured nature of these interviews allowed me to stray 'off script' when appropriate to ask for further information or to pursue an unexpected but potentially interesting line of enquiry.

The Chief Executive interview script is attached as Appendix D. However, the questions posed to the other two interviewees, being unique to each, are not, though

they are contained within the respective interview transcripts. In all cases the questions asked were not randomly chosen, but were driven by my research aims, prompted by my engagement with the relevant literatures, and designed to allow the interviewees to illuminate the situation from their very particular positions.

Data Analysis

No significant analysis of the interview data was attempted until its collection was substantially complete, though listening to and transcribing the recordings necessarily begins the process of becoming familiar with the data (May, 2001) and achieving this familiarity is an acknowledged first step in qualitative analysis (Braun and Clarke, 2006; Denscombe, 2007). Additionally, this process played a major role in deciding when to bring the search for further interviewees to a close.

However, analysis is an iterative process (Denscombe, 2007), as will become clear in the following description and, once undertaking the interviews was complete, familiarity with the data was deepened by reading and re-reading each transcript. This process was also assisted by the production of a substantial essay that set out the findings from the interviews on a largely question-by-question basis. This essay is attached, as Appendix E, and although no attempt at any meaningful analysis was made in its production it was a helpful and necessary step along the way to a deeper understanding of the data.

In addition to the above-mentioned examination, I undertook a further investigation of the data contained in each interview transcript. This process differed from simply re-reading each interview script as it was used, not just to improve familiarity with the data, but to gain a deeper understanding of each interviewee's world view and, in particular, their view of learning. This process was supplemented by triangulation of the data conducted through an examination of the Audit Commission's CPA and CAA reports on the councils in question. I use the term 'triangulation' not in the sense of checking the validity of the data supplied by the Chief Executives or in the search for the 'truth of the matter', as that would run counter to my expressed ontology. Instead, I use it in the sense of providing another observer's view of the same phenomenon (Mason, 1994; Bryman and Burgess, 1994). Such "evidential triangulation" is a feature common to interpretivist methodologies (Hay, 2011, pp.173-174).

None of this work is appended to this thesis, partly because of problems this would cause in maintaining the anonymity of the interviewees and partly because

these were simply stages – albeit important and necessary ones – along the route to the analysis that forms the following chapters of this thesis.

Building on the above, the analysis of the data obtained for this research was undertaken as follows, though not in a way quite as neat and linear as is suggested here.

Having gained the necessary familiarity with the data and the literature I noted every point that I believed to be significant to this research. These findings were then grouped in temporary but meaningful categories, based on their source, before being re-categorised in to more closely relate them to the research aims. The research aims underpin each stage of this analysis, but I mention them here, and only here, in an attempt to maintain clarity in a narrative describing a rather more complex process, not all of which proved useful or successful.

There then followed an iterative process of thematic categorisation and re-categorisation, including the (colour) coding of the document attached at Appendix E to provide a manageable route back to the original data contained in the interview transcripts and to other documents. Further work on the analytical framework illustrated in Figure 2.6 led to my final decision to examine the influential characteristics included there at each of the four processual phases at its centre. The following chapters are, then, structured around those stages.

Throughout this thesis, interviewee quotation references take the form (A:20–21), denoting the letter allocated to the interviewee and the number of the line(s) in the relevant transcript where they occur.

In this analytical work I was aided greatly by publications such as Bryman and Burgess (1994) and May (2001) and by my supervisory team, with the latter's assistance proving, if proof were needed, the iterative nature of the process. I should also mention, as the literature referred to does not, the assistance provided to this process by large sheets of paper, coloured marker pens and post-it notes. If evidence is needed that learning is indeed embodied in doing, then I offer qualitative analysis as an example.

This chapter has charted a clear course through the research process from ontology to methodology and on to the analytical techniques employed. How I utilise these standpoints and techniques will become evident in the following chapters as I use them in the analysis of the data that are unique to this research project.

Chapter Five

Modernisation and Pressure to Learn

Every body continues in its state of rest, or of uniform motion in a right line, unless it is compelled to change that state by forces impressed upon it
Sir Isaac Newton, Principia Mathematica

My analytical framework has at its centre four processual phases, the first of which is pressure to learn. In Chapter Three I discussed the ways in which modernisation in general and the three initiatives examined could bring about this pressure to learn and change. Here I examine what those interviewed for this research had to say about this subject and how their comments highlight the individual and organisational characteristics at play.

5.1 Driving Organisational Learning

As is made clear by the literature reviewed in Chapter Two, change and learning are driven by dissatisfaction with the *status quo*, by a mismatch between current and desired performance levels. The first section of this chapter examines the evidence that local government modernisation provided such a driver at a higher level of abstraction; that dissatisfaction with learning ability drove a search for improvements in learning how to learn. Subsequent sections address Chief Executives' definitions of organisational learning, and the actions taken to support it, followed by an examination of the three initiatives that are central to this thesis.

5.1.1 Changing to Learn and Learning to Change

All but one of the Chief Executive interviewees believed that local government's interest in organisational learning had grown in recent years, and even the dissenter accepted that the interest he felt had always been present in his area of work – social services – had “been picked up and broadened out” to the wider local government world (L:29). Various caveats, though, were added to a number of responses: one wouldn't have used the term 'organisational learning'; two referred to the cyclical nature of interest in such matters, and one believed that the use of the

term, if not the concept, had reached its peak a few years earlier. The acknowledgment of this increase in interest allowed me to probe deeper by asking what might have driven this perceived change. Although the words used by the interviewees differed, their meaning did not, and their answer was 'modernisation'. Only one participant referred explicitly to "the stimulus of the modernisation agenda" (O:25–26), and one to "the Blairite agenda" (M:37), but others referred to performance management systems, inspection regimes and changes in the roles of local authorities and made explicit reference to initiatives such as Best Value and the CPA. Four interviewees made reference to the changing nature of management within local authorities; a trend boosted by the NPM on which modernisation built.

Interesting though these comments on the drivers of organisational learning are, even more significant is what was *not* said. In this, my analysis of the 'silences' present in the interview data reflects the view that:

Documents may then be interesting for what they leave out, as well as what they contain. (May, 2001, p.183)

Here, then, I attach significance to the fact that not one of the interviewees claimed that any of these drivers of change originated within local government, or that organisational learning would have been pursued without that 'stimulus of modernisation'. One interview participant came close to internalising these drivers by stating:

I think there has been a genuine desire to try and improve organisational understanding and organisational interaction to improve performance and improve quality of delivery. (J:34–35)

Even he, though, went on to acknowledge that this had been promoted by the government through modernisation initiatives such as the CPA. Interestingly for this study, this interviewee then went on to explain why he thought that modernisation was both a stimulus for, and a barrier to, organisational learning; an apparent paradox I raised in §3.5.

My analysis shows that both through their words and their silences, this group of long-serving local authority Chief Executives expressed their belief that interest in organisational learning increased as a direct result of the LGMA. However, my

analysis also uncovers significant opinion that this increase was not sufficient, nor was the interest translated into implementation and embedded within the local government psyche, mirroring the situation described by Goold (2006) quoted the beginning of Chapter Two. Perhaps not surprisingly, none of the interviewees volunteered to shoulder any responsibility for this situation even though they were well-placed to change it, had they wished.

Whilst it is impossible to say with certainty that no individual authority would have pursued organisational learning without the prompt of modernisation, it is clear that, as a whole, local government had not become fully conversant with organisational learning, whether as an academic discipline, a management 'fad', or as part of a more ethereal *zeitgeist*.

However, while knowing that central government was alerting local government to the existence of organisational learning (though rarely using the term) goes some way to answering some of the questions central to this research, it does leave other questions unanswered: two such questions being whether local government took up the baton of organisational learning passed to them, and whether learning did actually take place. I shall return to these points in the final chapter of this thesis.

Bringing About Change

Though it is clear from government White Papers (DETR, 1998a; DTLR, 2001) and Blair's (1998) pamphlet on local government that the need for change had been accepted at the centre, it is less clear that this same imperative was accepted by local government. Not that this necessarily mattered to the government, as it chose not to persuade local government to change, but to legislate for it. The adoption of such an approach has major implications on the effectiveness of any programme of change. In this instance, if local government did not accept the need to change, then it was unlikely to do so.

In §2.3.3, I noted the distinction between changes that are sought and those that are imposed, and two categories of drivers of change, namely Need Pull and Institutional Push. Legislation clearly falls into the Institutional Push category. However, 'pushed' changes seldom result in the successful adoptions of a new practice (Leseure *et al*, 2004) and reducing resistance is more effective than simply 'pushing harder' (Argyris, 1999; Hayes, 2010). Kotter (1995) is more precise, stating that a lack of patience and a significant underestimation of the difficulty of convincing

others of the need to change lead to a failure rate of 50 per cent during the first stages of his change model.

Whether or not the government was aware of any of this is difficult to say, but there is no reason why it should not have been, and at least some of the Chief Executives interviewed showed a level of awareness of the effects, if not necessarily the theoretical background. As one told me, the main drawback of Best Value was:

the idea that you needed external challenge to generate improvement. Because, if you look over a short period of time with external challenge on a function in a big organisation, and that's the stimulus for change, once that stimulus is taken away, which inevitably after a short period of time it will be, why won't the culture just slip back into where it was previously? If you're going to achieve systemic change you actually need the challenge from within...And if your organisational culture doesn't enable that, and doesn't require that to happen, then you don't get that lasting change. You get box-ticking and then people slip back into the way they used to be.

(G:259–267)

while another said:

I think that was always the worry for me, that government was always in a hurry, looking for shortcuts, looking for things that they thought would provide consistent solutions and I think it's only now that there's been that willingness to recognise that actually, it's that local adaptation to your local culture, your local style, your local preferences that actually makes the difference. And only the local authority and its partners understand the place that they work in at that level. The government can't do that from a distance and is better sometimes not trying to impose 'one size fits all' approaches. (H:449–454)

The first of these quotes shows an understanding of the efficacy of Need Pull over Institutional Push, while the second suggests that central government was prone to exhibit the lack of patience that Kotter (1995) finds so detrimental to change processes. 'Only now' was the government coming to share these views and amend its approach, suggesting that the government's change in approach noted in §3.3 took some time to be perceived by this interviewee. The importance of context is also evident in the latter quote.

At least some of the resistance shown by local government to initiatives originating from central government had its roots in the very fact that those initiatives had come from central government. The following quotes illustrate the resentment engendered by the government's Institutional Push approach:

I think one of the biggest difficulties for me of the government's approach in what was a very top-down feeling approach at times, was they tended to fall into the trap of stumbling over good practice in one particular place and assuming it was immediately replicable everywhere. (H:425–427)

central government never seemed to try to find a win-win between itself and ourselves in local government. It exercised a parental approach in which it knew best and almost everybody was a villain...The Government of the era failed to find the partnership between central and local government and constantly exercised division when, actually, identifying with us what success looked like, and partnership, would have been a much better approach. (F:731–740)

one of the things that I think was a genuine barrier to learning was excessive targetry and the fact that people were being very, very reactive to an externally imposed set of criteria, conditions and performance indicators. (J:452–454)

and:

One of the big problems with the last Labour Government, and I was up front in talking to a number of ministers and senior civil servants throughout the period, was that they got into top-down, directive style of government and initiative overload and that's completely the wrong way to achieve sustained improvement. (G:313–316)

This interviewee went on to introduce the issue of mistrust:

the lack of trust in the central-local relationship that meant that anything that they couldn't evidence from an inspection couldn't possibly be happening. That's just ridiculous, quite frankly, and that's the wrong basis for a relationship between the localities and the centre. (G:325–328)

All of the above-quoted comments came in response to the last, open-ended questions, when I asked the interviewees if they had any further comments to make on modernisation and learning. It is at least interesting and perhaps significant that a number of Chief Executives took that opportunity to comment on the general state of

the relationship between local and central government. In-depth analysis of these comments is hardly necessary to note that they all convey a negative view of central government's approach, and no opposing comments were made to balance those listed above. Although only one interviewee explicitly mentioned trust, these comments suggest that it is not a significant feature of central-local relations. By describing central government as obsessive, excessive and as adopting a top-down approach, these Chief Executives are clearly not describing a relationship built on partnership, even an unequal one. Though they do not see local government as the villain of the piece, they know that this is how it is seen by others. This being the case, it is not surprising that responses by local government to proposals originating from central government include mistrust of their motives, denial of their analyses, and resistance to their initiatives.

The comments of three interviewees suggest that few words are needed to express dislike of the government's modernisation initiatives. My mere use of the words 'Beacon Council Scheme' provoked a strong response from one interviewee:

Rubbish. Complete waste of time. Absolute nonsense, waste of resources...I hated it.

(J:285–289)

My similar use of the words 'Best Value' produced two comparable results: "Christ, even worse [than the Beacon Council Scheme]" from Interviewee K (200); and the understated but telling "oh dear" from Interviewee P1 (367). These are but three responses to interview questions but, being ones made some years after the events being discussed, they show the depth of negative feeling towards these initiatives.

Trust, though, operates two ways, but only one is illuminated by the comments quoted above. However, simply by using the power of legislation to achieve the changes it deemed necessary, the government showed that it did not trust local government any more than local government trusted it. From the data analysed so far, though, no claim can be made that, in terms of the level of trust, or in the quality of central-local relations, the period under discussion here was significantly different from any that went before, or any that has, or will, come since.

The legislative route initially taken by central government to bring about changes in local government clearly illustrates the asymmetric power relationship between the two and was, just as clearly, resented by those Chief Executives interviewed for this research. However, such resentment does not necessarily mean

that the government was wrong to pursue such a route. After all, as I discussed above, local government showed no prior signs of adopting an organisational learning approach to improvement, and the same seems to be true of other issues, as illustrated by the following quotes from interview transcripts, all of which concern the Best Value framework:

I think it gave us another toolkit, another way of looking at, analysing. I think it was all good stuff. (P1:372–373)

It enabled benchmarking, which I think was probably quite new then, which they hadn't done before. (P2:374)

and

Yes. I think it was a way of looking at costs and efficiency of operations which we had been very lazy about until Best Value came in...but did it produce habit of thought, of discipline, which had been absent within certain local councils and the public sector? Yes it did. (B:263–273)

One further interviewee contrasted the era of Best Value with what had gone before:

inspection and league tables...was a good thing for local government, because I think we had no idea what success looked like and there was no effective benchmarking in local government before this absolutely draconian system was invented...if you don't compare yourself then...So how did authorities get a reputation for being good 25 years ago, 30 years ago, when there was little comparison? I don't know. (F:517–523)

The substantive point I draw out from these quotes is that, despite concerns about its implementation, Best Value is seen here as something new that filled an acknowledged gap in local government performance management systems. However, as was seen in Chapter Three, performance management was *not* new to local government at this time, but had been growing in importance as New Public Management tightened its grip from the 1980s onwards. Contrary to Interviewee F's view of benchmarking, Bowerman *et al* (2002) refer to a 1996 Chartered Institute of Public Finance & Accountancy (CIPFA) publication becoming, effectively, the 'handbook' of public sector benchmarking. The apparent inability of performance management to successfully take hold in local government may well go a long way to explaining why the government felt the need to legislate in this, and other, areas. Having been imposed, though, Interviewee B notes its long-lasting effects.

Two other examples illustrate the recalcitrant nature of local government. The first concerns local government working in partnership with other bodies:

The...modernising local government White Paper in 1998...talks about the need for local authorities to move away from just being focused on purely council service areas and to focus on the place. It talks about greater collaboration and working with the public, private and voluntary sectors...in the 2007 Local Government and Public Health Involvement Act we now have a duty to cooperate. I think that tells you that the intent was right, but the actual ability for local government to take that on and see the many benefits of it was mixed, hence the need to legislate...You can see local authority partnerships, shared services, all now coming at real speed but you have to ask the question 'where was the leadership and foresight to really make this happen when the times were better?' as it is always better to do collaborative type activities when it is not a crisis. (A:398–411)

The second quotation concerns the government's 'naming and shaming' approach inherent in the CPA and CAA's classification of local authorities:

The fact that they were coming in to sit in judgement on us...threw off a lot of the shackles of the inherent conservatism and the dead hand of bureaucracy. But it wasn't done primarily for altruistic reasons, it was done because Chief Executives and Council Leaders and other managers did not want to be seen to be a failure, a very public failure. (M:279–282)

One of his colleagues made a similar point. He believed that the publishing of a council's CPA report and, more importantly, the local media only reporting the negative aspects, had the consequence that:

your whole issue was not about how can we learn, your whole issue was how can we make this report the best we can. (K:251–252)

The first of this group of quotes shows that despite the modernisation programme providing nearly a decade of pressure for local authorities to work more closely with other bodies serving the same people, progress towards this end was still insufficient, at least in the eyes of central government, and legislation was deemed necessary. The second quote, although initially commenting positively on the effects of external inspection, goes on to suggest, as does the third quote, that, at least for some Chief Executives, the prospects of providing better services and being judged better

councils were not enough, on their own, to drive improvement. What really mattered was the opposite, the prospect of being branded ‘a very public failure’ if improvements were not brought about. The third quote also suggests that there may be a difference between improving services through learning and the gaining of a more favourable report of those services, a possibility I raised in §3.4.3.

Finally, the insular nature of local government is revealed by my analysis of the answers to the question concerning the ways in which ideas about new ways of working came into any particular council (Q9). After accounting for the differences in language used, a total of 19 different routes into an authority were mentioned a total of 49 times. More undoubtedly exist, as interviewees were asked to name only their ‘top three’. Of these 19 paths, the three most commonly cited (Networking, Trade Press and Local Government Organisations) accounted for half (24 out of 49) of all those mentioned. These three involve, as do the majority of the others, councils looking to other parts of local government for their ideas. Non-local government routes merited only seven mentions, including external inspection and challenge with only three.

I draw attention to the paucity of responses referring to the world outside local government being a legitimate source of information and learning as the data were collected around a dozen years after the start of a modernisation programme that stressed the importance of councils being more outward looking. Interviewee M made clear his thoughts on one aspect of this, but laid any blame squarely on the government:

one of the single biggest failings of the last Labour Government when it came to public sector improvement was the lack of involvement of the private sector. It was like they didn't exist. And that is, quite frankly, astonishing. (M:18–20)

Whatever the reason, one change was proving difficult to enact.

The application of my analytical framework here reveals the importance of the characteristics of both donor and recipient organisations, context, resistance and networking in the successful transfer of working practices. The Chief Executives quoted were obtaining information from organisations that were like their own and transferring it through networks of like-minded individuals. Information from sources outside the local authority sector was not regularly sought. Resistance to change is also exhibited here (specifically relating to performance management and partnership working) but was seen as something that affected local government as a whole.

Although pressure to change was being exerted by central government, it was not always felt by local government.

5.1.2 An Alternative View of Local Government Modernisation

Throughout most of this thesis I take the government at its word. This is not done out of naivety on my part, but because the actions of governments should be judged against their stated intentions, whatever the underlying political motivations. In this case the government said it wanted local government to improve and introduced policies designed in pursuit of that end. These policies, therefore, should be judged against their stated aims.

Every so often, though, *realpolitik* raises its head, in that the ‘real’ reason behind the LGMA was to ensure that the actions of Labour-run local authorities should not stop the re-election of a Labour government. As the memoirs of Blair (2010), Mandelson (2010) and Barber (2007a) bear out, those at the centre of New Labour still harboured bitter memories of the ‘loony left’ of Labour’s municipal wing who were felt to have contributed to the party being out of government for nearly two decades.

This matters to the political scientist in that a policy’s success can only be judged in relation to its intent so, while the above-mentioned analysis of policies in relation to their stated purpose is necessary, it is not sufficient. Analysis also needs to take into account any unstated aims.

One Chief Executive interviewed for this research was clear that at least one part of the modernisation agenda – the CAA Organisational Assessment – was meant to serve a political purpose:

The core assessment of the organisation was, I think, very much about inspectorates and the Audit Commission being able to say to government ministers ‘I can tell you if there’s a likelihood of failure, or a failure happening in this service or in this council and therefore avoid a major problem or an embarrassment while you’re the minister’. I think it was very much in those terms of giving ministers that confidence that they weren’t going to have a serious failure of child protection or whatever on their hands.

(H:388–393)

If this, or the wider view of Labour-run local government not being allowed to upset the applecart of electoral success at a national level, is accepted, then the holding of views such as the following becomes easier to explain:

I don't believe that we are encouraged as organisations to be learning organisations. I think we are encouraged...all to do the same thing in the same way. (K:324–325)

In both these scenarios the purpose of the LGMA is not improvement for its own sake, but improvement as a form of firewall for ministers, or for the government (and party of government) more generally. Looked at from that perspective, learning hardly seems necessary other than, that is, the learning of those practices deemed safe by others.

I discuss this here to establish that one valid view of local government modernisation is that it was built on an unsaid, but still widely known, pretext. Whether this was 'true' is largely irrelevant; the fact that some believed it to be true is not. If this view is accepted, it is not surprising that trust between local and national government is often lacking; indeed, the central-local relationship is built, to some extent, on an undiscussed falsehood. The important point to note in this is that if learning isn't really the aim, then learning is unlikely to be the outcome. While local government modernisation may have been designed to put pressure on local authorities to improve through learning, some mistrusted its motives and it is at least possible that this mistrust would manifest itself in resistance.

5.2 Specific Modernisation Initiatives as Sources of Pressure

Having explored the effects of modernisation more generally, I now examine the interviewees' comments on the three specific initiatives considered in this research.

5.2.1 Best Value

The government's intention was to provide pressure for improvement through the publication of comparative data across the range of local government services. These data, being published in a form akin to league tables, would enable each council to see its relative position in those tables, and this would lead to actions intended to improve that position in the following year. This, though, was not always how data were viewed or interpreted.

To start with some positive views of Best Value, interviewees told me:

so we were able on that one to say, well this is where we are and why is X, Y, Z better than us in that regard? (I:255–256)

and

it's hugely helpful to know whether you're doing a deluxe service at a low cost – yippee...what outcome you're delivering, though, is the end bit of 'do they add up to delivering the right service in the right place at the right time?'. (P1:379–382)

In these instances the Best Value process may not be providing explicit pressure to change, but it is providing a stimulus to explore whether changes are necessary. In both cases improved self-awareness is one outcome of the comparisons enabled by Best Value, with information being contextualised into knowledge through reflection. In the first case this leads to further exploration of context, while in the second the discussion moves from self-awareness regarding costs and efficiencies to an examination of a local authority's vision; from 'doing things right' to 'doing the right things'.

One further interviewee linked two of the factors contained within my analytical framework by noting that reflection on context was important when considering the Best Value performance data available from other authorities:

it's important not to rush to judgement about any particular area of performance without giving thought...more widely, to some of the possible...factors bearing upon that performance. (C:517–519)

However, not rushing has to be balanced against another governmental pressure in that, as I noted in a quote from Interviewee H earlier in this chapter, government was always in a hurry.

Inter-authority comparison was not, though, the only way in which Best Value was intended to provide pressure to improve. As one interviewee told me:

It wasn't just comparison with other organisations, it was also a more disciplined time-series comparison in one's own organisation...have we improved over the last three months, six months, 12 months? So it wasn't just comparing with others, it was also seeing how we'd done. But, as well how we'd improved, or not, you see whether others have improved faster. So it was a mixture of time-series, internal plus external. (O:329–333)

Although this was a point made by only one interviewee, this Chief Executive accepts that Best Value could provide continuous pressure for continuous improvement; that attaining a heightened sense of self-awareness is not something that should be seen as a one-off event or lead to any resting on laurels. Rather, it is, like reflection, something that needs to be undertaken constantly.

More common, though, were negative views of Best Value. One interviewee, when asked whether the Best Value framework had led to the uncovering of anything about his authority of which he was previously unaware, was particularly scathing:

Nothing at all. The work on Best Value was a doorstep announcement by Tony Blair when challenged what was he going to replace Compulsory Competitive Tendering with. And he said Best Value. Then the civil servants spent 12 months afterwards making up what Best Value was. And the fact that there is no legacy of Best Value...it was a political brand. The principles you could never argue with...but Best Value became another government and local government process. It didn't make a great difference. (N:224–229)

A further two comments about Best Value shed light on how that scheme was perceived:

the...Best Value framework...was so conditioned and so prescriptive that it was a little bit like some of the recent efficiency drives, you know. It almost created a climate of compliance, formally, but with very little change in substance. (C:437–440)

it was an imposition that became something that we all had to do and it was imposed on us and anything that's imposed on you, you don't tend to look for the value in quite the same way. (K:208–209)

Interviewee C's comment is one of the most explicit examples of resistance to the Best Value framework furnished by any of the interviewees. Interestingly, though, he does go on to point out the similarity to other, more recent, events, suggesting that resistance to government initiatives is not uncommon. To him, Best Value engendered compliance, but little real change, as if local government went through the motions of doing the least necessary to appear to be cooperative while simultaneously resisting any real changes in working practices. Having said that, the first CPA report on Interviewee C's council states that Best Value reviews were being

used, if inconsistently, to improve services and that the process of conducting later reviews had been improved by learning the lessons of early ones. If Interviewee C's views were shared by those actually conducting Best Value reviews within his authority, they appear not to have let this affect the quality of their work.

Interviewee K provides support for Interviewee C's view by suggesting compliance without engagement, with little value being gained from the scheme because little value was sought by those implementing it. Any blame for this is laid clearly at the door of central government for 'imposing' the scheme, a view that was shared by another interviewee:

The extent to which London tried to micro-manage communities and local authorities was stupid...the driving from London of 'we know what's best' has had lots of unintended consequences. (F:531–535)

In the comments of Interviewees F and K the problems associated with Institutional Push can again be seen to be manifesting themselves, and Interviewees C and N come to the view that Best Value had no long-lasting effects – the opposite of Interviewee B's conclusion (§5.1.1).

Notwithstanding these points, Interviewees C and K acknowledge that, whether or not they liked it, or it produced any long-lasting changes, the Best Value framework had to be followed. Even Interviewee N accepts this point and, indeed, the principles underpinning Best Value. This initiative could, then, produce pressure for change, even if it were a pressure that was resented by some. Again, more important here than the application of pressure is whether or not that pressure to change and learn was perceived by local authorities. This leads me to further consideration of denial as a factor that can weaken or even eliminate the effects of pressure and therefore prove to be a serious impediment to learning. In §5.1.1, I noted the denial of the legitimacy of the modernisation agenda, and of Best Value in particular. One further quote adds to this and introduces elements of mistrust and resistance:

sometimes you felt as though you were hitting the target but missing the point...That you had a long list of things that you needed to measure and were performance-managed on, but actually some of those weren't necessarily what was important to you as a council, you had to do it from a national data set and, from a customer point of view, some of them were completely irrelevant...A lot of time and energy were spent on processing information rather than focusing in on the delivery of services that you wanted to achieve. (P2:401–411)

Here again a central tenet of Best Value is being denied and there is little trust that the 'right' things are being measured. Sometimes, however, mistrust related to the outcomes of those measurements:

people will always say 'we're much more honest in the way we put our data together than such and such a council. Everybody knows that they cheat'. (O:323–325)

'Cheating', though, was not something to which anyone admitted; it was just something of which others were suspected. Even that allegation was made only twice and the second interviewee who mentioned it was at pains to point out its rarity. Outright cheating was perhaps not necessary, though, as one interviewee pointed to a more subtle way of arriving at the correct answer:

It was possible to create impressions without falsifying any figures...I think the number of places where figures were falsified would have been very, very small, but we became expert game players, we knew how to play the rules and we knew potentially nine months before a key indicator was to be crunched, that that particular quarter was very important for that particular indicator, so you made bloody sure that that particular quarter, it was right. (F:568–572)

Mistrust of data, then, manifested itself in at least two ways: that the 'correct' indicators were not being measured; and that those measurements that were being made were open to manipulation. While the first of these relates more to mistrust of central government, the second shows the presence of mistrust of other local authorities. The result of this mistrust affected the way the indicators were used, as was made clear by one interviewee:

it was the validity of information that was always an issue...So, for me, the [Key Performance Indicators] were little more than: if you did well on them, you told everyone how good you were doing, and if didn't do well on them, you told everyone it didn't matter. (N:290–303)

Any pressure to learn, then, has been removed by this mistrust.

I conclude this section with a quote that refers to the Audit Commission's role in Best Value:

so it's one thing having the benchmarks floating around, but if there's no push to look at them and then act on the basis of it, then the effect is lost. So, for all the complaints you get around the Audit Commission and all that palaver, actually...if an individual authority wasn't actually making use of benchmarks, the Audit Commission regime required you to look at those. And I think that bit of pressure is really quite important...So benchmarks are fine, but there has to be a way of using them as a lever, rather than just in general being available. (Q:418–426)

While this interviewee notes that, in order to produce pressure to change, benchmarks have to be used, rather than simply exist, and is aware of resistance to the Audit Commission, he acknowledges that, for some, the Commission played an important role in converting raw data into palpable pressure.

Modernisation and Councillors

The variable involvement of councillors in modernisation initiatives has been noted previously and only one interviewee commented on the way in which elected members may feel, or exert, pressure to learn. In this instance it related to the aid provided to their awareness of their council's performance by the latter stages of Best Value Reviews, which:

enabled members to see quite clearly as well, an external perception of the services that were being provided. So, again, it was a useful performance tool for the organisation. (P2:395–396)

5.2.2 The Beacon Council Scheme

As I stated in §3.4.2, the Beacon Council Scheme exerted pressure in a more subtle way than other modernisation initiatives; not by pointing out poor performance, but by highlighting good, and directing others towards it.

The national scope of the scheme had clear benefits for one interviewee:

it used to be a rather introverted council actually, and that getting engaged in national processes was good for us. Stimulated thought and got us out of some complacent, 'not invented here' type sort of territory. (B:222–223)

In this case, the Beacon Council Scheme as a whole, rather than any particular beacon theme or learning event, can be seen to have affected this council's approach to learning to learn. Through its indirect application of pressure, the scheme has alerted this council to the existence of other ways of providing public

services and raised the possibility that these may worthy of further exploration. Improved reflection is one outcome of involvement in the scheme and this led to greater self-awareness.

This last point was an issue picked up by others, as one interviewee explained while discussing a bid for Beacon Council status:

So, the very first thing I said with the group of managers [was]...don't think this is about the badge again, it's great if we get the recognition, but this is about the learning, this is about us being able to find out whether we are as good as we think we are.

(E:448–451)

The result was that this authority found that it was “not as good as we like to think we are, all the time” (E:455). One of his colleagues, however, reached a different conclusion, finding “that we knew more than we thought we knew” (J:309–310). The point to note here is not that different outcomes resulted from the undertaking of the same process, but that this activity enabled the two authorities to gain a much clearer picture of where their authorities stood in relation to others; that through reflection, they became more self-aware.

In the above quote, Interviewee E used the word ‘badge’. He was not alone in this as a number of interviewees also used the word; more importantly, they used it pejoratively, and this leads me to consider some negative views of the Beacon Council Scheme. In so doing, a common feature of the answers relating to the Beacon Council Scheme should be noted; that the interviewees took a decidedly one-sided view of my questions, and largely related their answers to the process of becoming a beacon. This, no doubt, reflects their involvement in the scheme, but the pressure they are resisting here is pressure to be involved in the scheme as a teacher, rather than a learner.

The use of the word badge, though not the disparaging undertone, may have been prompted by the government statement, referred to in §3.4.2, that providing a badge was not the aim of the scheme. The government’s intent, though, was lost on some of those interviewed who told me variously that:

It was sold to local authorities as being an important badge that would bring with it freedoms and flexibilities and it never did. All you actually got was a responsibility to go out and preach to other people. I hated it. (J:287–289)

it becomes a badge...and the badge becomes more important than what you are doing.

(K:177)

and

We didn't seek to get Beacon badges...So we had no involvement in the Beacon Initiative. (M:199–202)

Another interview participant, though using a different phrase, made the same point:

We did several Beacon Council bids, but [this council] isn't particularly enamoured of those kinds of beauty parades. (P1:315–316)

All of the Chief Executives quoted above are denying a central point of the Beacon Council Scheme; that it wasn't a badge, but was a way of highlighting good practice and sharing this with others. While these Chief Executives are all displaying an underlying hostility and resistance to the Beacon Council scheme, only Interviewee M takes this resistance to the level of not participating in it. Even that, as later comments confirmed, was not the whole story. What his authority had not involved itself with was *applying* to be a beacon; learning opportunities afforded by attendance at the open days organised by others were accepted.

Interviewee J's words, quoted above, also suggest an element of mistrust of the scheme, in this case based on the government's failure to deliver the promised freedoms and flexibilities.

Being seen as simply providing a badge was only one reason given for not participating fully in the scheme. One interviewee told me:

We submitted a couple of applications in its very early years...Never got anywhere and...then...thought well, we're not one of the favoured few, let's just pack up. We haven't got resources, as a District...So we just said, 'let everybody else do it'.

(I:169–171)

Again, mistrust of the scheme can be seen to lead to disengagement from it. In this case, the mistrust centres on the government's assertions that the scheme would be open to all and that applicants would be judged in an objective manner. To this interviewee, some form of favouritism is at work and, not being part of a favoured group, the expenditure of resources in pursuit of an unlikely outcome is seen as

wasteful. The reaction of Interviewee I's council may have been atypical as, despite ODPM (2003) finding examples of councils being discouraged from further participation in the Beacon Scheme following rejection, other research has concluded that, over the population of local government, rejection did not diminish councils' appetites to reapply in future years (Hartley and Downe, 2007). That latter research, however, does support Interviewee I's comment about the resources available to district councils, as smaller organisations found difficulties in both applying for Beacon Status and disseminating good practice.

Interviewee I, though, was not alone in expressing a lack of trust in the scheme because of the way that it was administered. One other interviewee believed that the criteria used to judge applications were not as clear as had been promised:

what won were little schemes in little places...and we checked back: had we got it completely wrong? Had we simply failed to read the guidance? No, we hadn't, but we felt that the rules had changed. So I think there was a lack of clarity about the process, I think there was a lack of clarity about what the outcome was that it would bring for you, and I know that other colleagues who put forward Beacon bids...were very, very, very disappointed with the whole process. Very similar feedback; they felt it was unclear, and, above all else they felt that what it brought was a burden rather than a benefit. (J:299–305)

While mistrust is being displayed in the comment regarding a perceived change in the rules, it is interesting to note that this interviewee (and, allegedly, colleagues elsewhere) expressed concerns about what Beacon Status would bring to his authority. The prospect of attaining Beacon Status was not always enough, on its own, to persuade councils to participate.

Following his comments quoted above, Interviewee I went on to express the view that:

I think we felt that we were probably as good as some of the other councils that were Beacon Status and it was probably...how can I put it?...[this council] was probably almost bordering on arrogant at that time in terms of its management...I just think we felt that from what we saw, what we observed, what we heard, that, yeah, we were doing it – probably not the same – but just as good. Never a great fan of it is probably some good words for the tape. (I:186–190)

Here again, a central tenet of a modernisation initiative is being denied; in this instance, that the councils to which this Chief Executive is being directed are any better than his own. This conclusion is a perfectly valid one to reach through reflection on issues of context leading to improved self-awareness. However, this interviewee suggests that the main factor here was the arrogance of his own authority. Arrogance does not feature in my analytical framework in its own right; however, I see it as being very much at one end of the self-awareness spectrum. The situation described here may also be a manifestation of phenomena I discussed in Chapter Two; that successful executives are particularly likely to exhibit defensive behaviour (§2.1.1) and find difficulty in accepting the need to adopt new approaches (§2.3.3). Either way, the end result is detrimental to learning.

Taking the ‘favoured few’ observation further, one interviewee clearly resented the Beacon Council Scheme for embracing:

the assumption that there was an elite cadre of beacon councils who did nothing wrong and their approach was perfect and you just copied it. (H:240–241)

Just as clearly, though, this is not how the government saw the scheme operating. As I explored in §3.4.2, a much deeper exploration of operating contexts was envisaged. However ‘wrong’ Interviewee H’s view is, it is still one that shaped his opinion of the scheme and led to resistance. In taking this view, Interviewee H is exhibiting the “‘star-envy’ phenomenon” described by Walton (1975, p.18) and which, though illustrated by an example from the Norwegian private sector, leads to resentment and resistance.

One interviewee gave two reasons for not applying for Beacon Status:

so it got to the stage where we stopped applying because it took a lot of effort to apply and you were sometimes distorting your own priorities in order to be able to apply.

(O:260–261)

His second reason, though, suggests a misinterpretation of the Beacon Council Scheme. As I discussed in §3.4.2, beacon themes were set each year with those councils that felt that they were outstanding in a chosen category being invited to apply for Beacon Status; there was no expectation that every council would apply. The government, then, may well have expressed *its* priorities through its choice of

themes, but it did not force councils to apply or to distort *their* priorities in order to participate. It is interesting, then, that Interviewee O feels under some pressure to apply and to change his authority's priorities in order to do so. Interviewee O has constructed a world in which this pressure exists and has very real effects; one of them being the withdrawal from a scheme aimed at promoting improvements in service delivery through the mechanism of organisational learning. This pressure, whether externally applied or internally constructed, has, then, led not to change, but to resistance to change, and the spurning of an opportunity to learn.

Following his comment on the effort required even to apply for Beacon Status, Interviewee O went on to say that:

I don't think the act...of preparing the bid, taught us very much. If you like, it was a necessary evil – evil only in the sense that it tied up resources. (O:266–268)

Similarly, Interviewee I, again quoted earlier, noted that his District Council did not possess the resources to apply when the likely outcome was that this would not be approved. Interviewee J concluded his comments quoted above, regarding a perceived change in the rules relating to the Beacon Scheme, with a reference to the attainment of Beacon Status being seen as a burden, rather than a benefit. The same word was used by yet another interviewee:

Neither here nor in [a previous authority] did we give anybody the time to prepare the bid...We dumped it on people in addition to what they were supposed to do, and therefore it became a burden and a chore. (F:452–454)

That the situation was different for larger authorities is a point that was made by the Chief Executive of one of those, though even he then goes on to say that this may not be the case throughout his council, with departmental differences raising their heads:

our line with all of that has always been, because we are obviously a big authority, have the resources that go with size, if there was enthusiasm within any part of what is a large enterprise – we've still got more than 30,000 staff – then we would support that at corporate leadership team...That was the line we decided at CLT. If staff want to put the effort in, want to be promoting what they are doing, and to be sharing that, then we

see it as our responsibility to support that. But, if you've got units, you know, under pressure then we wouldn't be saying, well, we want to bid for that. (C:361–370)

Bearing in mind the very specific nature of beacon themes, focusing on the resources available to the department most closely involved seems a useful approach to take. My general point here, though, is that if these Chief Executives were feeling the pressure to participate in the scheme, then they were balancing any benefits to be gained against the expenditure required. This balance may have been affected by the non-appearance of the freedoms and flexibilities promised by the government and which contributed to the presence of mistrust noted earlier in this section.

In Chapter Two, I noted that issues relating to resources were considered in two different ways. Policy transfer's contention that resource similarity aids transfer (§2.2.2) will be considered later in this thesis, though I include it within the organisational characteristic of context. The comments of Chief Executives examined above relate more to the resources allocated to the process of change (§2.3.3), and they lend support to the findings of Sirkin *et al* (2005) and RSe consulting (2006) that insufficient resourcing of that process can be an obstacle to successful change.

I started this section with two comments that showed the Beacon Council Scheme exerting pressure in the way that was intended; promoting a positive approach to learning. The majority of comments, however, have shown more negative views of the Beacon Scheme being expressed. These negative observations do not, of course, represent the whole of the views expressed on the Beacon Council Scheme, even by those who are quoted. What they do show, though, when taken together, is that there were significant levels of mistrust of the administration of the scheme and, in some cases, misunderstanding and denial of its fundamental premises. These reactions, though, are related, as:

misunderstandings are most likely to arise when trust is lacking between the person(s) initiating the change and the stakeholders who feel that they will be affected by it.

(Hayes, 2010, p.194)

The concerns of the interviewees find expression in a resistance to the scheme and, in some cases, overt unwillingness to being involved.

I conclude this section with a comment that suggests that mistrust of the Beacon Council Scheme may not always have had its roots in the actions of government or in the acceptance of the principles of beacons, but may be being produced nearer to home:

I've worked in a council where we would compete for awards and I've been involved in winning more than one award where the thing we won it for wasn't even up and running. Because if you fill in the form in the right way, answer the questions in the right kind of way, you can win something. (K:174–176)

Although though this was said in answer to a question concerning the Beacon Council Scheme, it is not clear that actions described here relate to that initiative. Nevertheless, the previous experiences of this Chief Executive have shaped his views of the scheme and led to mistrust of it. Because he knows that he has undeservedly won awards, his suspicion is that others may also have done so.

5.2.3 The Comprehensive Assessments

As in the previous two sections, I begin with some positive comments that show these modernisation initiatives fulfilling their aim and applying pressure on councils to improve through learning. One interviewee told me:

I think the positives were that they did force you to have a look at whether, in terms of those deeper indicators of the quality of life of your local residents, you were actually doing as much as you could to improve those indicators. In other words, it wasn't about benchmarking you against other authorities, it was about benchmarking you against your own context. (H:349–352)

while a second believed:

The one thing about the CPA and the CAA is that it does generate a natural inquisitiveness to go and find out about the good practice that is happening elsewhere. Unless you are so completely and utterly in your own bubble that is. The CPA brought in a more resident-focused approach, particularly from the managerial leadership of a local authority. (A:333–336)

These Chief Executives are, then, clear that CPA and CAA inculcated deeper reflective practices that examined more than whether any particular service could be improved, but moved authorities on to an examination of whether these were the right services to be providing in the first place. In terms of the features included in my

framework, the pressure applied by assessment reports prompted the consideration of context; considerations that were aided by reflection and led to improved self-awareness and the development of a vision. Interviewee A's reference to a 'bubble', though, suggests that it was at least a possibility that this would not occur; that pressure may be unfelt due to a lack of self-awareness.

The element of the CPA that I most closely link to improved organisational awareness is that of self-assessment, as described in §3.4.3. Self-assessments continued to form part of the CAA, being seen as something that effective organisations undertook as a matter of course. Information from these would form part of the evidence-base on which the Area Assessments were made (Audit Commission *et al*, 2009). This self-assessment stage was one that found favour with a number of interviewees. One, although critical of the CPA, told me that:

The best bit of both processes, if we roll them together, was, for me, the self-assessment. (E:545)

To another, the part of the CPA process that best enabled her to learn about her own organisation was:

I think probably the self-assessments. And I think in the self-assessments that organisations have been really honest and taken the time to look and followed a series of questions and followed some similar guidelines about how you should assess yourselves. (D:319–321)

Not that such self-assessment always produced a view that was shared by others: prior to its first CPA, and even though assisted by an IDeA peer review, Interviewee L's authority classed itself as 'good', while the Audit Commission found it was only 'fair'. Deciding which, if any, of these assessments was 'correct' is a matter I find ontologically problematic and it is therefore not an exercise I would undertake, though a local authority in receipt of a critical Audit Commission report may take a different view. From the point of view of learning, self-assessment, followed by an outside body's view of that assessment, provides an opportunity for iterative reflection leading to even greater self-awareness.

Most of the above relates only to CPA as an aid to councils assessing their own performance in their own context. However, and as Interviewee A briefly

mentioned, there was a role for CPA in highlighting good performance elsewhere and generating an interest in seeking it out. This, though, relied on CPA reports being widely read. One interviewee described a particular instance of this, though not one that suggests a systematic search for authorities from which to learn:

In terms of CPA, I think what helped us learn was knowing what everyone else was doing. I'll give you a classic. One of our neighbours to the north is [named council] and [named council] was one of the first Districts to be done and they got 'excellent'. One or two of my staff who live there were a bit surprised but, hey ho, they got 'excellent' and that enabled us to read that report and say 'what are they doing to get excellent?' They've got a performance management system so we formalised ours, they'd got this document, this policy, a corporate plan. I think it's fair to say prior to CPA we did not have a corporate plan. It certainly drove us to have a corporate plan. So it was really knowing what documents are expected in best practice, if you take the Audit Commission as giving best practice, were needed in a local authority at that point in time. (I:280–287)

Illustrated here, then, is pressure to learn being applied by the CPA process; a difference in performance is highlighted and this drives the acquisition of further information and the adoption of 'best practice'. Having said that, this uncovering of a difference involved a degree of chance and further inquiries are driven by the unexpectedness of the difference. It is also worth noting that what has been learned is that a corporate plan should exist, not what it should contain. This suggests that what is happening here is the copying referred to in §2.2.1, though further investigation may reveal a more complex situation.

Despite the element of chance contained within Interviewee I's above-quoted comment, he felt sure that officers in other authorities were reading reports concerning his authority. However, whether CPA reports pertaining to other councils were being read by council officers as a matter of course is something on which Interviewee Q cast doubt. When I asked him that question explicitly, his answer was:

Only when you're applying for jobs. It's a quick way of finding out about something. Wasn't that what people used them for? (Q:468–469)

One of his colleagues also doubted that such reports were widely read:

It would be interesting to know, wouldn't it, how many officers and members across this authority have read the Area Assessments and Organisational Assessments for other authorities. I would guess very few, actually. (C:579–580)

While this was only a guess, Interviewee C was more certain that what his authority focused on – and learned from – were its own CAA reports. Speculating on the use of such reports more widely, he went on to add:

my bet would be that if they are intended as a vehicle for learning from good performance elsewhere, I suspect they have not been used for that purpose. I'd be most surprised if they had. (C:583–585)

The data obtained for this research do not enable me to answer Interviewee Q's question concerning the use of CAA reports. However, it does illustrate that unintended consequences flow from any policy initiative. In this case it is a benign consequence that aids those seeking alternative employment, but even this can be seen as providing an unexpected addition to the means of disseminating information and so applying pressure to learn.

Not all the views expressed concerning CPA and CAA were as positive as those cited above. When asked whether the CPA had aided his council in learning about itself, one interviewee responded in blunt terms:

No. It was a catastrophic waste of time and effort and actually CPA made [this] Council worse because [this] Council managed to con the Audit Commission into making us a good council in the first round of CPA and then rested on its laurels for years – maintaining a status of 'good', where actually the organisation was completely dysfunctional. Any inspection regime that purports to get under the skin of an organisation and work out what's really going on and then doesn't is fraught with danger. CAA was just a mess, CPA was a disaster for [this] Council. (G:278–283)

Here, Interviewee G blames the CPA for making his council 'worse', but also states that his council set out (presumably deliberately) to 'con' the Audit Commission. He then attaches more blame to that organisation for not spotting the 'con' than he does to his own authority for conducting it. The above description provides evidence of resistance to using the CPA in the manner intended in that the aim of council concerned was to receive a 'good' report, rather than one that provided an objective,

external view of its performance. The importance of self-awareness is also highlighted in this example, if in a rather contrary way. The CPA is alleged to have made the council worse in that it acted – or didn't act, preferring to rest on its laurels – on the content of the Audit Commission report, even though, having engineered inaccuracy, it knew that the report was inaccurate,. The point I raised earlier, as to whether an internal view should be regarded as any less true than an external one, is, then, particularly relevant here. In this case, the council's manipulation of the CPA process diminished any pressure to learn or to change, if only temporarily.

Further analysis of Interviewee G's comments suggests that his dislike of the Comprehensive Assessments is provoked, at least in part, by a mistrust of the process that has two sources. Firstly, the scheme promised to provide an accurate and comprehensive view of his organisation, but did not deliver this. Secondly, having manipulated the system to obtain a particular outcome, Interviewee G knows that this other local authorities have possibly, perhaps probably, done the same and that CPA reports are not trustworthy sources of information. This situation bears comparison with Interviewee K's comments relating to the Beacon Council Scheme, noted above.

No other interviewee referred to actions by themselves or by their councils that were quite as blatant as this but, even so, they did cast doubt on whether CPA or CAA reports provided a firm foundation on which to base future actions. In the cases illustrated below, issues of denial, mistrust and resistance can be seen to be at work.

In relation to the CPA and CAA's whole council assessments, one Chief Executive told me:

So you would end up with some councils getting Council of the Year and excellent councils when everyone knew, in the industry, they weren't very good. (N:265–266)

The reference to the Council of the Year presumably relates to the annual competition organised by the Local Government Chronicle. A similar point was made by one of his colleagues when commenting on other authorities, usually those ranked higher than his own:

So when they appeared in the league table, you would see X authority is four star, and you've been in there and no it ain't, then it says something about the regime, doesn't it?
(E:552–553)

A third interviewee made the same point, though reporting second-hand the views of others, apparently gleaned through the medium of inter-authority gossip:

And the number of times that I heard from two star [Council 1] that [Council 2] might have four stars but it's still a shit place. (J:414–415)

One of his colleagues cited a specific example of where the assessed rating did not match the knowledge more widespread in local government circles:

we all knew damn well that Camden, for example, who came out four star since every year...I think Camden were the only one with four star every year – you talk to Steve Bundred who was then Chief Exec and then went off to be Chief Exec of the Audit Commission – he would freely admit that they were just good at the machine.

(F:658–661)

Each of these cases provides evidence of local government officers denying the validity of assessments that placed other authorities above their own and the possession of personal or 'industry' knowledge is cited as justifying this denial. In the minds of these interviewees the inspectors were wrong to reach the conclusions they had and everybody knew this. Assessment results are being denied and replaced with some unspecified, but allegedly more accurate, appraisal conclusions.

Moving on from self-assessment and CPA reports, I introduce below a group of quotes that present clear evidence of resistance to the CPA and CAA in general, and to CAA 'flags' in particular:

we may never have loved CPA, because of its imperfections...we kicked against it, and cavilled over it, and ultimately, I think, outgrew it to a large extent. (H:412–415)

The other thing that I think was unhelpful and certainly we railed against at the time was what I perceived as an inflexible approach from the Audit Commission in terms of their methodological application of criteria around particular processes. (J:428–430)

the whole CAA idea was a joke...and CAA, in my view, did not work at all. (M:297–298)

By the time they did it the last time...where they were describing the place, where they were going to give you red and green flags. By then I'd got angry because it just felt a lot of professional people doing a lot of work, and to give them a flag was like, just nonsensical...But some of the green flags were just laughable by that stage...even

anonymised, I'd better not give the examples, but you know, the Chief Execs who got them were sending up the whole process. So, it had lost credibility, I think.

(P1:473–484)

These words demonstrate significant resistance in that it is difficult to see Chief Executives being fully supportive of systems they describe as a joke, or as laughable, or that makes them angry. Whether the above comments are seen as displays of denial, mistrust or resistance – or any combination – the underlying point is that, being seen in the ways described, the CPA and CAA are unlikely provide pressures or opportunities to learn. Interviewee P1's closing remarks provide explicit evidence of this, in that she believed some Chief Executives were 'sending up' the process of awarding green flags, that is, the identification of practices from which others could learn. Exactly how this was done was left unsaid, but the impression I gained is one of senior local government figures participating in the scheme while at the same time seeking to undermine it.

While it does illustrate resistance, Interviewee J's point about the inflexibility of the Audit Commission in conducting CPAs is also an example of local government having its cake and eating it. While some railed against inflexibility, Interviewee E (549–550) stated that "the star system, and the ranking of the star system, was so inconsistent". What this does show is that, while internal consistency may well be a positive attribute to be displayed by those promoting or pursuing a policy initiative, no such restriction is placed on those resisting it, much less on those expressing outright opposition.

Trust is included in my analytical framework as it has a major and positive influence on learning; its absence, or even more so, its replacement by mistrust, can act as a significant impediment to learning. In the above comments on the CPA and CAA, denial, resistance and mistrust were all evident, with the boundaries between them being somewhat blurred. I continue, then, by citing instances where mistrust is more explicitly commented on. These relate, not to the intentions behind both the CPA and CAA, but to their implementation.

One interviewee drew a stark contrast between peer reviewers and CPA assessors, with much being learned from a "relatively brief visit by experienced, well-informed critical friends" rather than by a "lengthy inspection by relatively junior people" (O:349–352). Clearly this Chief Executive trusts the former much more than

he does the latter. His disdainful view of CPA inspectors was one that was extended to CAA inspectors by other interviewees:

I do think that the capability and the talents and the perceptions and the insight of the CAA lead are critical. So if you get a CAA lead who leaves leading members and the senior reps of partners unimpressed in terms of the depth of their knowledge of a big and complex place like [here], then that impacts really significantly on the confidence that is reposed on those assessments...I am aware there have been issues with others as well. (C:623–628)

His colleagues were not reticent in mentioning the 'issues' they had with CAA inspectors:

if you've got regulators and assessors who lack the necessary experience in mapping economics or understanding how local economies can work, you run into the problem of people who really aren't best placed making judgements on some pretty key things and that's the weakness of it. (A:351–354)

The idea that you can get an inspector to cover the whole of [the county] and get proper understanding of the complexity of those places and how they work is just a joke quite frankly and that's how it proved to be. (G:305–306)

While one interviewee clearly agrees with the concept of CAAs, he does express concern about the way in which they were conducted:

the Area Assessment is conceptually actually spot-on. The nervousness of this first round is such that its actual added value is going to be limited because of the insufficient depth of understanding between the assessors and the place. (B:325–327)

One further interviewee relates his concerns in part to his own experiences and in part to a specific example:

the way CAA was implemented [here] I was extremely critical of, and it led me to the very sad conclusion...that...however good a process you may have, it can be completely negated by inexpert application. If the people who are running it aren't running it well, then it doesn't matter how good the process is it can be very disappointing. So my own take on CAA – this is very specific to [here], but I know it's not unique – was that a good process was ruined in a lot of places by the way it was applied in year one. Nowhere more so than Warrington...It emerged from CAA, simply because of the work of one particular individual as, in effect, being the basket-case of

the country. Absolute travesty of any objective evaluation...It was a good organisation and it was a good borough. And that, to me, just illustrated that a good methodology can be completely ruined if the people running it aren't doing so well enough. That was my sad conclusion on CAA, and I made my views known extremely clearly at various levels within the Audit Commission. (O:388–401)

I have left the name of Warrington in this quote partly because it was not one of the authorities I visited during the data collection phase of this research, and partly because it was mentioned more than once, apparently being something of a regional *cause célèbre*. As another interviewee told me, with some feeling:

we had really good cooperation from the Audit Commission – not about where they were going to be, but what the trends were, where things were going. And then right at the end one of ours – Warrington – got four red flags. Now, they had challenges, but they weren't a four red flag...it's like they almost seemed to...once you were on the way down, they stuck the flags next to you. (P1:477–480)

Although they are describing the same situation, the above two quotes highlight different aspects of it. The first provides proof, if proof were needed, that 'however good' a policy is, it still needs to be implemented well. In this instance the policy appears to have 'failed' due, it is said, to the actions of 'one particular individual'. The second quote paints a vivid picture of the delicate nature of trust and how it can deteriorate. In the space of less than 70 words the relationship between this particular Chief Executive (exercising a regional role) and the Audit Commission is described as going from one of 'good cooperation' to one akin to a member of the Chief Executive's 'family' ('one of ours') being kicked while it was down.

In noting the concerns expressed here in regard to the quality of inspectors and inspection teams, it should be remembered that this was a matter well known to the Audit Commission. In §3.4.3 I quoted their commitment to achieving credible, fair and transparent corporate assessments and, in §3.4.1, I noted their prior, but similar, comments regarding the Best Value Inspectorate. Despite this, the Commission had clearly failed to convince those Chief Executives quoted above of the quality of its employees. In contrast:

100% of council contacts reported that the expertise and knowledge of IDeA peers was excellent or good. (IDeA, 2008, p.2)

Again, the underlying point to note is that, if Chief Executives mistrusted the CAA reports – including the green flags indicating possible sources of learning – they were unlikely to respond positively to the pressures to learn contained within them. Mistrust, as was seen earlier, can lead to denial and resistance.

I end these comments on the CPA and CAA with a quotation in which doubts are surfacing in the interviewee's mind. These, though, are not doubts about the principles of the schemes, or the way in which the Audit Commission implemented them, but rather about whether her local government colleagues could be trusted. Following the comments, quoted earlier, regarding the usefulness of self-assessments, the question she posed, perhaps rhetorically, was: "are we all being equally honest?" (D:325–326).

5.3 Chapter Summary and Conclusions

This chapter has shown that an increase in interest in organisational learning had been observed by the interview participants, though they acknowledged that this had been driven by central government's modernisation agenda. While it is impossible to say that the situation would not have changed without such pressure, my data contain no evidence to suggest that it would. Modernisation was imposed by legislation, rather than being introduced through persuasion and agreement, though such an approach becomes more justifiable following consideration of my analysis showing that local government had proved unable or unwilling to adopt the principles of performance management or partnership working without the application of legislative pressure.

My analysis also supports central government's view of local government as being insular, in that ideas for improvement were sought only from within the local government sector.

Lastly, those at the organisational helm of local government show that they are not always driven by altruism. The carrot of being seen to head an authority highly rated by others, and which serves its population well, is not always as an effective way of applying pressure as is the stick of public opprobrium that results from perceived failure.

This analysis paints a bleak picture of an insular and recalcitrant local government though, as ever, this is only a partial picture.

My analysis, contained within Chapter Three and this chapter, of modernisation in general and the three initiatives in particular shows that these did indeed contribute to an increased pressure to learn. What this chapter also reveals, though, is that this pressure was not always felt by those in local government, or did not always result in learning. Of the factors included in my analytical framework, denial, mistrust and resistance play the more significant roles and erect substantial barriers to learning. Instances where context, reflection, self-awareness and networking have played a positive, though lesser, role have also been identified.

During the interviews undertaken for this research project, local authority Chief Executives expounded on the many ways in which they supported and implemented the modernisation initiatives while simultaneously expressing – either as a group or individually – denial, mistrust and resistance. One of the reasons I gave in §4.3 for choosing council Chief Executives as the primary source of data for this research was that they would have experience of implementing policies that were not of their making, and with which they may not agree; in essence, that they would be able to shed light on their balancing of the conflicting demands of implementation and mistrust, support and denial, and on the ways in which they expressed resistance. So far, my decision on this matter has been justified.

The utility of my analytical framework has also been validated – at least in part – by its application to the examination of the first processual stage at its centre. Its use has enabled me to show that, although its development resulted from a reading of a diverse literature, it can be usefully applied to local government and to local government modernisation in particular.

I will now move on to use my framework in the analysis of the second processual stage – Acknowledgement.

Chapter Six

Modernisation and Acknowledgement

This readiness to learn is, I think, the really important reason for their being better governed and living more happily than we do.

Sir Thomas More, Utopia

The second phase at the centre of my framework is that of acknowledgement of the need to learn and change. This phase contains the notions of unfreezing, acceptance and diagnosis, as well as that of information distribution leading to understanding, contained within other models. In this chapter I examine the words of those interviewed to draw out their views on these subjects.

As in the previous chapter, my analysis begins with considerations of a general nature before moving on to discuss the three specific modernisation initiatives.

6.1 Acknowledging Learning as a Route to Improvement

I begin this analysis with an examination of data that relates to the acknowledgement of organisational learning as a characteristic which, if pursued, would aid a local authority in its improvement.

Wanting to Learn

The Chief Executive interviewees were asked if they wished their authority to become a learning organisation. Flexibility was built into the subsequent questions to allow me to dig deeper into the issues underlying either possible response. However, in a rare expression of unanimity, all the interviewees stated that they wished their authorities to be learning organisations, though this came with certain caveats. While this may seem unremarkable, it becomes more problematic when one considers (as I will below) that the members of this group did not share a complete and agreed understanding of what organisational learning was, or how it could be achieved.

Asked about their awareness of the terms 'organisational learning' or 'the learning organisation' all but two participants stated that they had heard of these

terms before being invited to take part in this research. Of these two, one (L) equivocated, but even the one who responded firmly in the negative (J) believed that he had come across the concept, albeit in a different guise. This widespread awareness of the term, though, was not matched by confidence in comprehension: only seven out of 17 interviewees felt that they had a 'good' understanding of the theories of organisational learning.

Academia was cited as a major source of information on organisational learning by all but one of those claiming to possess a good understanding of the subject, with even the exception to this (O) referring to management courses with significant academic content as one of his sources. An academic route to learning, though, cannot guarantee success, as some of those who professed to having only a 'reasonable' theoretical understanding of organisational learning also named academia as a source of information. Academia was named twice as often as any other source, but others mentioned more than twice included (in descending order) personal experience, the Leadership Academy, professional journals, and local government-related bodies such as the IDeA and Regional Improvement and Efficiency Partnerships (RIEPs).

Defining Organisational Learning

A definition of organisational learning as 'sharing best practice' was that proffered most often, though even this came only from a minority of interviewees. One quarter of participants mentioned 'learning from mistakes' and the same number expressed a recognition that learning could come from within an organisation or from other organisations. Like me, then, these interviewees eschewed the division between organisational and inter-organisational learning. Very similar definitions of organisational learning – and the drivers of change – are reported by Vince and Saleem (2004) based on their interviews with officers from one local authority.

Definitions showing a deeper understanding of organisational learning were proffered by some respondents and included: adapting what they saw in other places to suit their own purposes; taking into account the views of the customer or client; the need for collective reflection (either on the purpose of the organisation or the impact of its activities); that seeking solutions necessitates shared understanding of problems; that learning results in changes in behaviours, policies and working practices, and finally, that learning is embodied in doing. It is worth noting that not all

of these definitions were put forward by people who claimed to have any great understanding of organisational learning.

While the 'culture' of an organisation was referred to explicitly by only three interviewees in their definition of organisational learning, all those who provided a substantial response to that question included references to various cultural aspects of their organisation. In fact, definitions that I class as referring to culture far outweigh those that include consideration of processes, as only two mentioned such issues.

Barriers to organisational learning cited included risk-aversion and the inherently conservative nature of local authorities, hierarchical structures, the scale of the change needed, and having a false view of the organisation's performance.

Those Chief Executives interviewed acknowledged that striving to become a learning organisation was something that would aid their councils and, therefore, was something that they encouraged. Precisely how they encouraged this will be discussed in the following chapters on implementation and consolidation; here I focus on the act of acknowledgement.

In the previous chapter I showed how the LGMA had exerted a pressure to change, and to change through learning. Later in this chapter I will explore the part played by modernisation in the acknowledgement of that pressure. The data discussed above, though, shows that, notwithstanding any other influences, one factor that influenced the interviewees' acknowledgement of organisational learning as a route to improvement was that of their own experiences and professional development. My analysis of the interviewees' comments regarding their gaining of knowledge concerning organisational learning reveals the absence of resistance. Bearing in mind the sources of this knowledge – academia and local government-related bodies – I suggest that this absence is due to the presence of a high degree of trust and that this leads to the Chief Executives constructing a world in which normative assumptions include the acceptance of organisational learning as something that both exists and is beneficial. Denying either of these points would be to question the conventions of their world; conventions that are held so strongly that those interviewed must claim to aspire to something even if their knowledge of what it is or what it entails is partial.

That the knowledge of organisational learning obtained by those interviewed was only partial is a matter to which I shall return in the concluding chapter of this thesis.

Establishing a Council Vision

As I mentioned in §2.4.3, the acknowledgement phase of my framework includes the search for acceptable solutions to problems. Decisions as to whether or not a practice observed elsewhere is acknowledged as being 'acceptable' will be influenced by the adopting council judging that practice against where it is now, and where it wants to be, to paraphrase the 1998 White Paper, quoted in §3.3. In terms of the characteristics included in my analytical framework, the adopted practice needs to contribute to achieving the organisation's vision, with judgement on this point being aided by self-awareness and knowledge of the operating contexts. To bring in some of the other contributory factors, this vision needs to be developed through reflection and be supported by appropriate structures and cultures.

I therefore now turn to examination of what the Chief Executive interviewees had to say about the construction of an organisational vision. In this, I analyse comments made concerning strategic discussions, but also consider answers to the question put to interviewees regarding whether their councils had a clear idea of where they wished to be in, say, ten years' time (Q7).

In answer to this latter question, only six Chief Executives replied with an unambiguous 'yes', though even some of these went on to qualify their answer by stating that it referred to a considerably shorter time-scale than that mentioned in the question. It is important to note, though, that whether or not they had one, those interviewed understood the need for, and claimed to be striving towards, the establishment of a clear vision for his or her council. My analysis, however, cannot establish a link between this and organisational learning as, when asked early in the interviews what had been put in place within each authority to promote organisational learning, the nearest anyone came to mentioning 'vision' was "that spirit of having a clear trajectory for improvement and going forward together" (C:89–90). The interviewees, then, had not made as strong a link between vision and learning as does the literature. If Chief Executives were striving to construct a clear vision for their organisation, it may have been because it was seen as good management practice rather than because of its key role in organisational learning. A programme or policy, though, can have an effect on learning, even if it is being pursued for another purpose.

That those interviewed acknowledged the importance of possessing a vision, and were taking steps to establish one, is made clear in the following quotes. One Chief Executive who had taken up the post in the early years of modernisation,

stated that, while his council now had a clear vision, this was a major change from the pre-modernisation situation:

Yes. Again I think that is something that has changed a lot since 1999. I think my arrival coincided with a lot of big changes, so I am not claiming the personal credit for all of this, but we adopted our first Corporate Plan in 1999 and spent some time reflecting on how we ought to frame, very briefly, the overall vision for the council and since then we've revisited that on a three-yearly basis and now we have a strategic plan for the city...Before '99 we had nowt as far as I am aware. If someone said 'what is the mission of the council?' it's just something we'd never, ever seen any need to formulate. (C:131–146)

Although this statement does not contain enough information to establish an unambiguous, causal link between modernisation and the need to construct an 'overall vision' for the council, it confirms that the two were contemporaneous. It also clearly points to a change occurring, and one in line with that pursued by the modernisation agenda:

Delivering local services to a consistently high standard at an acceptable cost begins with a council's vision for the local community...[Councils] need to establish priorities and to set them out clearly. (DETR 1998a, para.7.8)

While this statement contains unmistakable echoes of the organisational learning literature's treatment of vision and priority-setting, no explicit links between learning and leadership or vision were made by the government. Leadership, though, and whether it be community leadership (Sullivan and Sweeting, 2005) or political or managerial (ODPM, 2004) was linked to improvement, and was said to be its largest single driver (DCLG, 2006). Other research has found that councils (and individual services) perform well when they possess a clear vision (Audit Commission, 2003; Boyne and Enticott, 2004). Even excellent councils, though, could do more to clarify their long-term visions and develop their learning cultures (Audit Commission, 2005b).

Another interviewee was convinced of the importance to her council of having a clear vision:

We're sharpening that up again. We are revisiting the corporate strategy in the light of very changed circumstances. We tend to be a very well planned organisation over a

very long period of time. Actually knowing where we are going is one of the things we think is essential. (P1:178–180)

The need to at least *consider* change has been acknowledged here, and is linked to changes in the operating environment, as per Argyris' double-loop learning, and leads to reflection on the organisation's strategy. Whether this leads to Interviewee P1's council fitting Pedler *et al*'s (1991) profile of a learning organisation is not clear, as their first point contains the contention that such an organisation “*regularly* takes stock and modifies direction and strategy as appropriate” (Pedler *et al* 1991, p.26, emphasis added).

Of course, even if a Chief Executive claims that his or her council has a clear vision, this does not make it ‘true’; it is still only his or her perception and others may have a different view. One interviewee had already found this to be the case, as is apparent in his answer to the question as to whether his council had a clear view of where it wanted to be:

I always liked to think so, but the fact remains that, particularly the Assistant Directors...kept telling me that it wasn't clear enough and explicit enough. So, if I'm honest, I would say that there was a lot in my head which other people didn't think was sufficiently explicit. (O:145–147)

That his council's vision was clear only in Interviewee O's head suggests that its development had neither included those below him in the council's hierarchy, nor had been sufficiently well communicated to them. This prompts me to introduce another of the characteristics included in my analytical framework: leadership. In this case Interviewee O's leadership had not resulted in the creation of shared meaning vital to organisational learning. Replying to the same question, Interviewee F provided an illustration of the successful creation of a vision for an area, not just the local authority that serves it:

Yeah, I would. We have very good partnership arrangements and the question is asked very, very often in different ways. And most people in the organisation and in our partner agencies, would refer you to the council's community strategy, they would point out the same difficulties that this borough faces. If you ask the Chief Superintendent of Police, he's very likely to tell you that the biggest problem isn't resources for the police, it's the inequality of health outcomes between East and West in the Borough.

(F:150–154)

Such an approach to addressing an area's problems is one promoted by the modernisation agenda, most explicitly in the establishment of the CAA.

Involving Elected Members

Asked whether they believed sufficient time was being put aside for reflective joint discussions between members and officers, only around a quarter of the interviewees answered with a clear 'yes'. This is despite the help provided by the modernisation of local authority political structures, which made it clear who the leading members of any authority were: in the majority of cases, the Leader and Cabinet, or in a small minority of cases, the Elected Mayor and Cabinet. Only one council, Stoke-on-Trent, pursued the Elected Mayor and Council Manager option; one that was removed as the 2006 White Paper became the 2007 Local Government and Public Involvement in Health Act. For reasons that I need not go into here, the governance of Stoke-on-Trent at this time was not deemed a success (see Stoke-on-Trent Governance Commission, 2008).

Comments regarding these member/officer discussions took two forms: as something that had been promoted positively, as an aid to learning; or their absence being a barrier to learning and a problem that had to be overcome. Both the relevance to learning of such meetings and their absence in practice were clear to one interviewee, who, when asked if they were taking place, told me:

that's a very good barometer of a learning organisation isn't it? The answer is no, to be truthful. (E:252–253)

More important to some than the *quantity* of time made available for such discussions was the *quality*, as one interviewee made clear:

Do we create enough time? – I'd say we do, I don't think the issue, though, is about time, I think the issue is about quality...And it's about the quality and focus of how we utilise that time. One of the things that I'm very keen on doing is to make sure that we are very, very clear about what the outcomes are that we are seeking to achieve from that developmental space, from that developmental time, and use those as a means of trying to drive focus. Because I think there is a danger in any organisation...this is certainly true of here, that some of the time that has been spent on reflection, some of the time that has been spent on the forward look and development of strategy and policy has been very ruminative, It's not been particularly incisive and as a

consequence...what I've inherited is a bit of a reluctance to get involved in that kind of woolly, fluffy, not getting the job done sort of stuff...there's almost the need to rebuild the confidence in the organisation to think about itself and think about its purpose in a meaningful way, rather than getting really, really involved in the delivery of service, the delivery of tasks, the delivery of specific output. (J:104–115)

While this interviewee stresses the need for clarity of thought, he begins by commenting on the need to link discussion with action, but concludes by stressing the need to undertake *strategic reflection divorced* from immediate concern with service delivery. Others made similar points when commenting on the difficulty of holding strategic planning meetings with members; some immediate crisis was likely to raise its head and prove to be a distraction. The analysis of both of these scenarios is, though, enabled by my analytical framework: issues relating to strategic discussions are contained within the organisational characteristic of vision; while the concept of learning being linked to doing (as per Senge (2006) and Wenger (1998)) is addressed in the implementation phase.

Many of the Chief Executives interviewed – whether or not they claimed to have a clear vision – spoke of the significant time and effort expended in pursuit of strategic meetings with leading members, even if this effort had not resulted in 'sufficient' discussions taking place. The following quotes, all from interviewees who believed that their council did possess a clear, long-term strategy, typify many other comments. The first, which concerns Cabinet and Senior Management Team joint development work, includes a distinction between reflection and vision:

those sessions that I've been describing as part of our learning are where we do spend quite a considerable amount of time...actually doing reflection as well as future direction. (P1:189–191)

We've got a five year plan now, which although has several central tenets to it, and principles, is flexible at the same time. That allowed...a massive shift in corporate policy...We've set up, and it meets every three or four weeks, what's called a Cabinet Business Plan Working Group, where senior members and senior officers talk about primarily strategic issues. (M:112–121)

We put a lot of time and effort into developing our three-year corporate plan and it goes through a very rigorous process which gives a combination of informal and formal and includes not only Executive members but non-Executive scrutiny as well. So it is a very

robust process and it's something that we stick to, so whatever we say are the priorities, whatever we say are the things that we're going to do, then we do them. And I won't let people do other things instead. (L:88–92)

Clearly, then, these councils were involving, though not exclusively, Cabinet members in discussions about their long-term vision. In doing so, those involved are both following the path laid out in the modernisation documents and adopting a stance supportive of organisational learning. Whether the discussions described in the above quotations are viewed as social construction (as in Wenger, 1998), fostering a shared mental model (Senge, 2006) or mindset (Kets de Vries *et al*, 2009), achieving the active involvement of those affected (Leseure *et al*, 2004) or building a coalition (Kotter, 1995), the expressed intent is the same; the construction of a shared vision for the organisation.

It is also worth noting Interviewee M's reference to flexibility, as this is a quality that is mentioned in Pedler *et al*'s (1991) characteristics of a learning company. I also draw attention to Interviewee L's reference to the importance of informal, as well as formal influences on his council's corporate strategy. As I mentioned in Chapter Four, historical institutionalism acknowledges the role played by the informal aspects of institutional life and Interviewee L accepts that these contribute to the rigour of the process he is describing.

In saying that he won't let people 'do other things', Interviewee L is stating the obvious corollary of priority-setting, that some issues are necessarily *not* priorities. That this is plainly true does not stop it being problematic for local authorities, as the Audit Commission make clear in a number of CPA reports on the councils included in this research. In the case of Interviewee L's council, the Audit Commission provide some corroboration of his declared position. In their 2004 CPA report they stated that the council's political tensions and parochialism led to action being taken only on those things where agreement was widespread, rather than "identifying what is, or is not, a priority". By 2008 this had changed, and "non priorities are clearly expressed". Interviewee L was the Chief Executive throughout this time and so, presumably, played a part in this shift. Similar comments are to be found in the Audit Commission's publications regarding Interviewee M's council, as it moved from being assessed as good to being ranked as excellent.

One interviewee, though not one who claimed his recently-created unitary authority could yet lucidly express a view of its future, acknowledged the importance

of striving to create a clear vision through reflection involving senior members and officers:

I think that's particularly true now and I think that's partly driven by the necessity of the significant cuts in funding, but it's also driven by the fact that we are a new organisation that's trying to do something fresh, and I think it's also driven by a changing sense of expectations in our customers. So, there are a whole range of drivers that are pushing us in the same direction, and forcing us, I think, to ask ourselves much more fundamental questions about why am I here, do I need to do this at all, if I do it, in what way should it be done, actually, are there other functions that I should be spending more time and investment in, should I be divesting myself, or decommissioning certain activities or services? So, some pretty fundamental questions about the shape of the organisation, the way it operates, how it relates to other providers and other partners. All of that under intensive review at the moment, driven by a number of factors both positive and negative. (H:107–115)

Here, the consideration of the drivers of change – all pushing in the same direction – results in an acknowledgment that change may be necessary and prompts further reflection. That a modification of customer expectations should raise fundamental questions about the provision of public services is a matter that is at the heart of the modernisation agenda and, in this case, includes consideration of withdrawing from non-priority areas, as discussed above.

One interviewee highlighted the importance of taking the time to develop good member-officer relations and delivered a short exposition of the skills needed by a local authority Chief Executive:

you need to put sufficient time aside for there to be a good understanding between members and officers about what you are doing, and so the thing that I learned in [a former council], but I also was told by successful Chief Execs elsewhere, is you need to have time for conversations with elected members where you aren't actually making today's pressing decision; that you learn the shorthand that inevitably human beings use in language...you learn how to read what really is important and how to dismiss what isn't. You also learn which elected member and which officer can be ignored, because basically they're tossers. And you work out how the ones who have real wisdom can be supported – member and officer. So, time. The best performing places, talking to other people and my own experience has been you need to have that member/officer thing sorted out. What is it we're trying to achieve?: having the

confidence not to knee-jerk all over the place; that the next edition of the local newspaper really is not all that important; that our trust in each other is more important than responding to a headline. If you put enough time into that, you can make a difference. (F:629–642)

The application of my analytical framework brings to the surface a number of important factors referred to within this quote. Firstly, information about the ‘best performing places’ has been acquired through informal networks and assessed through reflection on the interviewee’s own related experiences. Secondly, implementation of any vision needs to be actively considered as ‘knee-jerking all over the place’ – or the pursuit of non-priorities – is detrimental to organisational performance. Thirdly, trust is seen as an important feature that supports both the creation and pursuit of a vision. Underpinning all of this is the belief that these actions are worthwhile; that the achievement of a vision can ‘make a difference’.

It should be noted here that issues of trust were not mentioned, implicitly or explicitly, in any of the questions put to the interviewees; they emerge only in the answers and in the analysis of those answers. More particularly, such issues only emerged in the second half of each interview (Q15 onwards), that is, in discussions of the modernisation initiatives, and did not surface during conversations regarding either the Chief Executives’ understandings of organisational learning or the steps they had taken to taken to bring it about.

Only one of the Chief Executives interviewed for this research was employed by a council that had adopted the Elected Mayor model of governance. To him, the advantage of having one person with whom to discuss strategic matters was clear, as were the problems of attempting to undertake the same discussions within the previous ‘unmodernised’ structures – and in a council with no overall political control. Asked if he spent enough time discussing strategic matters with elected members he replied:

I would say the Mayor and I do, because...his office is literally the other side of that wall. He’ll walk in here half five or six o’clock one evening and we’ll just sit and have a real chat about what are the issues...nothing formal, just sitting and having a chat. And every couple of weeks we have a formal two or three hour slot where we actually sit down and focus on what are the real issues. He doesn’t wander in every night. I don’t wander in and see him every night, but it does give us that opportunity to focus on what the issues are.

If you ever tried to get a policy steer previously you would ring up one group leader – ‘well I think that, but come back to me when you have spoken to the other three’, and you’d spend all day trying to get a steer or a consensus, whereas now I can just walk in there and say ‘this is the issue, what do you think?’ (1:77–89)

Although adoption of the Directly Elected Mayor model was something that modernisation made possible, rather than imposed, the reasons put forward in support of that model can be seen to be playing out here. So too, though, can the disadvantages, though perhaps more implicitly. Only two people seem to be involved in discussions on what the ‘real’ issues are, and the need to establish a consensus – previously seen as problematic – is removed. In the language of organisational learning, any ‘mental model’ may well be one that is shared, but not particularly widely. That trustful interpersonal relationships are important is also illustrated by this quote, in that the interviewee describes a rapport between himself and the Mayor. Had this not been the case, then a ‘focus on what the issues are’ may have been more difficult to achieve.

The above quote also demonstrates the importance of ‘architecture’ in a more literal sense, that of co-locational working as emphasised in management literature (Tyre and von Hippel, 1997). Working in close physical proximity can improve inter-professional relationships (DfES, 2003), aid agreement on joint approaches to problems (NAO, 2001), be a source of common identity, possibly across functional boundaries (Sole and Edmondson, 2002), and therefore stimulate and support learning as described by Wenger (1998). Not that any of this features prominently in the government’s arguments regarding an Elected Mayor.

If the adequate involvement of elected members was proving hard to achieve, discussions involving only senior officers had, according to a number of interviewees, proved easier to realise. Not that this is particularly surprising as attending such meetings is, after all, part of their job. It does, though, raise the spectre of attendance being compelled through the traditional ‘command and control’ mechanisms common to pyramidal, hierarchical organisations. As has been seen, though, such mechanisms and structures are detrimental to organisational learning (Pedler *et al*, 1991; Argyris, 1999; Senge, 2006).

The literature suggests (Levitt and March, 1998; Senge, 2006; Hayes, 2010) and in some instances explicitly states (Pedler *et al*, 1991; Argyris, 1999; de Waal, 2007) that good organisations are learning organisations, and *vice versa*, in that a

learning organisation is better able to realise its goals by enhancing its performance. It is, therefore, not always possible to discern which end is being pursued, or if the action being taken is simply the 'institutional norm'. This, though, does not detract from the organisational learning implications of vision building. Of concern, then, is the fact that only one in four of those interviewed believed that adequate discussions with members were taking place despite the help afforded by modernisation initiatives, the desire being present, and energy being expended. In this, opportunities to contribute to the organisational learning goal are being missed by the failure to create the reflective spaces helpful to the interchange of world-views between senior officers and members and to the creation of a collective vision. This is worth noting for three reasons. Firstly, the opportunities provided by modernisation were aids to learning. Secondly, some local authorities made effective use of these opportunities, even if others did not and, thirdly, because the officer corps made greater use of the opportunities available.

Whatever the causes of the disparities in the developments of organisational visions and of the variable involvement of members may be, the absence of a vision is detrimental even at the acknowledgement stage. It removes one element of context; the yardstick by which to judge whether a practice observed elsewhere would contribute to the attainment of that organisation's vision. Without this knowledge, a potential adopter may not even acknowledge that a practice is a suitable one to examine further.

Networks

I use the term 'network' to mean a largely informal structure put in place by an often voluntary membership that may be both loose and ephemeral. I have adopted this definition as it most closely fits the meaning attached to the word when used by my interview participants. Other, equally valid definitions of networks are available, for instance, Goss (2001) discusses networks at length, however, she uses the term in a slightly different manner, as an index entry makes clear: "Networks...see also Partnerships" (Goss, 2001, p.222). Her emphasis on the importance of horizontal cooperation, as opposed to a vertical bureaucracy is, though, a useful point to bear in mind.

The importance of networks to the interviewees became evident quite early in each interview as, asked how new ideas or new ways of working came into their authorities (Q9), 'networks' proved to be a common answer. Indeed, it was the only method mentioned by over half of the interviewees. Next came the 'trade press', with local government organisations (such as the IDeA and the LGA) a close third. Although I do not want to stretch the point beyond that which is sustainable, even these include an element of networking in that they involve an exchange of ideas between like-minded individuals, often in an informal and voluntary manner.

One response to the above-mentioned question shows networks to be advantageous to the examination of context:

the officers then getting out and networking with officers at their own level, when we learn. I suppose the last example is more where actually there is a community of interest between the relevant authorities and then, I think, you start learning from the different ways in which, say, economic challenges are being dealt with. So, in terms of attracting inward investment, attracting, say, a relocation of civil servants, you know, how you would have done it as an authority is impacted on by how as a group of authorities you think that ought more sensibly to be done. (C:210–215)

A further interviewee made a point similar to that with which Interviewee C commenced:

I think networks are the most powerful. That's the peer-to-peer, at all levels of the organisation. That's probably the most useful. (P1:197–198)

These comments illustrate the varied ways in which networks operate. Interviewee C's comment is more illustrative of partnership working – though realised through networking – in an attempt to address a shared concern. However, Interviewees P1 and C both note that networks are structured to include members dependent on their position within their authority. The existence of such network structures points to the importance of both psychological proximity and hierarchical structures within local government. The literature sees the former as an aid to learning and the latter as an impediment. This, though, may be one instance where drawing a distinction between organisational and inter-organisational learning is helpful, with the latter being aided by networking and the former being inhibited by the hierarchical nature of the networks. Further research would be needed on this point to establish the relative strengths of each and the permeability of hierarchies.

A number of responses to interview questions show why I chose to define networks as I did earlier. One interviewee claimed that the most important way in which information came into an authority was “the informal, word of mouth network” (M:125). Additionally, and in response to a question posed later in the interview, one aid to learning was said to be:

networking and informal chit-chat and things like the LGA conference – the formal sessions, you take them or leave them...But basically in the bars and over dinner, what we as Chief Executives would do is talk about...“oh, have you heard about so-and-so, They’re doing really well on this” and you would try and go and seek him out – those, I think, were absolutely invaluable. (M:307–312)

The fact that Chief Executives are said to behave in this manner again points to different networks being in existence, as does a quote from a further interviewee, pointing out the advantages of networking through professional organisations. In this, points similar to Interviewee M’s concerning the informal networking opportunities afforded by conference attendance are made:

from the top of the office all the way through we encourage people to go out and listen...if they are in professional careers, they will be hearing from their peers, they’ll be attending conferences, they’ll be speaking at conferences, they’ll be listening in the queue at the bar, they’ll be doing all the things that soft networks provide, as well as reading all the stuff that the learning organisations...provide. (F:220–228)

While I do not attach any particular significance to the fact that two Chief Executives mention conference bars as places where information is exchanged, it is worth noting the acceptance of such informal situations as opportunities to learn. The interviewees quoted here state that obtaining knowledge in this way is only a precursor of, or in addition to, other activities, but the approval given to this rather *ad hoc* manner of learning from others is particularly noteworthy. Research cited by McDougall and Beattie (1999) concludes that informal individual learning should not be ignored, though these authors also note the argument that learning through chance cannot be relied upon. Informal personal contacts were found to be the most important source of information in Wolman and Page’s (2002) research and this, they say, is consistent with social learning theory.

One further comment regarding networks contains links to the modernisation agenda:

I chair a group which is the regional local authority Chief Exec's group and it's not very long ago when you could rarely get more than three or four local authority Chief Execs together. Now we have a functioning group which is pretty well attended. I think there's been a growing awareness there that, in terms of authorities facing challenges, we need to do much more by way of sectoral self-help, you know, that the local government sector itself supporting authorities facing particular challenges.

(C:635–639)

Here, changes in the working environment of local authorities have led to a change in behaviour of those in the most senior management positions; they are acknowledging the usefulness of, and making use of, networks. Such utility and use, though, cannot be said to have begun during the modernisation period:

there was some very good networking going on, particularly in housing circles. There was a housing quality network that had been set up at the time of housing compulsory competitive tendering. That was a really good source of information. (G:249–251)

Although this was said during discussions about the Best Value Regime it shows that, in at least one area of local government activity, networking had a history stretching back to at least the late 1980s or early 1990s – the time of CCT. While this quote may provide an example of heterogeneity within local government, in this case that different departments, or professions, displayed variation in their use of networks, this may simply be a manifestation of this interviewee's housing background.

Networking, then, was seen by the interviewees as an important vehicle for alerting their authorities to the existence of alternative ways of working, and as potentially aiding the adoption of those practices. However, this needs to be balanced against answers given earlier in each interview as, when asked what each had done to encourage organisational learning in their authority, only three interviewees mentioned employee networks. One spoke about the importance of networks at that point in his interview but it is clear that he was not referring to a network established as a result of any modernisation initiative:

I was a member of an incredibly productive organisation that I think still exists, called CECSNet, which was the Chief Executives' Corporate Support Network...and it was, in effect, an offshoot of...the Association of County Chief Executives. It provided a service to ACCE but it was really an organisation – I call it an organisation, it was just a network – through which County Council Assistant Chief Executives and equivalent were in touch with each other, got to know each other. It was very informal, hugely productive and we spent our time learning from each other. We'd have a seminar on a particular topic and two or three county councils that were known to be leaders in a particular field would give a presentation on how they did it. It wasn't arrogance, it wasn't snubbing those who...it just really was an excellent interchange of information.

(O:124–133)

A further interviewee who claimed that employee networks had been introduced to aid organisational learning expanded on this by saying:

But we have softer systems: there are four employee networks within the council...this is an incredibly multi-cultural organisation, it is like the United Nations and it is very much the richer for that. So we have a black and minority ethnic workers' group; we have a disabled employees' group; we have a gay and lesbian and transgender workers' group...if people want to collectivise, because they believe there is something in their interest so to do, I allow and encourage it and I attend the meetings. They are part of the learning system...So the systems we have in place, formal and informal, at least in theory, contribute something to being able to learn about who we are and how we deliver services. (F:112–125)

While both of the above examples are networks as defined earlier, and both are intended to improve organisational learning, there are significant differences. The first is aimed at bringing in, at a high level within the organisation, information about best practice elsewhere while the second seems more concerned with sharing internal experiences. In addition to the two interviewees who mentioned the establishment of networks to promote organisational learning, a further three referred to improving internal communications, which may have been their way of alluding to internal networks such as those discussed more explicitly by Interviewee F.

To examine the second example in more detail, though, participants in the networks described by Interviewee F are not, at least initially, members of a Community of Practice as defined by Wenger (1998) as they do not necessarily share a practice. Instead, something more personal brings them together, in that

having a disability, for example, sanctions their membership of a network. Whether these networks result in relationship-building and development of common practice is impossible to judge from the data obtained, but Interviewee F seems confident that such internal networks contribute positively to organisational learning by helping to define 'who we are and how we deliver services'. Even if a Community of Practice does not emerge, the situation described here appears to promote awareness and reflection, both of which feature in my analytical framework.

Taking the above points together shows that, while many Chief Executives were well aware of the importance of networks in bringing information on new practices into their organisations, establishing or encouraging the use of such networks was not something that had been widely undertaken specifically in pursuit of their learning organisation goal. Similarly rare was the establishment or use of networks to share learning *within* individual councils. Not for the first time it appears that those interviewed were often well aware of, and supportive of, a particular practice, but were often unaware that its pursuit could prove to be a positive aid to organisational learning.

I conclude this section of my analysis with a number of quotes that link networks and context. The first interviewee quoted below, having put networking at the top of his list of ways in which information concerning new working practices comes into his authority, went on to define this more explicitly and gave an example in which networks as a precursor to more detailed explorations of context:

When I say networking I mean going and meeting, in my case, other Chief Execs and they say we're doing this and doing that. I'll give you an example...I still keep going with SOLACE in terms of the Action Learning Set that they start off when you first become a Chief Exec and one of the guys on our course is from Windsor & Maidenhead and he was telling us a reward scheme on recycling that he's getting in...we're going to see the company in the new year. It might not be right for [us] but he says its right for Windsor & Maidenhead which is probably not that dissimilar...Population-wise similar but we're perhaps a bit more rural. (I:106–112)

A second made similar points, if more implicitly:

I think the first is through networks. I think if you've got enough staff and councillors who routinely are part of rubbing shoulders with peers elsewhere, that's when they pick

up...that they hear and notice, because it's very informal, the person's just like you, so if they're saying it, it's got to be relevant to you. (Q:172–174)

While the first of these quotations is explicit about the importance of similarity of context, it is less clear about which similarities are important. The second quote suggests that the informality of the network is a virtue and that psychological similarity – ‘the person's just like you’ – leads inevitably to relevance. Again, both refer to the existence of networks built on similarity of position within their authorities.

A third comment suggests that, to be most useful, networks sometimes need to be more finely honed:

We joined things like County Council Network...there's always been, for me, a lot of traffic about “I'll share what I do, and I'll learn from what you do and I'm not precious about being the best and telling you all the good bits of it, I'll tell you the bits didn't work on it”. And often therefore get that back from others...we'd failed the joint reviews, so one of my fellow County Chief Execs...was...a really, really able guy, so I went and talked to him about it quite a lot. About what did he now do, what had he done and how do you make these things work – similar sort of level of population, similar profile.

(P1:462 - 470)

Here, then, it seems that being of equivalent rank in a similar authority was not enough, and even more contextual similarities were required. While it is not surprising that, in an attempt to extricate herself from a difficult position, one local government officer should seek help from an experienced and able colleague. Interviewee P1's comments underline the importance of networks, of being able to use them, and of issues of trust.

Interviewee P1's mention of the County Council Network prompts me to mention again the importance of similarity in constructing such networks. In this case, councils that did not share institutional similarities would, by definition, be excluded from membership.

Issue of Context

As I explored in §2.4.2, context is an important issue in the literatures considered there and, for this reason, merits inclusion in my analytical framework. As the policy transfer literature in particular makes clear, the transfer of a policy, structure, or professional practice is eased by the existence of similarities between the organisations involved. However, the drivers of learning and change are not

these organisational similarities, but the differences in outcomes achieved. The practice-oriented 'learning organisation' literature discusses this, stating that "all learning proceeds from differences" (Pedler *et al*, 1991, p.123). One manifestation of context, then, concerns organisational similarity and difference. This facet of context was one about which those interviewed for this research had much to say.

As even the above consideration of networks began to reveal, my analysis shows that some Chief Executives were conscious of issues of context even if they were not totally familiar with the academic literature. However, this awareness was more often expressed in the negative, in that many of those interviewed were clear that differences between authorities and the areas they served would make the adoption of a proposed solution impractical. This, though, was not always the end of the matter, with the non-acceptability of one possible approach driving some authorities to look for other, more acceptable solutions.

Despite any similarities, all councils are separate, distinct organisations. It is not surprising, then, that they adopt different approaches, or policies, to meet the differing needs of the populations served. Indeed, without such differences, at least in outcomes, there would be no one worth learning from. As I touch on at a number of points within this thesis, conducting this research has made it clear to me that local government should not be seen as a homogeneous whole. To me, though, differences prompt rather than answer questions. In this context, one question that could usefully be asked is whether these acknowledged differences outweigh the similarities of being 'local government'; whether, for example, the situation of an elderly person in rural Cornwall is so different from that experienced in urban Newcastle that the providers of services to each have nothing to teach to, or learn from, each other.

Those interviewed understood, shared and expounded the above-mentioned view of the importance of heterogeneity and were keen to celebrate the local-ness of local government. However, differences became barriers to learning and one interviewee gave a unique example of this:

There's a snobbery in local government around principal authorities and districts, and it's stupid because there are really good small organisations and really good large organisations and a lot of crap in between. (F:216–218)

Although he refers to issues of size, typology and quality, the real barrier here, even if it is one he quickly dismisses, is snobbery. This being the only instance where it was mentioned, snobbery does not feature in my analytical framework. Even so, that does not mean that it does not exist, and it is difficult to see it as an aid to learning.

Issues of context – especially differences in context – were most evident when the interviewees replied to my questions regarding specific modernisation initiatives. These matters, then, are best discussed within the following analyses.

6.2 Specific Modernisation Initiatives and Acknowledgement

Having examined the general role played by modernisation in the acknowledgement of the need to change through learning, I turn to the analysis of the interviewees' views of the three specific initiatives.

6.2.1 Best Value

Best Value Reviews were carried out by teams, but exactly how these teams were constituted was a matter left to each council's discretion. They were, though, likely to consist of a mixture of managers directly involved in the delivery of the service under review and corporate (finance, legal and policy) officers, and were often chaired by a senior council officer. The involvement of elected members, service users and outside experts was not unheard of (Martin, 2002). The precise constitution of any Best Value Review team is not important here; what is important is that such teams consisted of people with different viewpoints, holding different mental models of the service under review. The Best Value Review team may, therefore, provide a better match to the learning structure required by both Senge (2006) and Wenger (1998) than do the meetings of Chief Executives and leading councillors discussed above in that these teams provide the space to share and discuss mental models *and* are directly linked to practice. Best Value reviews, then, could provide reflective space, aid self-awareness and allow the construction of a shared vision, if not for the council as a whole, then for the service under review.

Evidence that differing mental models existed, and were shared through the conducting of Best Value Reviews, was provided one interviewee, though the differences seem to have taken him by surprise:

but on one review around highways...I asked the first question in the review process, which was “why do we do this – highway maintenance?” And the answer nearly knocked me off my chair, because I think naively that highway maintenance is about being able to speed up the ability to get from A to B, in a car typically, on highways, and it’s not. The answer that the engineer person gave was that it’s to preserve the value of the asset, which is what he’d been taught at engineering school. And there is a technical thing about that, obviously, you want highways generally to be in good condition, but the whole phraseology, the whole regime that he had in his head about why we do what we do and the relative priority of it was just lost. And that developed into a “why do we do bridges?” – we do bridges to preserve the value of the bridge, not to help people get across a divide. So that was an interesting reflection. (E:499–507)

This quote provides both a vivid example of the mismatch between the ‘customer’ and ‘producer’ views that can exist in local government and a pointer as to why the modernisation agenda was aimed at the promotion of the former.

The same interviewee spoke of the enhanced self-awareness and understanding of context that could result from a Best Value review:

I learned a lot from it, in terms of [the council] as an organisation, and also to a degree as a place...[Best Value reviews provided] examples of ways in which I certainly found a lot of things that you wouldn’t have been able to uncover without having that systematic approach to it in that kind of way. (E:495–509)

This ‘systematic approach’ is not dissimilar to the ‘habit of thought’ that, as mentioned in the previous chapter, Interviewee B believed Best Value had established within local government. Best Value, then, could be an aid to organisational learning in that it structured discussions in a way that could lead to the acknowledgement of the need to change.

Discussions concerning Best Value proved to be fruitful sources of information concerning contextual differences between authorities and raised issues of mistrust. As mentioned in Chapter Three, Best Value involved the production, collection and publication of vast amounts of data on local authority performance over the whole range of service areas. Councils were then to use this data to examine how their services compared with those of others. The expectation was that, armed with this information, councils would devise and pursue strategies that would move them towards being as good as the best. During the research interviews, concerns about

the relevance of the data collected and the effort it involved were rife, as were arguments regarding comparability. The following quotations show the strength of feeling still engendered by recollections of the Best Value regime. They all come from answers to questions regarding the effectiveness of the Best Value processes in unearthing information about a council and then sharing this with others (Q20 & Q21):

the issue for me...is that we never seemed to have cracked the issue of getting some benchmarking around unit costs. (H:310–311)

Specific examples of differences in the measurement of costs were provided by his colleagues:

the unit costing basis of it became a joke. So, fantastic example, sickness absence: sickness absence is defined and assessed completely differently from organisation to organisation...you're comparing apples with bananas, so why bother? And then the whole unit costing, the average cost of X or Y, the cost per head and so on, just became discredited. (E:521–525)

So without taking the comparator data into account, most Best Value comparisons are fairly meaningless. And also the structure of the data was very varied. So, for example, one library service might include the cost of buildings, and one library service didn't. One might include recharges, another one didn't. There was no consistency of data collection. (N:236–240)

benchmarking to me is great if you are all feeding the information in at the same level. Our car park costs were actually way, way high compared to others that we were looking at but then when you drilled down...some weren't charging management overheads. So did Best Value drive improvement? No. (I:235–238)

Perhaps surprisingly, a similar comment is made by the Audit Commission in their report on corporate and strategic services within Interviewee M's council:

The Council is a member of the [named] Benchmarking Club and attempted to compare its performance on cost with other authorities, though with little success, due to the different methods of costing corporate and strategic planning work.

Consideration of the benchmarking 'problem' led one interviewee made a link between Best Value and learning, though probably not one that the scheme's designers had in mind:

The primary piece of learning was that it is almost impossible to make meaningful comparisons...I have a deep loathing of benchmarking. I think it's extremely difficult and I think that Best Value tried hard, people did try hard to understand exactly what the differential cost drivers were and what the differential drivers of outcome were in different places. And all it proved, I think, was that life is complicated and I don't think we learned a great deal more than that, if the truth be told. (J:362–366)

However, from the point of view of this thesis, learning that life is complicated – and needs to be accepted as such – is actually a considerable step forward.

Turning to another point made in the above quotation, that concerning the difficulties of making meaningful comparisons of unit costs, one interviewee confirmed that this had been anticipated and that work had been carried out in an attempt to eliminate differences caused solely by measurement techniques. This work had been carried out at a national level by CIPFA:

I think CIPFA – and I can say this because I'm a qualified member of CIPFA – CIPFA did their absolute damndest and did a brilliant job in trying to ensure that costs could be compared from authority to authority. And they did, they had the Best Value Accounting Code of Practice – great. But it still didn't stop people doing things differently. (I:227–230)

Although the work of CIPFA in this regard was mentioned by only one interviewee, there can be no doubt that the existence of this work and its resulting definitions would be well known throughout the Chief Executive world, even if the details of those definitions were not.

Taking the above comments together, it would appear that yet another apparently paradoxical situation existed. Chief Executives were aware of both a problem – that they believed others to be measuring things in ways that ruled out meaningful comparisons – and a solution – get an appropriate organisation to produce instructions that, when followed, would allow meaningful comparisons to be made. However, from the data collected for this research it seems that the problem triumphed over the solution and the prevailing view was one that privileged differences. Quite why this should be the case cannot be deduced from those data,

and further, more specific research would be needed to shed light on this. However, interesting though it may be to examine this point further, it is not necessary here, due to the limitations that I place on the use of the above conclusion. I use it merely to show that, in the case of at least some local authority Chief Executives, perception of the differences between their authority and any other outweighs the recognition of their similarities. I do, though, take this further by contending that this attitude can produce a significant impediment to learning if it leads to the ruling out, rather than the encouragement, of a more detailed examination of the contexts in which other councils are operating.

In the preceding paragraph I used the word 'perception' advisedly, as the interview data provide no direct evidence that differing approaches to the measurement of unit costs were adopted, only that those interviewed *believed* such different approaches to be prevalent. Beliefs and perceptions, though, provide the basis upon which we build our views of the world.

That others might have different views of the same set of data occurred to some of those interviewed. One of them described the effects of Best Value in the following terms:

what [Best Value] also did, though, was to produce a cottage industry of post-rationalisation. The number of meetings I sat in with people where I was being told that there are very, very good reasons why we could not possibly, given our peculiar and unique circumstances, achieve a similar outcome for the same investment that [another council] are making in that particular service. And I thought, well that's great and fascinating, and I really admire your intellectual erudition, but I have got no idea whether or not, actually, some of the differences that are being alluded to here are pure defensiveness or are actually a sensible response to a very, very different and difficult set of comparative data. And I think there was a degree to which perhaps the potency, or the potential potency, of the Best Value framework was not realised as a result of that. I think it became complicated to the point where it lent itself to that kind of interpretation. (J:373–381)

Here, Interviewee J questions the interpretation of the Best Value data performed by those reporting to him, but proves unable to decide whether any differences should be described as 'real' or 'imagined'. Instead, he chooses to lay the blame for this variation in interpretation at the foot of the Best Value scheme itself. This is an interesting point, though, and it is worth noting that, although he recognises the 'potential potency' of the Best Value framework, Interviewee J goes on to say that '*it*

became complicated' and '*it* lent itself to that kind of interpretation' (my emphasis). By using such language, this interviewee is denying any role that local authorities had in shaping the Best Value processes through their implementation of this, admittedly centrally-imposed, framework. Instead, he suggests that any flaws were inherent to the system they had been forced to adopt.

A point similar to Interviewee J's was made more by two of his colleagues, one of whom (N) I quoted in §5.2.1. The second, though, told me:

give me some statistics from somewhere else...and if they're better than ours I'll explain why you can't compare them, and if they're worse than ours I'll say 'look how good we are'. (K:234–236)

One further interviewee believed that Best Value had become:

a process which became devalued because it became a kind of methodology to justify why things perhaps should stay the same. (A:309–310)

To the Chief Executives quoted here, data produced with the intention of highlighting differences in performance were often used to emphasise differences in context. Instead of being used to stimulate acknowledgement of the need to improve, and to drive exploration and improvement through learning, they were used to justify the *status quo*. In this can be seen the defensive routines discussed in Chapter Two, along with elements of mistrust and denial.

However, not all those interviewed were quite as dismissive of the benefits of Best Value. One told me that:

loathe though I am to admit it...It made us confront services that weren't good enough, it made me more aware of services that weren't good enough and it provided a stimulus – a strong stimulus – to improve them. (O:306–309)

Additionally, although one acknowledged the problems of data interpretation, he believed that local government over-played this, describing it as "the well-rehearsed whinge about Best Value" (B:282).

One further part of the Best Value framework that came under criticism, and which highlights the importance of context, was that of the provision of 'statistical neighbours' with whom closer comparison could, allegedly, be made. At least in the early days of Best Value, CIPFA provided councils with a 'family' of other authorities

with which they shared similarities over a range of demographic and statistical factors. Best Value indicators could, then, be compared across the members of this family and used to highlight 'real' differences in council performance, any other determining factors having been removed by the identification process. That, at least, was the premise underlying the production of such groupings. One interviewee, though, cast doubt on the acceptance of this line of reasoning:

Well, one of the components in that is identifying 'statistical neighbours' so that there's an opportunity to benchmark your performance against that of other comparable authorities. Again, you've got to be bloody sure that the statistical neighbours are sensible statistical neighbours and not infrequently we struggled to understand why we are, say, the statistical neighbour of Stoke-on-Trent. (C:476–479)

This comment provides evidence that issues of context and trust played significant roles in whether or not information from other authorities led to the acknowledgement of both the need to change and of those authorities as acceptable sources of learning.

The issue of differing contexts had been bluntly put to government inspectors by the same interviewee, though in this case referring to another comparator:

I just think it needs a more sophisticated and place-sensitive approach more frequently than would appear to be the case. We had a presentation here on infant mortality from the team that came...and one actually said you can perhaps learn, you ought to be looking at high performing...looking at how well East Riding are doing. You know, you take so much of this and then you say, 'actually, with respect, this is total bollocks'. Look at the demography of the East Riding...to then say that a city like [named council and neighbour] should be looking at the East Riding who have none of these demographics is, sort of, it's offensively simplistic. (C:493–503)

Although he uses the term 'respect' it is clear that this interviewee has little for the suggestion being made to him. Later in the interview, he would bemoan the lack of help given by the Audit Commission, through the CAA, in identifying better-performing councils from which something useful might be learned; here, though, he spurns such advice.

My interpretation of these events is that Interviewee C's authority is being offered, in good faith, by a government-appointed assessor, an opportunity to learn from another authority deemed to be performing significantly better than his own in

the subject area in question. This invitation to learn is turned down, quite brusquely, by Interviewee C because of the perceived contextual differences between his authority and the one to which he is being pointed. There is no deeper reflection on the work being undertaken by the second authority and no evaluation of the resources being directed at the issue. Indeed, there is no indication of any further work being carried out that might lead to the occurrence of learning, or provide a more substantial reason for any transfer of working practices not taking place. The perceived differences are sufficient, and *immediately seen* as being sufficient, to deem any further exploratory work unnecessary.

This, though, is not the whole story. When commenting on whether or not he believed his council to be a learning organisation, Interviewee C told me that “we’ve always tried to get perspectives from outside of the authority” (C:79–80). The Audit Commission’s CPA reports on Interviewee C’s council provide some support for this statement and single out the use of Best Value Reviews in bringing about improvements in service delivery. Re-reading the whole interview transcript alongside various Audit Commission reports suggests that Interviewee C’s council did not stop at simply complaining about the choice of comparator authorities, but corrected this perceived flaw by actively seeking out and comparing themselves with authorities with which they felt to have more in common.

The scenario being described here is, then, a complex one that highlights, amongst other things, the efficacy of Need Pull over Institutional Push. Although Interviewee C asks to be pointed in the direction of other authorities from which his council could learn, he resists such advice when it is provided and denies its legitimacy. His acknowledgement of the need to change, and of possible sources of learning, is at best undermined and at worst prevented by this stance. However, this resistance and denial only relate to the information that is provided to him by others. Having rejected this information, this interviewee’s authority then seeks out contextually similar authorities from which information can be obtained. These authorities, and the information they provide, can then both be acknowledged as being acceptable.

6.2.2 The Beacon Council Scheme

I begin this section with a positive, if general, view of the Beacon Council Scheme’s role in the acknowledgement of the need to change through learning:

Clearly, anything that's a reflective piece about what was good, what was not so good, how and who did it, gives you learning...I think for some people it was more broadening of their perception. (P1:328–333)

While this interviewee sees reflection as a beneficial practice, she suggests that there are two levels at which it should be considered: not only has the Beacon Council Scheme stimulated specific episodes of internal reflection but, for some, it has opened their minds to the *concept* of reflection and to the *possibility* that this might lead to learning taking place. Such reflection leads to consideration of context – the who and how – although the Beacon Scheme played no role in highlighting 'what was not so good' other than by prompting councils to consider whether this described their services.

Considering reflection more generally, the words of one interviewee show that it did not have to be limited to a specific service area, or even to a specific local authority, but could be used and bring benefits across the public sector. To him, involvement in a particular Beacon Council project:

was a valuable experience, I think, for the whole of local government in [the county] in that it helped to clarify our overall approach to community cohesion...and the Beacon Council process really helped in terms of profile and shared learning across public services, not just local government. (L:227–235)

Another interviewee provided evidence that, once a reflective approach is adopted – once perceptions have been broadened, to use Interviewee P1's phrase – its more widespread utility becomes evident. Involvement in the Beacon Scheme provided:

some benefit in...working through how you then presented that to others in a way that was helpful to them. That did sometimes force you to reflect and look again at what you did in a particular way, so there was certainly some benefit. (H:253–255)

Here, reflection is not seen as a 'one-off' activity, but more as an iterative procedure that can be of use at a number of stages in a process – even if its use was 'forced' in this particular instance.

As I mentioned in §3.4.2, one aim of the Beacon Council Scheme open days was to establish networks of council officers and then build on these for the later exchange of more detailed information about the activity for which Beacon Status had been awarded. In this can be seen echoes of information feeder networks

growing into policy transfer networks as described by Evans and Davies (1999). Three interviewees commented on the success of this aspect of the scheme, one by saying:

But I also take the view...that it wasn't so much about us being able to demonstrate how good we are, it's about how it exposes us to a network which is about learning.

(E:446–448)

and the second by stating:

what some colleagues said around the Beacon Scheme and the open days was it allowed them to create networks and relationships that probably they wouldn't have had before. So it was a mechanism for longer-term collaboration and learning and sharing which they may have done anyway, but that was a catalyst and an impetus for some of that. (P2:359–362)

The third made some similar points:

[The Beacon Council Scheme] opened the mind to the fact that there were lots of good sources of other ways of doing things and networks and things like that. So, it may have been the topic, but it was also about, then, that social network that you could then ask other questions about other things. (D:207–209)

To these interviewees, the Beacon Council Scheme was successful in a number of aspects: firstly, it opened some people's minds to the fact that other ways of operating existed; secondly, it exposed people to networks of other council officers working in the same field; and thirdly it led to the building of longer-term relationships that could expand to encompass subjects other than those for which the network was initially established. That the creation of a policy transfer network can lead to opportunities to create further networks is noted by Evans (2009b). How long lasting the networks referred to by the interviewees may be is impossible to determine from the interview data, but the above comments suggest that it is more enduring than a policy transfer network, which exists "only for the time that a transfer is occurring" (Evans and Davies, 1999, p.376), and so may form a 'policy community' (discussed by Evans and Davies, 1999, but based on the work of Marsh and Rhodes, 1992).

However, the main point I draw from this analysis is that involvement in the Beacon Council Scheme, and in the networks it created, could lead to the

acknowledgement of both the need to change, and of other local authorities as sources of learning that could support those changes.

Also of particular interest to this research is Interviewee P2's speculation that these networks may not have been established but for the catalyst of the Beacon Council Scheme.

Two interviewees reported having useful experiences at an early stage of the Beacon process; that of preparing a bid for Beacon Status:

It did make me really understand the service area and also the weaknesses...And it also did show you how much you relied on other parts of the organisation, so it did start the connect with the other part of the organisation there. (D:191–195)

and:

I ended up with a much more detailed knowledge of that particular area of service and, because I ended up having to write the blinking thing, I ended up having a much broader understanding of the whole of [the] Council, in terms of the corporate side.

(L:222–224)

Here, reflection has led not just to an increased understanding of the specific service area being considered, but has also shed light on the interconnectedness of local authority departments. However, using the Beacon Scheme as a tool to achieve this end was not an approach commented upon widely during the interviews.

Although largely positive, the following comments begin to hint at aspects of the Beacon Scheme that may prove problematic:

If the particular problems facing that council couldn't be easily transposed, then that was another barrier as well. You'd think, well I won't try that one; I'll look at another one instead. (D:218–220)

That reaching this conclusion could be classed as learning and lead to a deeper examination of the context in which the policy operated was made explicit by another interviewee:

what we did on occasions was to say 'that's very interesting, but we're not sure we could make it work in our circumstances'. I think particularly, for example, because we've got a very large rural area to administer, so you'd look at things which you could see why they worked in an urban setting, but wouldn't necessarily be easily adaptable

to the circumstances of a rural county. So there were those sorts of things which were interesting and we said: 'well that's fine. I can see why it works but it won't work for me even if I customised it'. So that was still valuable learning because it did help you understand why you had a particular and unique set of challenges and you may need, therefore, rather different solutions. (H:278–284)

Both of the above comments illuminate equally the positive and negative aspects of the Beacon Scheme: while it highlighted 'good practice', it was not always easy to translate this to another situation.

One interviewee highlighted one obstacle to such transference of practice:

I think sometimes, if you compared yourself with councils that seemed to be richer or poorer and where there seemed to be lots of resource available for the activity, that was a barrier, that was something 'oh this will never ever get off the ground because it would be a growth bid, members have already told us they are not going to have any of those'...So sometimes the obstacles were about money. (D:213–218)

In the previous chapter, I noted the view that applying for Beacon Status could be seen as a burden, suggesting problems with the resourcing of the process. Here, though, consideration of the resources available for the delivery of a particular service play a significant role in comparing the contexts in which a practice is being undertaken and to which it may be transferred. This can be a source of significant differences between councils and is one well covered in the literature, most explicitly in the stages models of Policy Transfer and more generally under the heading of 'resource similarity', both discussed in §2.2. For this reason it forms an important part of my broader characteristic of context. Interviewee D, however, makes her comments based on her own experience, never mentioning any detailed knowledge of the policy transfer literature.

The Chief Executive interviewees were, then, aware of the importance of context, but not everyone believed that the Beacon Council Scheme always provided suitable exemplars to emulate. As one interviewee told me:

I went on three visits to other Beacon Councils as part of work within the programme...What I found much more useful was working collaboratively with organisations which had similar scale, similar scale of issues.

So, from my area of work it was much, much more relevant to work with a self-identified group of peer organisations with similar issues and similar problems than it was by getting involved with more formulaic structures. (J:317–329)

Here, then, can be seen an interplay of context and networks. Having decided that the Beacons towards which his authority had been directed were not similar enough, this Chief Executive moved on to join or establish an alternative network of more contextually similar authorities. To be of greater use, though, this action should only have come after a period of reflection that led to greater self-awareness.

In the three instances examined above, differences in context are clearly seen as barriers to adopting approaches that have proved successful in other councils. In the first, other solutions are being sought, but ones that relate to problems that more closely resemble those faced by Interviewee D's authority. In the second case, an examination of the Beacon Council's approach to a subject is used to identify (or confirm) the uniqueness of Interviewee H's authority. In the third, Interviewee J explicitly rules out learning from councils that are too different. However, while the attitude being displayed by all these authorities stops the inward transfer of a particular approach, it could still be said to engender learning in that, as Interviewee H says, it can lead to a better understanding of the problem being faced. Issues of context are clearly important in the cases outlined here, but an unbalanced examination of context – where the seeking out of differences becomes an authority's standard reaction, or the effort put into uncovering them far exceeds that put in to examining similarities – can become a barrier to learning and change. In all the above cases the need for change has been acknowledged, as possible solutions are being sought. What has not been acknowledged is that the examples provided by the Beacon Council Scheme are suitable ones from which to learn.

In examining Interviewee J's comments further, I raise the possibility that context is not the only factor that plays a part here, and so consideration of that matter does not fully explain the actions taken. His comment about working collaboratively with self-identified peers points to the importance of a network being both voluntary and trusted. It is particularly relevant that Interviewee J injects the word 'collaboratively' to distinguish between working within his self-constructed network and working within that provided through the Beacon Council Scheme. In §2.1.2, I noted the contention that communities of practice cannot be created by coercion, and Interviewee J here provides evidence to support this view.

One phrase used by two interviewees (one of whom I quoted in the previous chapter) also points to a barrier to the importation of the working practices of others through the Beacon Council Scheme: the 'not invented here' syndrome. To Interviewee M, the adoption of such a stance was a reason for the Beacon Scheme being only partially successful in spreading best practice; to Interviewee B it was an attitude his council had moved away from. What both these interviewees are saying is essentially the same; that their experiences of local government led them to believe that there exists, or had existed, the attitude that working practices from another authority could not be imported precisely because they came from another authority. This is not dissimilar to Interviewee C's attitude towards the East Riding Council, discussed above in relation to Best Value. Opportunities to learn are being spurned here not because of the lack of relevance of, or any quality inherent to, those learning opportunities, but because of the stances adopted; stances that exhibit mistrust, resistance and denial. Again, other councils are not acknowledged as acceptable sources of learning, though in this instance, this could relate to all other local authorities. Interviewee B's council, however, is said to have discarded this view because of its involvement in the Beacon Scheme; the contention that collaboration "can be an antidote to the 'not-invented-here-syndrome'" (Dodgson, 1993b, p.80) has, then, proven to be correct in at least one instance.

6.2.3 The Comprehensive Assessments

While the highlighting of 'good practice' is an explicit principle of the Beacon Council Scheme, it is also implicit in any scheme that ranks authorities in order of some measure of performance. The mere fact of being positioned more lowly than others is expected to be enough of a spur for authorities to improve their performance by examining, and learning from, those deemed superior. The ranking of local authorities by CPA and CAA ratings is, then, an example of such a driver of improvement being employed, if more generally than was the case with either Best Value or the Beacon Council Scheme.

That relative CPA ratings could act as a spur to improvement through learning was made clear by one interviewee:

through your professional networks you would know that such and such a council had got a better score than you had and you would actually be motivated...to go and find out what it is they did that was different. (O:366–369)

Here, the CPA has led to the acknowledgement by this interviewee that other councils are performing 'better' and has motivated him to find out why. Interestingly, though, this interviewee claims not to have received information on CPA scores directly from the Audit Commission, or through a systematic examination of CPA documents, but through his own professional network. This may indicate that some form of filter is being applied to the information, and that more contextualisation of the information is needed before it can be acted upon.

One Chief Executive commented on the CPA and CAA in general and echoed the comments quoted at the beginning of the previous section on Beacon Councils:

I think the CPA and the CAA...really stretched people's horizons and they think 'ah yes, it is actually the sector' it's not just about the silo that they were in before. (D:32-34)

To this interviewee the CPA and CAA had engendered a more reflective approach and had prompted acknowledgement of the interconnectedness of public services; the latter being an explicit aim of the CAA.

In the previous section, I noted that a balanced approach to the examination of context was needed if barriers to learning, or even to the acknowledgement that learning needed to occur, were not to be erected. This need for balance was clear to one interviewee, as she told me, during a discussion on the CAA, that:

We've gone to understand how comparatively similar organisations have managed to move in the judgements and the ratings and a neighbouring authority was ranked poorly and became excellent and that journey was over three to four years, so we've spent half a day there in advance, saying 'how did you do it?', 'can you tell us what were the critical things in your journey, in your learning?' etc...We do look for the excellent authorities...why is that?...we don't want to make mistakes. (D:342-348)

Importantly here, differences in performance are acting as a spur to learning while similarities are being used to decide who to learn from. This emphasises a point I made earlier, that it is only worth learning from other local authorities if they have shown that they have delivered significantly different outcomes for their residents *despite* any similarities. Being too similar runs the risk of the learning not being worthwhile, being too different runs the risk of the policy or practice not being

transferable. This bears comparison with the concept of 'brokering' discussed in §2.1.1, as brokers must possess:

enough distance to bring a different perspective, but also enough legitimacy to be listened to. (Wenger, 1998, p.110)

With the exception of Interviewee D, however, no interviewee raised any points regarding the importance of similarities. I contrast this with the situation regarding differences, especially in relation to Best Value and the Beacon Scheme. Although issues of context were clearly being examined by local authorities, this was not always conducted in a balanced manner.

Two aspects of the Comprehensive Assessments that contributed to the acknowledgement of the need to learn and which received consistent praise from the interviewees were self-assessment and the peer review. The first of these has already been discussed in relation to providing a pressure to learn but both play a part at the acknowledgment stage.

Strictly speaking, peer reviews were not part of either the CPA or CAA, but were introduced somewhat earlier as part of the Local Government Improvement Programme devised with the support of the LGA and the DETR and managed by the IDeA (Jones, 2005). Such a scheme is still in existence at the time of writing (2014), though now administered by the LGA (LGA *et al*, 2012). However, peers, including members of the public, officers from across the public, third, and private sectors, as well as councillors, were included in CAA assessment teams (Audit Commission *et al*, 2009). Inclusion of these peers was intended to complement local government's own peer reviews, and provide a valuable learning exercise for all concerned (Audit Commission *et al*, 2009). Notwithstanding this point, as some interviewees conflated peer reviews, peer assessments and self-assessments, I have not sought to separate them in what follows.

The following is a typical example of the positive views expressed:

self-assessment and the peer review, I thought, were really good, very valuable and really did help the organisation learn. They were absolutely useful things to do.

(L:301–303)

One interviewee described the peer review process, and began with an implicit reference to Need Pull:

you had a group of people who came in because you wanted them to...and they were bright people who came in, people who worked in organisations that were genuinely good at what they did, then there was value to be had from that. (K:245–248)

Another set out why he viewed the process so positively:

I'm a great fan of peer review and I think you can actually learn a lot about yourself on the basis of a relatively brief visit by experienced, well-informed critical friends. And often I think that's much better value for money in terms of time spent by people coming into your organisation than lengthy inspection by relatively junior people.

(O:349–352)

The terms used by Interviewees K and O to describe the peer reviewers are positive, respectful and admiring, and speak volumes for the high regard in which the peers were held. A high level of trust in both their skills and in their judgement is being displayed, and this trust leads to acceptance of their findings and the acknowledgement of the need to change. That these findings led to increased self-awareness is made clear in the first line of Interviewee O's comment.

Interviewee K's comment regarding the authorities that provided peer reviewers being 'genuinely good' is telling. As I mentioned previously, a number of interviewees referred to their knowledge of the performance of other authorities, irrespective of what official assessments may have concluded. How they acquired this knowledge was never made explicit, but they believed that they had an awareness of the 'genuine' position within other councils that was somehow being missed by the official inspectorates; they trusted their own knowledge or instincts above those of inspection teams. Disdain for, or mistrust of, these inspectors is shown in the phrase 'relatively junior people' used by Interviewee O.

In a statement that contains echoes of the government's proposals for the Beacon Council Scheme, one interviewee noted that involvement in peer reviews and assessment teams provided two-way learning opportunities:

Several of us, including me, have been peer reviewers for the IDeA or actually on CPA exercises – very powerful. Learning brought back to the organisation.

I was a peer reviewer on the corporate performance assessment of Stockton-on-Tees and brought back from that an approach to information management within the authority which I thought was much stronger in Stockton than it was in [named council]

at the time and used that to re-engineer a bit of how we operate it. Others have brought back housing stuff. (B:309–320)

Peers and assessors could, then, and as the Audit Commission *et al* (2009) intended, learn from the authorities they were assessing. In this case, an assessment of a different council's performance in a specific area has led to the acknowledgement of both its good performance and its utility as a source of learning.

6.3 Member Involvement in the Modernisation Initiatives

In §6.1, I discussed one aspect of councillor involvement; their role in developing strategic visions for their councils. The interviewees, however, made some noteworthy points about the part played – or not played – by councillors in relation to the three specific initiatives discussed.

In this regard, the Beacon Council Scheme was not as successful as its proponents anticipated:

The one thing that was more difficult was finding a way for elected members to share. Elected members wanted to, it was the mechanisms to make it happen...was actually quite difficult...That was one of the challenges that I don't think we really properly addressed. (R:202–206)

The engagement of members in the Beacon Council Scheme, then, was not fully achieved, but Interviewee R believes that this was due to the mechanisms to assist this being difficult to establish, rather than any lack of desire on the part of councillors. This desire is evident in the comments of one Chief Executive and, though relating to a different initiative, does lead to involvement:

And certainly members being involved in peer reviews as well, for themselves and for other authorities, has been very helpful. And when members get the bit in their teeth, which a couple of our members have, then that is helpful and they bring things back and that works and it also helps them develop. (D:366–368)

Participation is said here to have contributed to the development of the councillors concerned, and led to the acknowledgement of practices observed elsewhere as being suitable ones to transfer. However, only a small number of councillors are said

to engage with the process to this extent, and their participation depends on their personal commitment.

Members, though, did not always choose to be as fully engaged in this process as those described by Interviewee D. One of her colleagues told me:

I led two Peer Reviews of other councils and a small number of councillors from [named council] themselves took part in Peer Reviews and I did try to get them to feed back into the organisation what they had learned, it was actually a bit hard to get councillors to. (O:279–281)

Again, reference is made to the small number of councillors involved, but in this case, the dissemination of their learning is not fully achieved.

Whatever the causes, the limited exposure of councillors to examples of good practice, and the difficulties experienced in distributing their learning, cannot have aided their acknowledgement of the need to change, or their acceptance of a another council's practice as something that their council should adopt. As has been seen at a number of points within this thesis, the involvement of elected members in the modernisation initiatives often proved difficult to achieve, despite the efforts expended.

The involvement of elected members in modernisation initiatives was not something that this research project explicitly set out to explore, and only one of the interview questions referred to councillors. However, despite this, it emerges from the data collected as something of a theme, and a problematic one at that.

6.4 Chapter Summary and Conclusions

In this chapter, I have used my analytical framework to examine modernisation's influence at the acknowledgement stage of learning in three distinct forms: acknowledgement of organisational learning as useful organisational feature; acknowledgement of the need for change, and acknowledgement that others in local government provide examples from which learning should take place.

All of those interviewed acknowledged the creation of a learning organisation as a legitimate goal towards which they were working. Similarly, council visions were being developed, against which the outcomes of alternative practices could be judged. However, this and other examples illuminate an underlying point: that the Chief Executives interviewed were not always taking action with improved

organisational learning being the explicit aim. This general point may well have its roots in the incomplete and variable knowledge of organisational learning explored in this chapter.

Networks were seen by the interviewees as playing important roles in the acknowledgement of the need to change, and as conduits through which learning could take place. Various networks exist, though, and their members were included on the basis of seniority or departmental affiliations. The establishment and use of networks was encouraged by modernisation, especially through the Beacon Council Scheme. In some cases, the non-acceptance of the networks provided through that scheme led to the establishment of alternative networks based on more contextual similarities and built on greater trust.

My analysis uncovers evidence that the Beacon Council Scheme and the CPA and CAA all stimulated reflection, but also introduced some to the concept of reflection as a useful practice. However, while Best Value could aid reflection and lead to greater self-awareness and, therefore, to the acknowledgement of the need to change, consideration of performance data was sometimes based on mistrust, leading to denial of the need to change and resistance to the use of other authorities as sources of learning.

More positively, though, the self-assessment stage of the CPA/CAA and the involvement of peer assessors were deemed successful in helping councils to acknowledge the need for change.

As has been seen previously, the involvement of councillors in the modernisation initiatives was variable and, where their engagement was minimal, opportunities for them to acknowledge the need for change and see other authorities as sources of learning were missed.

Having said that, my analysis of the data provided by the interviewees leads me to conclude that the three modernisation initiatives central to this thesis (or more precisely, *parts* of these three initiatives) and other aspects of modernisation could engender the acknowledgement of the need for change, and provide opportunities for learning.

Chapter Seven

Modernisation and Implementing Change through Learning

...if a man should suggest something he has read of in other ages, or seen in practice elsewhere, those who hear it act as if their whole reputation for wisdom would be endangered, and as if henceforth they would look like simpletons, unless they can find fault with the proposals of others.

Sir Thomas More, Utopia

The third phase at the centre of my framework is that of implementation of the changes suggested by learning from others. This includes the notions of moving, adoption and roll-out, as well as that of learning being embodied in doing, contained in other models. In this chapter I examine what those interviewed had to say on the way this process was affected by the characteristics contained within that analytical framework.

Again, I begin with modernisation more generally, before moving on to examine the three specific initiatives.

7.1 Implementing Modernisation

Although I have not drawn on it significantly, there exists within the political science discipline a substantial literature on policy implementation. In that literature, some of which adopts an institutionalist position, the complex inter-institutional framework between levels of government produces an 'interpretative space' within which agents can exercise discretion (Hill and Hupe 2009). While one interpretation of central-local relations views local government as implementers of policies decided elsewhere, the historical institutionalist approach exposes a more complex interrelationship. Such a situation is revealed by research cited by Hill and Hupe (2009) and which concluded that:

while central government set the parameters...variations in local government organization, orientation and disposition were crucial to variations in output.

(Hill and Hupe, 2009, p.147)

The word 'disposition' has particular relevance to organisational learning.

Hill and Hupe (2009) conclude, perhaps counter-intuitively, that the more rules that are imposed on implementers, the more inclined they are to use their discretion. Seeking to diminish discretion in this way actually increases the size of the interpretative space. In terms of implementing LGMA initiatives, whether the situation described is viewed as a policy implementation study, or is viewed from my interpretivist, institutionalist perspective, the result is the same; local government played a role in shaping how the initiatives were implemented; a role that should be acknowledged. In their theoretical consideration of 'perfect policy implementation' Hogwood and Gunn (1984, summarised in Hill and Hupe, 2009) state that one necessary condition is that perfect obedience can be demanded and obtained. Even if the ontological problems this statement causes me could be ignored, perfect obedience of the 'rules' of the modernisation is clearly not something that is revealed by my analysis of the Chief Executive interviews, and I find it impossible to see how it ever could be. The implementation of the modernisation initiatives, as well as that of any specific practices highlighted by them, is affected by the individual and organisational characteristics included in my analytical framework.

The following quotes show that perfect obedience was not a behavioural trait exhibited by those interviewed:

But I think it is also probably acknowledged that it is that local approach, that local flavour, that local knowledge and understanding that makes the difference, because what we deliver are solutions that are right for our places, not national standardised processes, which I think rarely work in practice. (H:468–471)

This was a matter on which he had spoken at length earlier in the interview:

[The government] had a tendency to say '...I'm desperate for solutions, this appears to work, let's make a template out of it and tell everybody to do it just like that'. Whereas I think the key word in local government is the word 'local': places are different; cultures are different; history is different; the people are different in their expectations. If you don't work with that, with the grain of that local word, then actually you can't often apply a solution from somewhere else without a huge degree of customisation and I think the government sometimes, in terms of taking shortcuts, tried to impose things that simply didn't fit with those circumstances. I think that the ability to devise, therefore, local solutions that fitted that place is actually quite important. I could think of lots of examples where, had the government succeeded in its initial attempts to say 'well, we'll

just do it like that, that's the template of the perfect solution or the perfect council or the perfect service in this area' it would actually have killed the very things that made it work. (H:427–449)

Here, Interviewee H is celebrating the local-ness of local government, with locally-developed policies and programmes being deemed superior to nationally prescribed ones. In this, he is emphasising the importance of the local context when implementing a policy as well exhibiting resistance to the Institutional Push of central government.

To one of his colleagues, all three modernisation initiatives examined in this thesis fell into the category of imposed national processes. While discussing the CAA, he told me:

Same principle as Best Value, Beacon Council...It was definitely a 'one size fits all' process. (N:255–258)

One further interviewee expressed his view on how the government would view local adaptation of its policies:

I don't think an obsessive, micro-managing government would have taken too kindly to any variations on a theme, it just didn't. (F:729–730)

Drawing together the above quotes, and similar comments cited in §5.1.1, the resentment felt towards nationally-prescribed processes – and solutions – is clear, and so too is the Chief Executives' collective view of the primacy of 'place' in developing solutions to address local problems. The importance of context in implementing policies is displayed here, as is resistance to any policies that are seen to ignore it.

As the Chief Executive interviewees all wished their councils to be learning organisations it is perhaps surprising that resistance to learning should feature so prominently in the interview data. Resistance can find expression in a number of ways, one being organisational inertia:

people have been behaving and acting and thinking in certain ways for almost 30 years but, you know, in the space of a year or a couple of years I am not necessarily going to make a total change in that. (A:237–238)

Implicit in this statement is that this Chief Executive wants to implement changes but his desire is tempered by, and his approach reflects, the scale of the institutionalisation of existing working practices and attitudes. One of his colleagues cast further doubt on whether organisational cultures are always encouraging of change and learning:

We employ twenty-odd thousand people and those people are all, largely, intelligent people who can be creative and actually have this huge, vastly untapped, potential that we need to get into. But actually this is an organisation that doesn't really want that. This is an organisation that, when those hugely creative, intelligent, people come in, we say 'do that and then do that and then do that and then do that and then go home'...we don't allow them to say '...if we do it differently, I can...achieve a lot more'. So what we're doing is to change the culture of the organisation to one that does that. (K:143–149)

The same individual had previously stated that:

The harder bit is actually to try to get people to try to do new things, because the place is so rigid in its way of operating that, actually, to break out of that can be quite challenging...People haven't been encouraged to think here. (K:125–127)

Issues regarding organisational cultures loomed large in the interviewees' conceptualisations of organisational learning, and here, Interviewee K accepts institutional culture as being a contributory, perhaps decisive, factor in shaping people's behaviour.

7.1.1 Experimentation and Innovation; Risk and Blame

The implementation of an innovative practice observed elsewhere involves experimentation as that practice is performed in its new setting, and risk, in that it may not prove to be as effective as was hoped. Although only one of these issues – risk – is included explicitly in my analytical framework, attitudes towards experimentation are included within the characteristic of culture, and assessments of success depend on the presence of the necessary structures. The issue of blame is considered because, as will be seen shortly, the interviewees associated this with risk. In this section, I explore how those Chief Executives viewed their councils' general approaches to these linked subjects.

Innovation and Experimentation

The privileging of innovation in attempts to improve both the efficiency and the effectiveness of UK public services is discussed by Osborne and Brown (2011) who cite a publication by the (now defunct) Department for Innovation, Universities and Skills in support of their view. Very similar points are made by Newman *et al* (2001), Mulgan and Albury (2003); Hartley (2006) and the Audit Commission (2007). Indeed, the fact that there was (and still is, though now a different one) a government department with ‘innovation’ in its title is further evidence that this matters to governments.

Innovation also mattered to the modernisation programme, as evidenced by the number of times government documents used the word (see Chapter Three). Not only was it used with regard to modernisation in general, but it was also used in relation to each of the three initiatives discussed. Innovation, then, was on the government’s agenda and councils would be judged on how they performed in this area.

Asked about experimentation with new ways of working, all but one interviewee stated that this was something they encouraged. In framing their answers, interviewees did not always make an explicit link between experimentation and organisational learning, though they did believe that greater involvement of staff led to service improvements. As one interviewee put it:

I passionately believe that people who do the job, day-to-day, will know both where the blockages are, where the system gets in the way, and normally can come up with half a dozen good examples...of ways that their service or the way they do their job can actually be improved. What we’ve got to do is get more and more of that out and allow some free experimentation. (E:334–337)

One interviewee suggested that problems did not always have their roots in organisational characteristics, but were more personal, by saying: “it’s not everybody’s natural desire to be, you know, cutting edge” (D:136–137). However, one of her colleagues accepted that organisational action was needed to overcome this:

It's OK saying to somebody 'I want you to think innovatively', 'I want you to promote a learning culture', but if they have never done that then they need the tools to be able to do so. (A:172–174)

The need for such 'tools' is also implicit in the words of another interviewee:

Certainly the intention there was to try and build up some confidence...to look at things differently...I would hope that if you were to survey staff...people would feel that they would be more supported and encouraged to come forward with proposals for doing things differently and better than would have been the case some years ago.

(C:266–270)

While Interviewee C makes reference to a changed situation regarding the support and encouragement given to staff innovation, he did not provide explicit evidence. He could only 'hope' that a change in attitude towards experimentation would become evident through the undertaking of further research.

One interviewee, after setting out why such encouragement is needed, was more explicit about what action was been taken:

we do a lot of flexible working and a lot of trying to strip away the bureaucracy, the hierarchical stuff that has grown in this organisation, as in many others, to empower staff and managers...and sometimes, bizarrely, I have to literally give permission to people...to do something different, because they've always done it this way. And you have to kind of stop and say 'I give you permission, you are now allowed to do it a different way'...We've just begun a process...of employee engagement as a systemic management approach through the organisation and that's a very simple, very straightforward, disciplined way of working that encourages exactly that approach to people suggesting for themselves ways [to improve]. (E:325–334)

Another interviewee set out what was being done in his authority to encourage staff to experiment more:

We're doing that very consciously as a key element of the culture change that underpins our transformation programme over the next few years. We are looking at radically changing the way we operate and we're opening that up to staff contributions on new ideas quite consciously. We have a major programme of staff engagement, for example, which is all about encouraging and implementing their own creative thoughts at every level in the organisation. That's now starting to bear fruit, already we've had literally hundreds of good ideas, many of which we are in the process of implementing

because they're relatively cheap to do. They may make small contributions to bigger changes, but collectively they're showing themselves, perhaps more importantly, they're also giving staff that positive reinforcement to do more, to think bigger, to accept change more readily. (H:143–150)

Encouragement of experimentation, then, did not always result in the necessary changes in employee behaviour, and the above quotations illustrate the positive reinforcing techniques the interviewees had also found it necessary to employ. Interviewee E's comment supports Moore's (2005) finding, that public officials often believe they require special permission to innovate.

In his comments quoted above, Interviewee E referred to structural changes being enacted alongside cultural ones. He was not alone in this:

Two of the key skills that we need in the organisation are enterprise and innovation. That doesn't mean inventing new ways to do everything, but quite often it will be taking something from one field and applying it in a completely different field, and the lessons from that. But we want people to be really creative about how they do the job, and that means flatter structures, more empowered people able to act and taking away the fear if something goes wrong because, even if something does go tits up then we can learn a great deal from it and often it might spark off other creative thought processes as well. It's a key part of being a learning organisation. (G:132–138)

This interviewee is the second to refer to the empowerment of staff, and this is one positive feature explicitly included in Armenakis and Bedeian's (1999) summary of change management models. In their promotion of flatter, less bureaucratic structures, Interviewees E and G are addressing the hierarchical structures referred to negatively by Pedler et al (1991), Argyris (1999), Senge (2006) and de Waal (2007). It should also be noted that learning something in one area and applying it to a different one is viewed positively by Interviewee G. Local government, then, can do this – perhaps when it wants to – rather than normally seeing differences in context as a barrier to learning.

Organisational vision is a key characteristic in my analytical framework and, in the following quote, the setting of priorities is seen to work its way through the organisation and affect experimentation:

What we also want to do is to influence the areas that people go off experimenting. We don't want a scattergun approach where everybody goes in completely different directions and there's a balance to be struck between giving people their head and keeping the organisation focused on the things we need to focus on as well. Not necessarily the way we do it, and that's where people being able to experiment comes into it, but we don't want somebody going away and spending huge amounts of time on something that simply isn't a priority. (G:146–151)

This is, though, the only instance of an interviewee linking experimentation to council priorities. Whether innovation can be, or should be, constrained to take place only in the priority areas of a council is a moot point, and this comment highlights the difficulties in prioritising the activities of a local authority, as discussed in §6.1.

Although councillors and senior officers have important roles to play in establishing a culture that allows or encourages experimentation, the act of experimenting takes place very much in the domain of the 'front line' worker. One reason for this was made clear by Interviewee E, in his comment quoted earlier, and one of his colleagues made similar points:

what we encourage staff to do is to come forward with proposals, because again, linked to the reference to customers before, a number of our colleagues are very much at the front line service delivery end, where they will be able to see what changes they could make to make it better for them and better for the customer. Very much now we are asking colleagues and giving them that freedom and flexibility to make those changes and go forward with those new arrangements and come back if they've got any problems or issues, but then tell us about the successes as well. So give them that autonomy to make those changes where they feel that they can deliver a better service. (P2:224–230)

The view taken here is that innovation comes from the front line because of the expert knowledge, gained through experience of implementation, of those employed there. This encompasses not only knowledge of the service, but knowledge of the customer. The first of these points reflects the social construction view of learning, while the second is one of the central themes of the LGMA. Both interviewees quoted here suggest, though, that there is still more to do in the area of innovation.

Risk and Blame

In Chapter Two the link between risk and learning was seen as a largely positive one in that learning organisations take risks and the taking of risks leads to learning. Here I examine what the interviewees had to say about risk-taking within local government, and how they linked this to blame.

The Labour government saw the public sector as being excessively risk-averse (§3.2) and all those interviewed for this research took the same view of their own councils and of local government in general. This position was, however, viewed disapprovingly, and its negative impact on learning was recognised, with one interviewee saying:

the other side of risk - which is called "opportunity"...you could say we have an approach to risk management or we have an approach to opportunities management...we culturally have too much of an emphasis towards risk management as opposed to opportunities management. (A:162–165)

Views about risk were, though, said to be changing, and Interviewee H described both the past and current positions very clearly. His comments echo those of Interviewee A and link the concepts of risk and innovation. Asked what his council's attitude towards risk-taking was, he replied:

It's changing; I think is the short answer. I think this organisation, like many others...was overly risk-averse because you weren't allowed to fail, because inspectors judged you in very particular ways and you learned to play to that test and actually I think it stifled innovation and creativity to a certain extent. And I think that's changing now to the point where we're defining risk differently. There's a willingness to take managed risk more readily and there's almost a definition of risk as a failure to grasp opportunity to do things differently. There's a new concept of risk, in a sense, and I think we probably now will talk more...about risk and opportunity as two sides of the same coin and I think we look always now for the positives in difficult situations. Yes, to manage the risk well, manage it down to an acceptable level, so I don't think we're cavalier about that, but to recognise that in order to get the benefits that would come from a more bold or radical approach, you need to take some calculated risks. That focus on extracting the opportunity from any situation that may have threat in it is a much stronger element than it would have been even a few years ago. (H:130–140)

One of his colleagues was more succinct when answering the same question:

Ah. It's definitely, like many councils, been both risk-averse and unaware of managing risk in a grown-up way. But that is shifting, and shifting quite significantly. (P1:207–208)

These interviewees were not the only ones to perceive a change in how risk is considered within specific local councils or local government more generally; it was a common, though not universal, view. That there had been a change, not just in perception, but in behaviour was shown by the previously cited comments on experimentation, but why such a change had occurred, or was now underway, was not explained, or even hinted at, by the interviewees. Certainly none of them made an explicit, causal, link to the modernisation agenda. All that can be said, based on the data collected, is that this change in attitude towards risk took place at the same time as, or slightly later than, the implementation of the major modernisation initiatives. With the benefit of hindsight, this emerges as an area I could have explored further; now, though, I must note it simply as an area worthy of future research.

Such a change in attitude towards risk – towards seeing risk and opportunity as two sides of the same coin – has major implications for innovation and experimentation. One interviewee summed up what a number of others told me when he commented “there is an acceptance that to make progress we do need to take risks” (K:113–114). The need to take risks within a risk-averse institution such as local government is not without problems, as one interview told me, “there's a degree of schizophrenia in any council about risk” (J:143).

Two interviewees raised points relating an authority's approach to risk to the leadership displayed in pursuit of a council vision. The first, in describing a particular regeneration project, sheds light on the process of negotiating risk:

officers were more difficult to persuade - once it was put before members and they could see the business case for doing it, they were quite happy. And, of course, once my Treasurer got himself into the state where he could say 'and we can manage the finances here on a self-financing basis' they were quite happy to move to that, and I think there is a sense in which we have become a little bit more confident about risk as a result of that. (J:157–161)

The second told me that:

the Leader of the council is very prepared to take measured risks to take us forward.

(D:121–122)

Underlying both these comments is the view that the approach to risk taken by those at the head of a local authority is important, not only in its own right, but also in terms of setting the attitude towards risk exhibited throughout the rest of the organisation. Additionally, both quotes distinguish ‘political’ from ‘managerial’ leadership and, while placing a degree of importance on the former, point towards the interplay between the two. In so doing they are reflecting the notion of negotiated risk discussed earlier. In the first case, this is illustrated by members seeking reassurance from the finance officer; a point that also underlines the importance of finance and of finance officers in that ‘of course’ he or she had to be convinced that any financial risk could be managed before members would deem the overall risk acceptable. In the second case the juxtaposition of the words ‘very’ and ‘measured’ highlights the tension present in the negotiation of risk in that, while the leader is very prepared to take risks, these must be measured against some unstated criteria. The same point is implicit in Interviewee H’s reference, quoted earlier, to managing risk down to an acceptable level. It is also worth noting Interviewee J’s comment that approaching risk in this way on one occasion led to an increase in confidence in handling risk in the future.

In contrast to other areas of discussion, no interviewee mentioned any difference in risk-aversion between council departments. It is important not to read too much into this silence, but in this instance it appears that a uniformity of approach exists, albeit a rather risk-averse uniformity.

Blame

During the Chief Executive interviews I asked questions regarding risk and experimentation (Q10 and Q11) but blame was not a matter included within any of my interview questions. That, though, did not stop it being raised by the interviewees, and linked to risk. Two interviewees were explicit about their wish to avoid ‘blame cultures’:

We expect people to manage risk and to consider risk. We try to avoid blame cultures and certainly don’t wish to close down advancements by avoiding risk. (B:134–136)

what we've been trying to move from since 1999 was a blame culture where officers had every incentive to keep their heads down because if they promoted a venture and that was to fail, then the culture was much more around them being required to answer for that, as opposed to...what colleagues would hope we had more of now, a recognition that, unless you take risks, then your hope of improving and improving at pace is one you can't realistically expect to realise. (C:227–231)

He went on to add:

we are determined to move from that blame culture to one that does encourage innovation, and to that extent it encourages risk-taking because it hasn't been done in that way before. (C:256–258)

While both interviewees are clear that a blame culture is something to be avoided, the second explicitly states that its occurrence is not just a theoretical possibility, but rather a state of affairs that had existed within his authority. Furthermore, attempts to eliminate it had required intentional action, presumably unlike its creation.

Asked whether his authority was a learning organisation, one interviewee referred to a situation that had arisen some years earlier:

the practical example was the real life learning situation where we could have engulfed ourselves...apportioning blame, finger pointing. To a degree that has happened, but actually [we] have also taken a sensible approach to try to learn from the experience.

(A:81–84)

Here this interviewee accepts that his authority becoming 'engulfed' in 'apportioning blame' was a distinct possibility and draws a distinction between this and learning; the latter being the 'sensible' reaction to the situation. One of the Chief Executives quoted by Vince and Broussine (2000) also considered blame and learning to be opposites. That the apportionment of blame may be a first reaction to the discovery of a problem is illustrated by the following:

and the nature of the organisation becomes one of blame and one of sadness that we can't do what we said we were going to do because we overspent. (F:293–295)

In this case, the overspending of budgets was seen as a major cause of tension between officers and members, with the placing of blame being one outcome. The

use of the phrase 'the nature of the organisation' points to the powerful forces of institutionalisation, while absolving any individual from responsibility (or blame) for contributing to a situation where blame is prevalent.

One interviewee raised the connection between blame and learning early in his interview. Asked whether an interest in organisational learning had grown in recent years, his reply suggests that blame cultures may be more prevalent in some service areas than in others. In any case, he is clear about its detrimental effects on learning:

some of the child protection stuff still has a blame culture attaching to it, the need for heads to roll and all the rest of it, in my view doesn't promote a learning organisational response. (E:36–37)

One of his colleagues was particularly clear about the stifling effects of apportioning blame, and how someone on the receiving end might feel:

the most important message to give to people is that failure is not a blame thing, and that's one thing that people really, really struggle with, and particularly struggle in an organisation which doesn't work effectively corporately, or doesn't work yet as effectively corporately as it needs to. So I think one of the most important messages that I've learned is that, if you want people to innovate, you have to give them the confidence that taking a risk that might not come off is not going to result in them having a rusty nail inserted up their jacksy. (J:201–205)

That so many of those interviewed referred – unprompted – to blame suggests that blame cultures were viewed as being widespread in local government, either currently or in the recent past. One comment suggests that its high rate of incidence is inherent to local government:

Every council – and I've worked for plenty over the 30 year period – every council chants the same mantra: 'we have a no blame culture; we are not risk-averse'. But there is an inevitability, when you live in a political environment, that significantly less risks will be taken. It's human nature. If you're in the private sector and a project is unsuccessful, the non-executive directors are not asked to resign or put themselves up for a vote. In a local government environment, our non-executive directors are the councillors and they're up for election, so the nature of the beast of the public sector, our self-preservation, makes it a lot more conservative. (M:133–138)

One last reference to blame quoted here came in response to a question regarding the non-achievement of change (Q14):

I think that in other places you watch blame creep in. What we've got is a very able top team, and therefore, rightly, a very confident, mature team that actually has a lot of trust in each other. (P1:303–304)

This interviewee expresses no surprise that blame creeps in, instead describing the situation rather ruefully and helpfully supplies a list of adjectives to describe a team that avoids blame. Able, confident and mature are words that anyone would wish to be able to use to describe their management team colleagues, but perhaps more important is trust.

The Chief Executives quoted above are aware of the existence of blame cultures within local government and are equally aware of the pernicious effects these have on their organisations. Not all of those interviewed explicitly linked a lack of learning to the existence of blame cultures, but even so, such links are contained in their words. My analysis of the interview transcripts leads me to conclude that the existence of a blame culture within an organisation affects learning in a number of ways; some direct, some indirect, but all detrimentally.

Firstly, seeking to apportion blame can use up valuable management time and energy that is not therefore available to be used more positively. Argyris (1999) describes two such situations, though in one the emphasis is on defensive behaviour. Interviewee A chose to use the particularly strong word 'engulf' to show how his authority could have reacted to an incidence of perceived failure by apportioning blame.

Secondly, if the emphasis of an organisation is on answering the question of who is to blame, then the question as to what actually went wrong becomes less important and, indeed, may not be asked at all. In such a case, the opportunity to learn is squandered.

Thirdly, the existence of a blame culture leads to a high level of risk aversion that, in turn, stifles innovation as the safe course to pursue for any council officer interested in preserving his or her career is to carry on doing what they have always done. Again Vince and Saleem (2004) drew the same conclusion from their interview data. In this case, a blame culture doesn't so much inhibit learning as eliminate any

need for it to occur; it removes the first stage of the learning and change models, that of recognising a need to change.

Blame, then, manifests itself in two ways: in individuals seeking to shift any responsibility for failure onto others, and in unwillingness to undertake new activities in order to avoid any blame being received in the case of failure. Both manifestations are detrimental to learning as they diminish or remove the available 'learning space' and the latter instance reinforces existing patterns of beliefs and behaviours (Coopey and Burgoyne, 2000). Blame cultures produce organisational dynamics that "inevitably impose powerful limitations on learning" (Vince, 2000, p.40).

Drivers of Blame Cultures and Risk-Aversion

While the existence of blame cultures within a local government was viewed negatively by those interviewed, and has been shown to have a detrimental effect on the importation and implementation of practices observed elsewhere, my analysis so far does not link any of this to the LGMA. However, the third point above is similar to that made by Interviewee H, quoted earlier, when he commented that local government was not allowed to fail and that the increased use of inspections – central to the modernisation agenda – stifled creativity.

Contained within the LGMA was the proposition that poor performance – failure – by councils would not be tolerated. The government's first White Paper on local government modernisation stated that:

the best councils are excellent, many councils need to drive up their performance standards and, and a few councils have failed badly...Inefficiency and failure are not acceptable and must be tackled. (DETR, 1998a, para.1.8)

The second White Paper was equally as clear:

The Government will not tolerate poor performance or failing councils and services...where necessary we will take decisive and tough action. (DTLR, 2001, p.30)

Interviewee H's comments make clear his belief that the stance adopted by government and mediated through its inspectorates affected the way his authority approached risk taking. Furthermore, he believes that it had the perverse effect of diminishing a local authority's appetite to implement a change that might bring about improvement.

Another interviewee commented on the desirability of avoiding criticism from the government:

I would not describe us as one of the organisations that was willing to take great risks. Our background, our history, our tradition didn't actually see it as necessary. We were never a basket case...for a long time, it was a fairly stable organisation, not necessarily the best in the country but certainly never going to be criticised as one of the worst, and in those circumstances there was less incentive to take major risks. (O:181–185)

This interviewee is content for his authority to bask in mid-table security, safe in the knowledge that it is unlikely to fall to the bottom and unwilling to take the risks involved in reaching the top. This is, of course, not the reaction intended by those who see league tables as a stimulus for improvement, but this interviewee was not the only one expressing a desire for security. As one of his colleagues told me:

We don't want to be famous for being the place which is always doing something novel. We want to be famous for doing the stuff which is producing the right impact. Actually we don't want to be famous, we just want to *do*, so were not up for high recognition, and that means just keeping away from the highest levels of risk, and being conscious of what is going on, spotting the bits which are looking really worthwhile and coming in very soon after. If you can be a second early potato, I suppose we would be a second early adaptor. (B:137–142)

Comments such as these lead me to propose that what is being seen here is a council-level expression of the phenomenon of 'playing it safe' due to the rewards for success being far outweighed by the penalties for failure. Whether there is any objective truth underlying this is unimportant here; the Chief Executives quoted believed it to be the case and that was enough to shape their subsequent behaviour.

That the Chief Executives might have some grounds on which to base this belief was something I began to explore above, in relation to the government's view of failure, as expressed in its White Papers. More contributory to the Chief Executives' beliefs, though, may be the government's differing approaches to sticks and carrots. As mentioned at various points in Chapter Three, the 'sticks' ranged from being damned by an inspector through to the removal of a specific service from council control, and on to the running of a council by a team of central government appointees. Importantly, these were not just theoretical possibilities; educational responsibilities were removed from both Leeds and Bradford councils, while Walsall

and Stoke-on-Trent councils were the subjects of complete governmental intervention. In contrast, many of the 'carrots' of freedoms and flexibilities promised to the best performing councils never fully materialised. While the sticks were obvious, the carrots were more illusory.

Earlier, I noted Interviewee M's assertion that high levels of risk aversion and high incidences of blame cultures are inherent to local authorities. That organisational culture is an important factor in this is not challenged, but here I explore whether another aspect of local government – its structure – may exert an influence on the creation or maintenance of such cultures.

In his critique of traditional pyramidal structures and managerial controls Argyris (1999) argues that organisations exhibiting these qualities tend toward "conformity, mistrust and lack of risk-taking" with individuals being "careful to avoid being blamed for or identified with a failure". In the long term, this can lead to organisations becoming "rigid, sticky [and] less innovative" (Argyris 1999, p.108). Notwithstanding the actions taken by Interviewees E and G to introduce less hierarchical structures, noted earlier, this pyramidal, managerial model is the one to which I believe much of local government, even post-modernisation, most closely conforms.

Leadership

When asked, early in the interviews, what had been done within his or her authority to promote organisational learning, fewer than one third of the interview participants mentioned the development of leadership skills amongst officers or members. However, issues of leadership were prevalent in later discussions. Again, what this shows is that while 'leadership programmes' may well be being established within councils, this is not necessarily undertaken in pursuit of organisational learning ends, but is just as likely to be driven by normative views of what 'good organisations' do.

Apart from in reply to the questions mentioned above, comments about leadership tended to come late in each interview, when the interviewees were given the opportunity to comment on any other aspects of the modernisation agenda that had either helped or hindered learning. Many such comments centred on the introduction to local government of the Cabinet system and one comment typifies these:

My favourite political initiative of all time is the introduction of Cabinet government. And the reason I think that was the case was because [my previous council] had...88 different member decision-making bodies. Here I think they were well into treble figures. Committees, sub-committees, working parties, joint working parties, business management committees – you name them. Nobody had a bloody clue who made decisions: the public didn't know and the council didn't know, and the staff didn't know...It became absolutely clear when the system of Cabinet government was put in place who made the decisions. They were made, by comparison with the past, lightning fast and were clearly accountable...We made decision-making much more efficient. It gave a relatively few elected members the ability to get control of a council that had just been a wild thing that was going all over the place, in most councils. So it was the single best piece of local government legislation of the last 100 years, let alone [of the last Labour Government]. (F:673–686)

Comments such as these would be music to the ears of modernisers in government as they describe vividly both the drawbacks of the committee system and the advantages of the Cabinet system. Another interviewee made some similar points:

I personally am a great fan of the executive/scrutiny split...I think we did learn a lot from the introduction of an executive as well as from the introduction of a scrutiny function. I think we saw a lot about proper leadership which was not just in stark contrast to when there had been a committee system...and it was partly to do with strong leadership of individuals: leadership that would have been much harder to exercise if they'd just been Chair of Policy and Resources...I think a lot of councillors learned from it but would be unwilling to admit it...it wasn't the sort of thing that could readily be documented and shared, or even much talked about, but it was still there, I think, for individuals. (O:407–426)

A third interviewee also commented on the ability of Cabinet government to “assist focused decision-making” (I:353).

These three interviewees expressed support for Cabinet government and did so for the same reasons it was being promoted by the government, that it provided a system in which decisions would be made quickly by a clearly accountable group. In this, the Chief Executives and the government seem to be sharing the same definition of leadership – ‘proper leadership’ – however, it is a traditional view of leadership and not the form of leadership seen in Chapter Two to be more conducive to organisational learning. Of interest here, then, is the work of Gains *et al* (2007), in which the authors examine the impact of the various forms of political leadership

introduced by modernisation. These authors had observed a change in notions of leadership:

A different form of political leadership is emerging in local government. We begin by describing the term 'facilitative leadership' to best sum up what leaders can do in the modern conditions of complex governance. The components of facilitative leadership involve working in partnership, accessibility, non partisanship and effective decision making. Facilitative leaders use powers and abilities to draw citizens and other stakeholders into a shared vision for the locality, which draws on their aspirations, and enables the capacity of local councils and other actors to 'place shape' and improve service performance. (Gains *et al*, 2007, p.6)

This emerging form of leadership is clearly more in tune with one that facilitates organisational learning and, indeed, governance. Much has been written about the change from local government to local governance in the late 20th century (for example, Goss, 2001; Leach and Percy-Smith, 2001; Stoker, 2004) a process which, if not started by modernisation, was certainly continued and perhaps accelerated by it. Describing governance as:

new forms of collective decision-making at local level which lead to the development of different relationships. (Goss, 2001, p.11)

Goss (2001) goes on to describe the "emerging relationship organisations" that:

will require very different leadership. There is less and less likely to be a 'top' from which instructions and orders can descend...There is still a need for strong direction, but that comes when everyone within the organisation understands what they are trying to achieve and why. A shared sense of 'who we are' and what the organisation is trying to do is essential to shape the relationships that front-line staff make every day...The job of leadership in a relationship organisation is to set direction, to tell the story, to explain the reasons and to then design the spaces in which other people make things happen. (Goss, 2001, pp.88–89)

In this view, then, a significant role of leadership is to create a vision for the organisation. Moreover, this needs to be a shared vision, and one that is communicated effectively throughout the organisation so that it influences the actions of front-line staff. Leadership within a modernised system of local governance networks therefore bears a strong resemblance to that seen in Chapter Two as being conducive to organisational learning. In its 2004 CPA report concerning his council,

the Audit Commission praise Interviewee M for exhibiting the facilitative leadership qualities described above.

While Interviewee F is quoted earlier in this sub-section expressing his strong support for the traditional view of leadership encouraged by cabinet government, in §6.1 he was seen to be employing his leadership position to engender a more reflective approach within his organisation. This leads me to another paradoxical view of modernisation: on the one hand it promoted a traditional view of leadership; on the other it led to a more distributed leadership model. That tensions between definitions of leadership exist within the modernisation programme is exemplified by the following statement:

We also noted increasing leadership powers within the leader-cabinet model assists in producing more visible and efficient decision making but does not advance other elements of facilitative leadership in respect of accessibility, partnership or non partisanship. (Gains *et al*, 2007, p.6)

From my analysis it would appear that those interviewed for this research were often well aware, and supportive of, the situation described in the first half of the above sentence, while simultaneously pursuing the leadership model described in the second. Implementing modernisation, then, could aid the development of two, possibly conflicting, views of leadership.

7.2 Building Learning Structures and Cultures

The organisational characteristics of structure and culture are key elements of my analytical framework and its use prompts consideration of their effects. Here, this leads to an examination of the interviewees' comments on the implementation of new council structures and how these changes were influenced by, and were intended to influence, organisational cultures.

7.2.1 Implementing Change without Learning

One instance of implementation that all the interviewees were familiar with was that of change to the departmental structures of their councils. Indeed, six of the interviewees were either undertaking structural re-organisations at the time of their interviews or had done so only a matter of weeks previously. All but one had altered his or her council's structure within the previous three years (with the exception being

an interim Chief Executive, employed for only a matter of months) and there was widespread acceptance that further changes would be made within a relatively short time-frame. Nor were any recent restructures the first, rather they were, according to a number of interviewees, simply the latest in a long line of departmental rearrangements.

The picture painted was one of local government in a state of permanent organisational flux, but the response given by one interview participant suggests that such a position is to be expected:

I think there's been an assumption in an awful lot of public sector organisations, and local authorities are no exception, that restructuring and reorganisation is something you do on a periodic basis, so every three to five years we have a tinker or we might do something more fundamental. (J:213–216)

Although the interview data show structural reform within local government to be ongoing and widespread, it is important to note that none of the interviewees viewed this in a positive light. One statement typifies the views expressed on this subject:

my inclination...is not to engage in a major organisational restructuring because I think they frequently distract you for several years, they don't always deliver everything that they intend and they will have some unintended consequences. They also create unhelpful anxiety about job security - from the top down. (H:161–164)

Another suggested that:

all it does is sap a lot of energy and expose a lot of vested interest in keeping *status quo* or reducing the fear of change. (E:370–371)

In the processual phases at the centre of my analytical framework, acknowledgement of the need to change, and of what those changes should be, precedes implementation. Here, though, the Chief Executives quoted are simultaneously disapproving of, but undertaking, structural changes. This says something about the drivers of change in local government; at the very least, it suggests that the magnitude of the driver for this change is greater than the resistance of Chief Executives to undertake it. Bearing in mind the widespread nature

of this resistance, it also suggests that any such drivers are external to any particular local authority.

There is, though, no need to speculate on what the Chief Executive interviewees believed was driving these restructures as, during the course of the interviews, I asked them.

While there were Chief Executives who stated that the main driver of change was increased organisational effectiveness, other reasons were also given: financial pressures; legislation (and I include in this responding to a new environment created by legislation), and the appointment of a new Chief Executive. If modernisation was driving these changes, it was doing so only obliquely. Despite any direct link with modernisation, the restructurings described by the interviewees are relevant to this thesis as they are examples of change, and could lead to the adoption of configurations more supportive of organisational learning.

The modernisation agenda was intended to bring about a fundamental reshaping of local government cultures and attitudes, centring on the purpose and role of a council, and the way in which the services to the public were delivered. This, in the nomenclature discussed in §2.3.1, is a transformational change. The changes referred to by interviewees are transactional changes. The difference between the two is explored in the change management literature and one statement is particularly pertinent:

The introduction of structural changes only scratches the surface of any transformation effort. (Kets de Vries *et al*, 2009, p.11)

A similar point is made in the following comment, describing one theory of change:

leaders typically focus immediately on streamlining the “hardware” of the organization – the structures and systems. These are the elements that can most easily be changed from the top down. (Beer and Nohria, 2000, p.136)

These authors also point to another theory; one in which structural change follows only after cultural changes have been achieved (Beer and Nohria, 2000). It is also worth noting that, in his government-commissioned report on integrating front-line public services, Sir David Varney advised against imposing structural changes. He did suggest, though, and in a manner that echoes the policy transfer literature examined in Chapter Two, that developments in countries that had adopted this

approach be kept under review and progress there be compared with events in the UK (Varney, 2006).

The comments of Interviewee J, quoted above, support the proposition that the change events referred to by interviewees were evolutionary, rather than revolutionary, with his reference to ‘tinkering’, and with even the reference to fundamental change being qualified by the use of the words ‘might’ and ‘more’. To him, the structural changes seem to exemplify the expected institutionalised actions of local authorities. To me they say little, if anything, about learning; rather, these examples point to instances where learning and change are clearly not synonymous. Linked to this, one interviewee did proffer his belief that constant restructuring was a sign of failure to tackle issues that are more properly the concern of the Chief Executive:

people who constantly restructure are doing it because they’re looking for a way to creatively avoid the leadership tasks they should be applying themselves to.

(G:164–165)

Not surprisingly, this was not a view that was widely expressed, even though the contention it contains, that leadership plays an important role in organisational change and learning, is one that is supported by the literatures discussed in Chapter Two, and which led to its explicit inclusion in my analytical framework.

As I began to argue above, it is possible that any reconfiguration of a local authority’s organisational structure could be aimed at clarifying the aims and ambitions of that council, at building in a ‘space’ for reflection, as encouraging experimentation, and as a response to perceived changes in the operating environment. All of these would be positive traits of learning organisations. However, the comments quoted above and the list of drivers of structural change put forward suggest that these points are seldom, if ever, at the forefront of the minds of those carrying out the restructuring. Instead finance and legislation can be seen to be acting as drivers of change, but not necessarily of learning. If it is the case that the purpose and ambition of a local authority finds expression through its structure – that ‘form’ follows ‘function’ – it may be that the almost constant restructuring referred to by the interviewees is a reflection of a lack of clarity of, or of changes to, those purposes. In any case “change in organisational structure rarely solves problems” (Pedler *et al*, 1991, p.158).

7.2.2 The Problem of Departmentalism

Immediately subsequent to my asking the interviewees whether they believed their councils were learning organisations, I asked what changes had been implemented in pursuit of this aim. In their answers, issues concerning the effects council structures had on individual behaviours and organisational cultures soon became apparent:

we came to the view fairly early that we were too disparate an organisation, we were too fragmented, we had too many departments whose work was too closely focused around particular professional areas. It wasn't difficult to persuade colleagues that, to people out there, to those who are in receipt of services it matters not one whit how we organise things within the council and the more we were siloed within the council, by and large, the worse the service that was delivered. (C:94–98)

In its 2008 corporate assessment of Interviewee C's council, the Audit Commission makes clear some of the problems this departmentalism caused for learning:

a weakness in terms of systematic learning across departments remains...and learning activities across departments are not specifically planned in a consistent way.

On further interviewee was equally as clear as Interviewee C that corporate coherence was an issue that needed to be addressed. He had, therefore, sought to inculcate:

a more corporate approach to tackling the organisation's issues, so: not doing everything in silos, and being much more coherent as an organisation. (G:55–57)

To one interview participant this was a battle that had to be fought, and he believed it had been won:

it used to be a never-ending battle for a Chief Executive to break down the silo boundaries, but we got there in my last maybe four or five years. And I think we really did break down the boundaries to a degree that I was very pleased about. (O:106–108)

By coincidence, I also interviewed his successor, who told me:

I didn't inherit an organisation, I inherited a group of organisations that shared – sometimes, when it suited them – the same logo, often not. (J:69–70)

Perhaps, then, Interviewee O should not have been quite so pleased or declared victory quite so early, with this latter point providing one of the reasons why change programmes fail (Kotter, 1995). This council's CPA reports (2002 and 2006) lend some support to Interviewee O's view as they comment favourably on the effectiveness of the efforts employed in tackling silo working and producing a more corporate approach. Again, though, this raises the question as to whether CPA reports (or any other source) should be taken as providing a 'true' account of any situation; it may be that Interviewee J was simply more ambitious than his predecessor in this regard.

In the above quotes, council structure is acknowledged as one factor that affects organisational learning. The effects of structure, though, are manifesting themselves negatively, with departmentalism, or silo working, being acknowledged as a problem, though one being addressed through the engendering of a more corporate culture.

An understanding of why a culture of departmentalism should be seen as problematic, particularly to organisational learning, is difficult to gain from the interview data, but the academic literature is of more help. Silo mentalities are cited as being one of the typical obstacles faced by boundary-spanning communities (Snyder *et al* 2003) while Snyder and Wenger (2003) are more explicit in suggesting that such mentalities make it difficult for participants even to see the opportunities available, much less make a commitment to act.

Examining the 'silo problem' from the opposite direction, two of Pedler *et al*'s (1991) characteristics of a learning organisation are loosely structured roles for individuals and flexible departmental boundaries. Similarly, Senge (2006) urges examination of the important interactions, regardless of organisational boundaries. There is one other possibility that I would like to explore, though. Bearing in mind previous discussions in this thesis regarding the importance of a shared vision to organisational learning and the importance of effectively communicating that vision throughout the organisation, one might expect those interviewed to connect these and comment on the difficulties of building and communicating a shared vision within a disparate organisation. However, they did not. Although Interviewee A spoke of the difficulties of embedding such a vision across the council and its partner organisations, any problem with this was not laid at the door of departmentalism but, rather, on the complexities of the issues being faced – suggesting that the nature of

knowledge may be exerting an influence here. While it would not be sensible to make too much of this absence of data, I see this is another instance where those interviewed recognised both the importance of creating a clear vision and the problems created by silo working but had not yet linked the two in relation to organisational learning.

Returning to an analysis of what the interviewees *did* say, one interviewee, in explaining why he thought his council was a learning organisation only “in parts” expanded on why this might be the case:

It does feel, in local government, that we conveniently cluster a number of local services under the banner of a local authority, but the difference between a tightly centrally controlled thing like education and community services and support systems are incredibly different. So it’s a loose clustering of things, and therefore the cultures and the learning abilities of each are different. (F:102–105)

Another made a similar point when commenting on the difficulties in embedding a consistent approach to learning across a local authority:

there will inevitably be varying degrees of success in an organisation like a council that in some cases provides 800 different kinds of service across a diverse customer base. In some respects you could argue that a council is more of a mini conglomerate model than a single organisation – so it can be complex to get that overall approach to the learning organisation embedded. (A:39–42)

These comments suggest that Interviewees A and F see departmentalism as *inherent* to all local authorities because of their structures. They view councils as collections of professional organisations, rather than seeing departments as subdivisions of a council. This is an important point, as it sheds light on how Chief Executives build their views of councils and of local government more widely. It is also a view that bears comparison with Wenger’s (1998) description of ‘constellations’ outlined in §2.1.1.

However, as interesting as the causes of departmentalism may be, it is sufficient here to simply note that, to those interviewed, it exists. If local authorities are viewed as collections of sub-organisations with their own cultures their learning capabilities will differ, as Interviewees A and F point out.

When introducing Wenger's (1998) concept of constellations, I noted his contention that some discontinuities were integral to organisation structures and should, therefore, not be overlooked: indeed, boundaries provide a fertile area for learning to take place. As he goes on to say more explicitly, communities of practice:

cannot be legislated into existence, or defined by decree. They can be recognized, supported, encouraged and nurtured, but they are not reified, designable units.

(Wenger, 1998, p.229)

My argument here, then, is that differences between council departments exist, but not that these differences, *per se*, impede learning; what inhibits learning is the ignorance of, or the failure to acknowledge the importance of, these differences. If, as Interviewee F stated, departments within a council exhibit differing 'learning abilities', then this needs to be taken into account when promoting organisational learning. To me, the real threat to creating a learning organisation lies in treating everyone in the same way.

7.3 Implementing Learning through Modernisation Initiatives

As in the previous two chapters, I move on from a general discussion of modernisation to examine the three particular initiatives more closely.

7.3.1 Best Value

In §5.2.1, I quoted Interviewee F's comments on Best Value to the effect that, because it was known in advance what performance information would be deemed important, extra efforts could be expended in those areas to produce the 'right' results. He went on to make an important, if general, point, about Best Value:

What I am not persuaded that it did was drive up, universally, all standards in a broadly equal way. So there were authorities who just became expert in playing the game.

(F:572–573)

A further interviewee made a similar comment in relation to convincing the Audit Commission that a Best Value Review had been conducted appropriately:

by God did we learn from it? You spin it, you...I was going to say suck up to the inspector, whatever, don't be honest, don't be truthful, just play the game. (I:207–208)

Here, then, one Chief Executive expresses doubts about the universality of the effects of Best Value; in some cases it produced the expertise in playing the game also referred to by the second interviewee. In one sense, though, implementation of the Best Value regime had led to learning in that, only a few years previously no one could have claimed any expertise in playing the game of Best Value; now some could.

In §6.2.2, I included a number of quotes showing that, while the government intended Best Value to drive up performance, the data provided through the scheme was sometimes used by individual authorities to justify the *status quo*. Moreover, the reason for this was clearly laid at the foot of the Best Value Regime. Other interviewees made similar points about Best Value. To one, it was implemented with a “lack of enthusiasm” (K:229–230) while another couldn’t get “too excited about it...because...it became an industry in itself” (A:332), with this latter point being echoed by Interviewees E and L. One reason given for Interviewee A’s shortage of excitement was the amount of time taken to conduct a Best Value review, and Interviewee L believed that Best Value “took capacity away from proper management of the authority” (L:283). Interviewee P2 made the same point by contrasting the large amount of time taken in processing the information to that expended on focusing on the services in question.

All of the comments referred to above relate to the implementation of Best Value in general and show a less than enthusiastic response to the initiative. They also add to those explored in the previous chapter, showing local government attempting to absolve itself from any responsibility for the way in which Best Value was implemented.

Although even those expressing more enthusiasm for Best Value made some negative comments, the interviewees were not entirely dismissive of it, and consideration of these points leads me away from implementation of the regime itself and towards the implementation of the best practice it highlighted. Building on the analyses contained within the previous two chapters, the aspect of Best Value that found most favour with the interviewees was that of examining a council’s own performance. Best Value, then, could aid a council’s self-awareness and, through reflection, assist in the development of a strategic vision. However, when it came to comparisons with other authorities, Best Value could trigger resistance and denial,

thereby erecting barriers to practices employed elsewhere being adopted and implemented more widely.

7.3.2 The Beacon Council Scheme

A number of interviewees commented on the role the national implementation of the Beacon Scheme played in promoting a positive view of local government. To one, it provided:

a valuable component in the general picture that local government would seek to present. (C:418–419)

and another took a similar line:

I thought that it gave a profile for local government, a positive profile for local government which was really good...I know that it was a valuable learning process for many. But I think that even just having awards which are about excellence in the service...in itself is a good thing and has been valuable. (L:248–251)

Interviewee C made clear why he thought such a positive view was needed:

I do think there's a desperate need for some of the positives...some of the excellent performance in authorities to be more widely diffused...and to be the subject of public and media comment. My take for some years has been that a lot of the media in the UK are unremittingly hostile to the public sector and more particularly the local government sector. (C:408–411)

To this interviewee, the Beacon Council Scheme had a role in the diffusion of knowledge, but not from one local authority to another of how to perform a specific task, but rather spreading the message, via the media to the general public, that local government can do things well. One aspect of the Beacon Scheme that found favour with some of those interviewed was that it shone a light on instances of good practice, however badly the rest of the organisation was performing. As one interviewee put it:

even in a crap council there were bits that were fantastic because of the commitment, determination of the manager to actually deliver a service to the people who live there. And it wasn't to become a Beacon Council, it was just a sort of pride in what he or she did. (K:193–195)

This, however, was not the view that the government took, in that councils needed to demonstrate their overall competence before being granted Beacon Status. This insistence, though, had a perverse effect; having had their application for Beacon Status in one area rejected because of performance problems elsewhere, some councils with acknowledged weaknesses in learning from others were discouraged from participating in the scheme (ODPM, 2003).

While Interviewee K refers to taking pride in the provision of an excellent service, rather than from the award of Beacon Status, others did take pride in this. Altruism, though, was not always the main driving force behind wanting to promote pride in one's work. As one interviewee said:

There was an element of civic pride in it, as well as...performance management. You needed to know you were doing better than the crowd next door. That was actually important. (F:553–555)

Of course, performance management doesn't always lead to the conclusion that an authority is performing better than its neighbours, but engendering 'civic pride' is seen as no bad thing. Pride was something commented on by another Chief Executive:

we entered three and we won all three. And I have to say I take a lot of pride in that, in terms of what it says about the organisation and the individuals that were part of the bids and so on. (E:444–446)

To these Chief Executives the Beacon Council Scheme – whatever it was intended to do, and whatever else it did – was seen as a vehicle to show local government in a positive light, to engender pride in one's work and, though no one used the word, to improve morale within the workforce. Very similar conclusions have been drawn by previous research (Rashman and Radnor, 2005; Rashman *et al*, 2005; Hartley and Downe, 2007).

However, and as Interviewee C states above, in the first quote from him, this positive view is how local government would wish to be seen, not necessarily how it was viewed by others. Also noteworthy is that, while Interviewee L accepts the learning process element of the Beacon Council Scheme, he views the attaining of Beacon Status more as an award for excellence; that is, as a badge. In this case,

though, the badge of being a Beacon is one that is worn with pride, in stark contrast to the way the term was used, with a disparaging undertone, by others quoted in §5.2.2.

None of this shows, or is intended to show, that the central purpose of the Beacon Scheme – that of spreading knowledge of good or innovative practices so that they could be implemented elsewhere – was ignored by these Chief Executives or their employing councils. What it does illustrate is that some of those involved found a different use for it, and one that better suited their own ends.

One interviewee provided a particularly good example of this use. In this case, the Chief Executive wished to improve e-government within his authority. It was, then, fortuitous that this issue was chosen as a Beacon Theme as this provided a pathway to improvement that would not otherwise have been available. Although largely antipathetic to the Beacon Council Scheme, this interviewee drove improvement by bidding for and attaining Beacon Status for e-government. The only option he commented on was that of becoming a Beacon, and he made his reasons for this clear:

we went down that route because there was nothing to learn from people. So you had to lead, shape, so we used the e-government framework in which to be a leader and shaper rather than learning. There was nothing to learn from, it was new. (N:206–208)

Learning from others was, then, an option that this interviewee believed to be unavailable and so dismissed, and it is unclear how much teaching of others took place after the awarding of Beacon Status. What is clear is that the teaching element of the Beacon Council Scheme was not uppermost in the minds of those making the application for Beacon Status:

I used Beacon Council in [named council] to drive up the use of technology, so we went for Beacon Council on e-government, and we got it. The end in itself was the title, but we used the validation, the process to drive e-government within the organisation, so it's a badge, and it's a structure, but it doesn't actually get you it. (N:196–199)

Again, then, obtaining the badge was the aim of participating in the Beacon Scheme in that its processes were being used solely to further the ends of this council by providing a structured, externally validated, route to improvement. The interviewee gives no impression of wishing to become a beacon in the sense of illuminating a path for others to follow.

This example highlights one concern about the very concept of spreading best practice; that it limits what can be learned to that known by the current best performer. If one wants to be better than that, then one needs to be innovative and, to be positive about the situation described here, it does seem to have driven innovation and, at least in theory, would have made that innovative practice available to the rest of local government.

This, though, could be too superficial a view of the situation described by Interviewee N. A different view (and one more in keeping with my epistemological position) could see this more as an act of interpretation of the Beacon Scheme, and of using it to create space:

so that people can learn and, through that learning, the organization can evolve further.

(Coopey and Burgoyne, 2000, p.875)

In a discussion on how people can “manipulate the system” Diefenbach (2009) states that this:

is in fact exactly what the initiators and implementers of such systems want – that people function, that is think and act within the boundaries set by the system.

(Diefenbach, 2009, p.901)

It may be, then, that the above example is simply illustrating this point. While Interviewee N believes, and I accepted, that he was using ‘the system’ to further his own ends, it is equally valid to see it as an example of ‘the system’ using him. The implementation of the Beacon Scheme has achieved what its proponents desired, the production of an innovative practice that can then be shared by others.

7.3.3 The Comprehensive Assessments

In the previous section I noted the contention that the Beacon Council Scheme played a useful role in local government’s portrayal of a positive image of itself; an image that was needed to counter the hostile view promulgated by the press. The local media’s view of a council was, then, seen by at least some Chief Executives as an important factor that affected their behaviour, and consideration of this was not limited to the Beacon Council Scheme. That a council’s final CPA report was a public document caused a problem for one interviewee:

I think it was the whole way in which it was reported. The fact that it was a big, public report I think would be the worst part. (K:269–270)

His reasons for reaching this conclusion were given slightly earlier in the interview:

CPA was ruined, though...because it was a report that was published and the press got hold of the report and would publish all the crappy bits. So if you worked in an organisation where you got a four star CPA rating on the inspection, it would be on page 11. If you worked in an organisation where you got one star, it was on the front page. As a consequence of that, your whole issue was not about how can we learn, your whole issue was how can make this report the best we can, because we know we want it on page 11 rather than page one. (K:248–253)

One of his colleagues made a related point concerning the CAA:

in CAA, public relations departments had more say in whether you got a green flag or a red flag...because if you managed the media well, and didn't draw too much attention to the things you weren't doing quite so well, the red flag stuff wasn't as obvious to the Audit Commission to spot. And then if you just relentlessly kept banging on about 'we're really good at atomic physics' then you won a green flag for atomic physics, if you could produce some basic evidence to support it. So spin became more obvious in green and red flags than it was in a predecessor system. (F:593–598)

What both these Chief Executives are saying is that 'managing the process' had become an important part of implementing the CPA and CAA; that the aim of being judged as being good because they *were* good had been replaced with that of wanting *to be judged* as being good. That there was a difference between these two outcomes is implicit in the words of a further interviewee, when commenting on the seeking out information from a higher scoring authority:

that didn't necessarily tell you how to provide a better service; it might just tell you how to get a higher CPA score. (O:369–370)

Another interviewee was more explicit:

The problem with the CPA is that, because it was so prescribed, it got to a point where an authority could be good, not because it was actually good, but actually because it could meet the prescription. (A:338–339)

One further interviewee commented on the exertion required in pursuit of either end:

an inordinate amount of effort went into doing two things: one, to be seen to be good, but also to be good as well (M:257–258)

From these comments it is clear that, while the provision of better services was the aim of central government, achieving a higher CPA rating became one of the aims of local government. In this, council Chief Executives took the primary role (Leach, 2010) and can be seen as conforming to ceremonial rules and seeking legitimacy rather than efficiency (Meyer and Rowan, 1991).

How the inspection process could be managed by a local authority was spoken about at length by Interviewee I. He and his predecessor achieved their desired results by:

Giving [the inspectors] all the evidence...giving them boxes and boxes and boxes of stuff that you knew they were never going to read...The approach we adopted on the CPA inspections was...and I did this when we had a peer review, and I'd recommend this to anyone...not to let items germinate in [the inspector's] mind overnight...And once it's fixed in an inspector's mind it's the Devil's own job to get it out. You stop it before it gets fixed in their minds. And I recommend that to any Chief Exec.

(I:309–336)

Absent from Interviewee I's comments are any references to improving the services provided to the public by his authority. His entire focus is on being rated highly by the Audit Commission, the Benefit Fraud Inspectorate and the Peer Reviewers. This Chief Executive was, as can be seen from quotes from other interviewees, not alone in adopting this approach, providing evidence that some local government officers quickly became highly skilled at this. This, though, is not what they were expected to learn. More important to this thesis is the way that this 'tricking' of the inspectors – being widely known in local government circles – may have contributed to the mistrust of the initiatives discussed previously. This mistrust, as I have shown, had a real and detrimental effect on learning; that is, on the intended learning, on how to provide better services to the public.

One final comment on the CPA, exemplifies this view of that initiative:

unfortunately, CPA was not a process about how do we learn, it was a process of inspection, it's how do we get through this and worry about it again in four years' time.

(K:253–254)

To this interviewee at least, implementation of the scheme has become an end in itself. Learning from others is not seen as important, but successfully negotiating a way through the process is.

7.4 Chapter Summary and Conclusions

In this chapter I have examined the issue of implementation through the use of my analytical framework. Driven by the data obtained, though, this consideration has largely been that of the implementation of modernisation in general, and of the three initiatives on which I have concentrated, rather than any specific practices highlighted by those processes. This, though, illustrates the issue that is central to this research; how the LGMA influenced the attitudes and subsequent actions of local authority Chief Executives. It shows not what they learned, but how they went about learning to learn.

Firstly, my analysis has uncovered resistance to modernisation initiatives because they were imposed and, to those interviewed, failed to acknowledge the variation in local contexts.

Secondly, Chief Executives were well aware of the power of institutionalisation in that their councils' organisational structures and cultures were not always supportive of implementing, or even considering, change through learning. The interviewees, however, provided evidence that acknowledgement of this point was leading to the implementation of cultural and structural changes that would be more conducive to learning and the adoption of new working practices. Linked to this is the acceptance that innovation, experimentation and implementation all take place at the 'front line' of service provision and that the changes mentioned above would aid those working there better to serve their clients. Not all the structural changes being made were being pursued for this reason, though, as my analysis uncovers a local government almost constantly engaged in implementing departmental changes driven not by aiding the organisation to learn, but more often by the acceptance of this being what local government does.

Turning to modernisation more explicitly, my analysis suggests that, in addition to the 'top-down' nature of the programme highlighted above, modernisation produced the perverse effect of stifling the implementation of innovative practices. It did this partly through its insistence that councils could not fail, partly through its

punishment for poor performance being significantly more tangible than its rewards for success, and lastly through its use of inspections. All of these factors led to risk-aversion being a common trait of local government and the second led to, or at least sustained, the prevalence of blame cultures.

My analysis of the three modernisation initiatives considered in this thesis leads me to conclude that there is a common, underlying, feature displayed in their implementation: subversion.

In labelling this activity 'subversion', I follow its definition as:

To undermine without necessarily bringing down (an established authority, system, or institution). (Oxford English Dictionary, 2012)

I therefore use the word to convey the sense of intentionally undermining the institution of the LGMA. Others have adopted a similar definition, for example, frontline workers know what it takes to get their jobs done and that management systems may not reflect this; they therefore either subvert their knowledge, by 'working to rule' or subvert management-produced innovations (Schein, 1996). According to Wallace and Hoyle (2012, p.980) "any individual has some capacity to resist or subvert official goals" and the Audit Commission (2001) agrees:

Both organisations and individuals can evolve sophisticated strategies for resisting and subverting change, even while superficially appearing to accept it.

(Audit Commission, 2001b, p.44)

The purpose of this last publication is to advise on the successful implementation of change initiatives and so warns of the existence of subversion in an attempt to minimise its effects. The IDeA takes a similar approach in a publication on leadership, which gives advice on:

how we introduce change into the organisation without its being subverted or immobilised by the prevailing culture. (IDeA, undated, p.76)

Subversion of official aims is, then, a common action, though seen here as one to be guarded against.

In support of my contention that subversion was exhibited, I cite those interviewees who claimed that Best Value resulted in 'playing the game' as much as it did in providing a spur to learning; that the Beacon Scheme was used by some to

promote a positive view of local government, rather than providing exemplars from which to learn, and that the CPA/CAA process taught some how to obtain a high rating, not how to provide excellent services.

All of these examples are relatively benign, and show a certain agility being displayed by local government in shaping implementation more closely to suit its own needs. They also show learning taking place through implementation, even if not the learning that was intended.

Bearing in mind that the LGMA consisted of policies instigated by central government but implemented by around 400 local authorities, variation is likely to be exhibited. The variation in outputs noted by Hill and Hupe (2009) result from variation in the ways in which policies are interpreted, applied and implemented.

Chapter Eight

Modernisation and the Consolidation of Change and Learning

What experience and history teach is this – that nations and governments have never learned anything from history, or acted upon any lessons they might have drawn from it.
G.W.F. Hegel, Lectures on the Philosophy of World History

The final phase at the centre of my framework is that of consolidation of change and learning and contains the notions of freezing, institutionalisation, measurement, reinforcement and embedding in the organisational memory that are present in other models. In this chapter I explore what those interviewed had to say on the subject of consolidating new practices, mainly relating to organisational learning at the strategic level.

8.1 Supporting Organisational Learning

In §6.1 I noted the diversity encompassed by the definitions of organisational learning proffered by the Chief Executive interviewees. In §7.2, I commented on the actions taken to build structures and encourage cultures that were supportive of organisational learning. Here, I take these analyses further to examine how these definitions and structures affected the consolidation of the organisational learning concept within the interviewees' councils and local government in general.

Analysis of the definitions of organisational learning put forward by the Chief Executive interviewees reveals little consistency or commonality in their understandings of the subject. However, *taken as a whole*, the statements made contain nearly all of the characteristics included in my analytical framework. The one exception – denial – has already been seen to be important, despite it not being mentioned. In expressing these varied and incomplete views of organisational learning, the Chief Executives may merely be reflecting the diverse nature of the literature on the subject. Notwithstanding this point, my analysis suggests that while, *individually*, each Chief Executive has constructed his or her own understanding of organisational learning there appears to have been little *collaborative* reflection on

the matter that would have enabled meanings to be discussed and a shared view to emerge – and to emerge in the context of local government. Chief Executives appear not to form a community of practice, at least as far as organisational learning is concerned.

This has important implications for this study, and for the wider local government world, in that when the Chief Executives say they want their council to be a learning organisation, they mean that they each want their council to become what *they* understand a learning organisation to be. As these understandings vary, so too will the actions taken in their pursuit and, therefore, so too will the outcomes. It comes as no surprise, then, that diversity of approach features significantly in this thesis.

Learning as a Journey

When asked if they considered their authority to be a learning organisation some interviewees commented that this should not be seen as a ‘state of being’, but as more akin to a journey; a process that had to be encouraged and supported. Four interviewees were explicit about this, stating:

I think it’s a journey, a learning organisation, because you’re only as good...it’s a bit like the football manager isn’t it? You’re only as good as your last season. (E:174–175)

and

because learning is a process, you can’t say you’ve ever got to a position of being a learning organisation. If you think you’ve got there and you stop striving, then that’s not learning. (O:80–82)

while the third did not believe that “you ever get to become a finished article in a learning organisation” (A:67–68) and the fourth stated that “you are always ‘on the road’ but never there” (B:49). The same point is made by Gorelick (2005) who argues that, because of the continuous nature of learning, an organisation cannot declare itself to be a learning organisation, but can be said to be practicing organisational learning.

One answer “yes, at the moment we are” (L:64) suggests, as does the football analogy used by Interviewee E, that the organisational learning journey is seen as one that can go two ways. It is worth noting, then, that Interviewee L’s council was

awarded a 'learning score' of only 2 (out of 4) when assessed by the Audit Commission as part of its first CPA in 2004. Such a rating placed this council in the bottom third of district councils.

Another comment illustrates the extent, if not the detail, of the support provided to learning:

I think we do a lot to try to encourage learning in the organisation. Right from the top, right the way through the organisation. (P1:137–138)

As the Chief Executives possessed differing understandings of organisational learning, and can now be viewed as being at different stages on a learning journey, it is not surprising that they expressed correspondingly varied views when describing their employing councils. Their views of their organisations are, in my ontology, and however 'real' these views are to them, mental constructs that reflect their experiences, values and knowledge. Five of those interviewed as part of this research project believed that their authority could be described, at the time of his or her interview, as a learning organisation. Viewing organisational learning as a journey that can never be completed suggests that these five are, at best, further along their journey than they used to be.

When they asked the same question in 1996-1997 Vince and Broussine (2000) found that around 70 per cent of respondents (not necessarily Chief Executives) to their survey believed that they were a 'learning local authority'. My equivalent figure is slightly under 30 per cent. However, while I note this with some interest, I draw no conclusions from it.

Consolidating the Organisational Learning Aim

The unanimity of interviewees in wishing their councils to be learning organisations meant that only one of the two possible further lines of enquiry was needed: one that allowed me to probe more deeply into what actions each interviewee had taken to bring about his or her stated aim. In §2.1.1, I introduced the notions of espoused theory and theory-in-use. Clearly, those interviewed espoused support for organisational learning, but their theory-in-use is uncovered through an examination of their actions, so it is to these that I now turn.

Asked what they had done to move their organisations towards being better at learning, interviewees' responses were as diverse as their definitions of

organisational learning. Staff training was the most commonly cited initiative, though by fewer than half of those interviewed, and around a third of the interviewees mentioned the efforts they had put into developing leadership skills. Two interviewees referred to intentionally bringing into the organisation new people, with specific skills or knowledge, as a method of learning. Because of their effects on the earlier processual phases within my analytical framework, some of the actions taken have already been referred to within this thesis. For completeness, though, around a third mentioned silo working or the disparate nature of council departments as things they had either worked to overcome or as being features that inhibited organisational learning. Time for reflection or joint working between members and officers was also mentioned by around one third of the interviewees, again either as something that had been positively promoted to enhance learning or with its scarcity being seen as a barrier. Three respondents commented on the efforts they had made to improve internal communication systems and a further three referred to the establishment of employee networks.

A number of further initiatives that had been undertaken to consolidate learning within his or her local authority were mentioned, though in each case by only one or two interviewees. These included being more outward looking, raising self-awareness, empowering staff to perform their duties in new ways, recognising customer needs, and having a clear purpose for the organisation. Again, some of these have been discussed previously.

Turning to specific examples of the actions taken by interviewees to consolidate practices, cultures and structures that would aid learning within their authorities, the comments of three Chief Executives are particularly enlightening. The first two responses quoted below were given in response to questions that explicitly concerned organisational learning while the third relates to the ways in which information came into the authority. The first interviewee details a change in approach he has promoted within his council:

there was very little learning in the organisation when I arrived, there was a lot of management development, there was a lot of courses, a lot of seminars, communication was very poor, very silo-based, in style terms, very command and control, in terms of its leadership style and its cultures, very internally-focused, wasn't good on partnerships, lot of tensions with district councils...I could go on. So what I've done is tried to take a leadership style that promotes partnership, that promotes

customer issues, that promotes meritocracy in terms of promotion and reward and recognition. (E:195–200)

The second makes some similar points:

I am sure that there was learning with various degrees of formality and organisation within the various silos. I think what we didn't have was a commitment to learn together as a single organisation...Obviously we still have activity that goes on but...it was just recognised that unless and until we were coming together to reflect upon what was being done, what more needed to be done, as then how some of the areas that were performing less well and learn from some of the high performing areas then we wouldn't progress at the rate we needed to progress. (C:67–73)

The third explained changes in the way his council's leadership forum operated:

we have a leadership forum of the top 60 or so managers that meets more regularly, so we have sharing exercises. They used to be chalk and talk but I've changed them into workshop-type things where I do a State of the Nation and then we have practical exercises where people are actively encouraged to put their knowledge on the table and share it and say what doesn't work. We try not to beat people up for taking a dissident view. (F:234–238)

References to many of the characteristics included in my analytical framework are contained within these words, both negatively and positively. To take the negative aspects first, though noting that these all relate to the past, Interviewee E refers explicitly to 'command and control' leadership, though I view Interviewee F's 'chalk and talk' comment as having much the same meaning. Interviewees C and E both refer explicitly to silos. That both these characteristics are detrimental to organisational learning is a matter well covered in the literature, and one well known to the interviewees. Turning to the positive aspects of the quoted comments, all three interviewees refer to actions taken to address their organisations' past flaws. All three link a more facilitative incarnation of leadership to learning in that they are promoting reflection and the sharing of mental models more corporately across their councils. The final comments of Interviewee F also display attempts to build trust among employees and diminish the risk inherent in taking a dissident view.

The comments of Interviewees E and F also illustrate the important role played by the local authority Chief Executive. Although the leadership forum to which

Interviewee F refers involves a further 60 individuals, it is he who changes the format, and he who delivers the 'State of the Nation' address; the latter providing an opportunities for sharing any organisational vision and promoting organisational self-awareness. Similarly, it is Interviewee E who adopts a leadership style that has the positive effects he claims.

The Chief Executives interviewed set out the actions they and their councils had undertaken in explicit pursuit of enhanced organisational learning and I have related these to the characteristics contained within my analytical framework. However, as I noted in §5.1.1, my analysis of the interview transcripts reveals the widely-held opinion that the concept of organisational learning had not become consolidated within local government to the extent that some interviewees wished for. I pursue this matter below by considering the interviewees' comments on matters of process, rather than of culture.

8.2 Assessing Experimentation

In the previous chapter, I noted that nearly all of the Chief Executives interviewed claimed to encourage experimentation by their staff, even if this was not always done in pursuit of enhanced organisational learning. However, simply stating that experimentation is allowed, or even allowing it, does not necessarily lead to organisational learning. The results of experimentation still need to be assessed, discussed, understood and disseminated in order for the new practice to be – if desired – consolidated as the new operational norm. It is this point that question 11a was designed to explore.

When asked how the results of experimental work were fed back into his council for analysis, Interviewee M baldly stated that they were not and others, though more circumspect, provided answers to which I attach much the same meaning. It should be noted, though, that Audit Commission reports on Interviewee M's council paint a rather more positive picture of this situation. In 2004, this council was given a score of three (out of four) for its learning, with specific mention being made of the way it learned through Best Value reviews and transferred learning across the council.

Interviewee M was one of five who declared explicitly that their council did not have an established way of assessing the efficacy of new practices. Only two of

these, though, claimed to be actively involved in introducing assessment schemes at the time of their interviews. Interviewee C commented on building the confidence of staff to look at things differently, and of supporting people to come up with new ideas. Interviewee I spoke of reports on new ways of working being presented to decision-makers, and a staff suggestion scheme in which managers were empowered to accept or decline suggestions. However, the mechanisms referred to by Interviewee I related only to consideration of whether a suggested innovation should proceed, not to the assessment of any that had been undertaken. Similarly, Interviewee C did not mention any mechanism for assessing any new practices that might come out of his council's support for the production of new ideas.

One interviewee, in addition to being explicit about his council's lack of a systematic assessment process was equally clear about why this was the case, and why he was not attempting to change the situation. At the time I spoke to Interviewee F, his council was still emerging from recent intervention by central government. His view was, then, that the council had been far too "over-systematised" (F:282), leading to a reluctance to introduce new procedures in any area. Instead, he relied on cultural features, rather than organisational processes, to assess efficacy. As other comments by Interviewee F make clear, his view was that direct government action had affected his council by producing a culture of compliance rather than learning; his job, as he and leading members had agreed, was to return the council to "normal local government practice" (F:180).

The final interviewee to acknowledge the lack of any systematic assessment process spoke instead of his encouragement of "a culture in which people felt rewarded for doing things differently" (O:213) with this culture being inculcated by his praising and thanking:

people who hit the headlines with a new way of doing that got a good reputation for [the council] in the trade press...in the local paper. (O:210–211)

While a 2006 CPA report commented favourably on his council's support and development of its staff, here Interviewee O is adopting a stance similar to that highlighted in the previous chapter, of concentrating on how his council is viewed by others, and not on the efficacy of any new practices. This Chief Executive was, though, aware that he did not know whether information on unsuccessful attempts at innovation was being withheld from him.

In the cases where claims were made that assessment systems – learning loops – did exist, I examined the answers provided more carefully for evidence in support of those claims.

Interviewee E spoke positively about the role of an improvement group (of officers) as a central resource within his council. However, his description of the activities of this group provides evidence only that it had a role in the production of innovative working practices; it did not evaluate their effectiveness. As was admitted later in the interview:

we don't yet systematise that enough...it's not systematic enough across the whole organisation to pass that litmus test of does it fit the learning organisation profile.

(E:363–365)

Here, this interviewee has made the link between systematic use of feedback loops and organisational learning. However, as was acknowledged immediately after these comments were made, this was aided by my asking the question. This council, then, did not effectively evaluate and disseminate any lessons learned from experimentation, despite its Chief Executive's initial claim that it did.

Having given an unequivocal 'yes' in answer to the question regarding the presence of assessment systems, one interview participant went on to say that he relied on "the right kind of culture" (K:122) as one assessment tool, though the purpose of this was to alert senior officers to instances where experimentation was not working, and how that view was reached was not mentioned. Any measurement of success or failure was undertaken through the standard performance management processes of the council, showing that innovative ways of working were not treated differently to any others. Interviewee K provided no evidence that lessons were learned from either the success or the failure of experimentation, nor did he mention any mechanism for disseminating information throughout the organisation.

As I stated earlier, issues of culture featured heavily in the interviewees' conceptualisation of organisational learning and Interviewees F, K and O are here relying on organisational culture to provide an assessment tool.

Analysis of a further interviewee's comments reveals a more mixed picture. While answering 'yes', the results of experimentation were analysed, Interviewee G was aware that there was room for improvement – improvement that was promised within the following three months. A "more coherent process to capture the learning"

was, he said, being worked on (G:145). This improved system would also consider some of the early stages of trialling new practices. Firstly, it would influence the areas chosen for experimentation, ensuring that these were within the priorities agreed by the council, as mentioned in §7.1.1. Secondly, more support would be provided to those involved in innovative working at the time they needed it. It would seem, then, that this interviewee had made the link between clarity of purpose and the need for evaluation against its agreed priorities. Although not in place at the time of the interview, the promised improvements indicate that this council showed signs of progression on its organisational learning journey.

In a number of cases, the Chief Executives' claims to have robust assessment procedures in place were supported by the evidence provided. To give a flavour of the mechanisms outlined (and evidenced) during the interviews, Chief Executives commented on: standing processes to share and discuss ideas; discussions on Audit Commission findings; the encouragement of greater creativity; the triangulation of data; the application of experience in one area to other areas of council activity; knowing at the start how experiments will be assessed; monthly reports showing what has been tried and how it fared, combined with yearly reports stating what innovations will be trialled; empowering staff to make changes; improved communication, and innovation forming part of team meetings and individual appraisal mechanisms. In short, five Chief Executives showed that they had in place mechanisms and cultures that encouraged innovation, aligned it to their priorities, assessed its success and shared the learning among other sections of their organisations.

While all but one Chief Executive said that they encouraged their staff to experiment with new working practices, my analysis of the data suggests that – whatever the interviewees claimed – their councils were not always making as much use of experimentation as they might. Only five interviewees could provide evidence of established mechanisms through which learning could be evaluated, shared and consolidated within new practices, though three claimed to be developing such processes. By this action, though, these latter three interviewees were deeming their current arrangements inadequate, and a further eight did not monitor staff activity sufficiently well to enable them to draw conclusions about its efficacy. Only one had deliberately decided not to introduce such mechanisms, at least at the time of the interview, for the reasons outlined above.

As around a quarter of those interviewed included not repeating mistakes in their definitions of organisational learning, the common absence of robust systems to assess the efficacy of new practices seems particularly puzzling. This is especially the case in those instances where there is an overlap between those who offered this as a definition, and who explicitly stated that they did not have systematic assessment procedures. Again, then, my analysis shows Chief Executives undertaking activities that could aid organisational learning, but not fully grasping the learning opportunities these activities provided. While all the interview participants wished their authority to become a learning organisation, and all but one of them claimed to encourage experimentation, they had not all linked the two. Experimentation was not always acknowledged as a source of learning and nor were structures or processes always in place to enable learning to be disseminated within their organisations and become consolidated within new working practices. Credit, though, should be given to those interviewees who acknowledged this as a failing and who were taking steps to rectify the situation. If being a learning organisation is a journey, then at least some councils were on it, and travelling in the right direction.

8.3 Sector-led Improvements

As has been seen at numerous points in this thesis, homogeneity is not to be expected in local government's response to modernisation or, indeed, to any external stimulus. There was, though, near unanimity of view regarding the positive contribution peer reviews could make to learning:

Corporate peer review is seen as an effective way to share and transfer learning and expertise. Members and officer who participate in corporate peer review value the learning opportunities it provides for them and their councils. 97% of peers on corporate peer reviews agreed being a member of a review team has provided them with learning they will take back to their local authority. (IDeA, 2008, p.2)

This refers to the IDeA's peer review programme, not the peer assessments included in the CPA and CAA processes, and this leads me to discuss these 'self-help' programmes.

The following quotation contains a comment typical of many of the interviewees in expressing their support for 'sectoral self-help':

I'm a great believer in the local government family. I think it's got a lot of assets to commend it. And the self-help side of that. So some of the stuff you've seen around how to support failing organisations should come from within the family rather than through direct government intervention, and I think there's some fantastic material around how that can be done, how it should be done. (E:565–569)

One interviewee believed that a change had occurred over the previous decade and that this had involved learning by local authorities:

I think the last ten years in particular...have been a very significant journey for local government and there is no doubt that, generally, our practice is much better than it was ten years ago. I think it's also more consistent than it was...the number of failing authorities is smaller and I think, actually, the ability to turn them round effectively has grown as well, because we understand those processes better and have better systems of support. (H:461–466)

This improvement, he went on to say, and as quoted in Chapter Seven, had its roots in an acceptance of a council's knowledge of what was right for its area, not in nationally-constructed schemes. To him, the systems of support that had been constructed by local government were both welcome and effective.

Similar comments were made by another interviewee, though in this instance relating to RIEPs, the development of which she had been involved with at a national level:

the better model that says to places 'you devise your own improvement and efficiency programme'...I...believe that a lot of the answers are within the system itself and...that was one of the most effective ways that we had...of...making our own choices about where and what improvement and efficiency we wanted to create...that's self-learning, self-generated learning and, for adults, we know all the preconditions about changing your behaviour, this comes from within. (P1:495–504)

To another interviewee, RIEPs were:

organisations which are helping improvement and that is something you can look at in a confident and possibly even sometimes confidential manner, where you're trying to improve as a region or a sub-region and all support and be supportive of each other. And that certainly happens in [our] region. (D:375–377)

All the above-quoted Chief Executives believe – though no evidence is provided – that, over the period of modernisation, local government has improved in terms of service provision; that new, and better, working practices had been consolidated within the sector. Moreover, they attribute this improvement, not to any of the three initiatives discussed within this thesis, but to the sectoral self-help systems that had been established. One interviewee was explicit about the links between this and learning:

the concept of sector-led improvement...is close to concepts of learning organisations really. (B:361–362)

My analysis reveals the interviewees quoted to be making related and significant statements about the importance of trust – despite the fact that not one of them uses the word. The improvements commented on here relate to trust in a number of ways, and I start by examining those concerning trust within the local government sector.

To these interviewees, the local government family had developed from within itself, that is, from trusted sources, an understanding of how improvement occurs and how that can be applied to suit local circumstances. Local authorities can be confident of the advice they receive through the programmes that local government (and organisations closely associated with it) devised and this is aided by the confidential manner in which it is transmitted – away from the very public spotlight intentionally engendered by central government initiatives. In such a trustful situation, risk is minimised as there is no need to make oneself vulnerable to any significant degree; confidentiality creates a safe environment for the sharing of knowledge, free from the possibility of naming and shaming, and without the need to adopt defensive behaviours.

Although what is being said here by the interviewees is important, I also draw attention to the way it is said, to the language used. The use of words such as ‘family’, ‘friend’ and ‘confident’ all suggest the presence of trust without having to use that word explicitly.

The second way in which the above comments relate to trust concerns the relationship between local and central government. Having changed its behaviour in an ‘adult’ way by learning from within, local government no longer wishes to be treated like a child by central government; instead it wants to be trusted. That local government should be trusted, in that it had *earned* such trust, rather than it being

inherent in central-local relations, is an argument that Interviewee H begins to make in his statement quoted above.

Although no evidence was provided by the interviewees to support their contention that local government had improved, the Audit Commission did, reporting that:

Over the seven years of [the CPA's] existence: excellence increased...weak performance became rare. (Audit Commission, 2009b, p.6)

This view was accepted by the government as the then Communities Secretary, Hazel Blears, made clear:

there have been tangible improvements in the standard of council services over the past 10 years. (DCLG, 2008a)

More importantly, though, this improvement led to a change in attitude by central government. In his foreword to the fourth local government White Paper discussed in Chapter Three, Prime Minister Gordon Brown made a point similar to that of his Communities Secretary, but then went further:

Over the last ten years local councils have improved the quality of the services they offer local people, and as a result we have freed them up from central government control, with fewer targets and greater trust. (DCLG, 2008b, p.i)

Trust, then, is said here to have increased and this is explicitly stated to be as a result of improved service quality. Of course, just because the government's approach is said to have changed, even by the Prime Minister, does not necessarily mean that it has, so it is worth recalling that, in §3.3, I noted that a change in the approach adopted by central government is evident in a number of documents published at around the same time as this White Paper. While it could be said that this level of trust had been attained by local government doing as it had been told, there is evidence that a change had occurred.

The trust exhibited by the interviewees quoted above, though, refers to inter-sectoral trust, and the increased trust discussed immediately above relates to that exhibited by central government. The data examined so far show little change from the mistrustful situation described in §5.1.1 and any improvements in trust of local government were not necessarily reciprocated by local government.

Increasing the Capacity to Learn

For examples of good practice to become embedded in other authorities, information about those practices first needs to be accessible and shared. Interviewee D believed that such information was being made available through the Audit Commission, and Interviewee M spoke of the large number of visits to his authority that came as a result of signposting by the Commission in its CPA report.

To Interviewee H, one weakness of the assessment systems was that they were just that: assessments that then provided little assistance to improvement. He contrasted this situation with the Audit Commission's previous approach of producing a number of best practice guides every year. In the absence of help from the Audit Commission, local authorities were, he said, turning to RIEPs and other agencies. Interviewee C outlined a similar position; his authority's direct request for information from the Audit Commission produced little response. To him, the Audit Commission was "where all of the learning together ought to be" (C:611), whereas Interviewee G believed "that's what the Local Government Association should be for" (G:301) and Interviewee H wanted to develop "a much greater emphasis on shared learning" within "the local government family" (H:407–408). Interviewees G and H believed such a sector-led system would have been more effective and cheaper, but the reasoning behind Interviewees' C conclusion was:

because otherwise we could spend bloody ages looking across all 150 upper tier authorities. (C:595–596)

Again Interviewee C casts doubts on whether assessment reports about other councils were widely read. However, while those quoted above express differing views on which organisation should be collating information in an attempt to aid learning, they all agree that this is an action that should be undertaken.

This leads me to introduce the concepts of 'absorptive capacity' (Cohen and Levinthal, 1990) and 'capacity' more generally. In their discussions of factors that influence knowledge transfer, Easterby-Smith *et al* (2008a) note the importance of absorptive capacity (see Figure 2.1). This is defined as "the ability to recognize, assimilate and apply new external knowledge" by van Wijk *et al* (2008, p.834), who note its positive influence on learning within and between organisations. The availability of knowledge is, then, not enough, on its own, to ensure that it is transferred; the adopting organisation must be able to recognise, adopt and apply it

(Rashman *et al*, 2008). As the Chief Executives quoted above comment, this was an area in which assistance was required.

As with other related matters, Rashman *et al* (2008) note that consideration of absorptive capacity focuses on the private sector, but go on to observe the importance of 'capacity building' within the public sector; the same term as used by Taylor (2008). Their common use of this term may not be a coincidence as, in 2003, the ODPM and the LGA established the capacity building programme to support improvement in local government. Research into the capacity-building needs of local authorities found that "poorly performing authorities are often weak at learning from good practice" (ODPM, 2003, pages unnumbered) and the aims of the programme explicitly included developing councils' "capacity to learn...and share knowledge" (ODPM/LGA, 2005, p.3).

The 'capacities' of local government, in various forms, were, then, of concern to central government and had led, as I mentioned in §3.4.3, to the development of the CPA. This is despite the fact that, in relation to public sector organisations:

there are virtually no published studies of the impact of corporate capacity on their service achievements. (Andrews and Boyne, 2011, p.894)

Capacity was also a matter of interest to local government, as 250 English local authorities participated in the capacity building programme in some way in the first two years of its operation (ODPM/LGA, 2005). This being the case, it is interesting to note that only one of the Chief Executive interviewees referred to this programme while being interviewed for this research, and that not in a complimentary way:

I thought that all the improvement and capacity stuff was like chucking money down the drain but I think that the Improvement and Development Agency was a really top class initiative. (L:320–322)

This scarcity of reference may be a reflection of the findings on an evaluation report into the programme that, despite the headline figure quoted above, participation rates in some elements of it were lower than anticipated. Among the reasons cited for this are low levels of awareness of it, a failure to take account of local contexts, and:

some reticence from some authorities to engage with providers that are seen as closely associated with a central government agenda. (DCLG, 2008c, p.77)

In contrast, and as might be expected from Interviewee L's comment, programmes run by the IDeA achieved a high participation rate (DCLG, 2008c). Again, issues of context and trust affect a council's involvement in a national scheme and, therefore, affect the consolidation of the notion of participation in general, and of the specific learning generated by it.

The lack of explicit reference to this scheme does not, however, mean that capacity was not an issue of concern to those interviewed; as those quoted earlier in this sub-section make clear, the capacity to absorb knowledge was a matter on which they desired, and sought, assistance. Although no interviewee used the term 'absorptive capacity', their council's ability to absorb knowledge was also commented on by two other interviewees; the first by saying

At the end of the day you end up with way too many beacons, because how can you have as many beacons as we ended up with? (K:170 – 171)

The second commented on the need for:

considered thought to the learning environment of local authorities...I think we are dissipating the potential strengths to support sector-led learning across far too many organisations...there is the Audit Commission and inspectorates, there is the IDeA, there are RIEPS, there are Government Offices, there are issue-specific learning engagements set up by Government departments about big agendas – health improvement being one. Now, you know, that must be five or six different things I've just given you and there are too few good people to spread them across that many organisations, because it's difficult, isn't it? Creating improvement, creating learning, isn't easy. (B:360–369)

To these interviewees, even if they wanted to learn, making sense of the information available was made more difficult by the number of sources: there were too many beacons, too many CPA reports and too many organisations offering assistance. This situation contains echoes of Beer and Nohria's (2000) comment on the 'alphabet soup', quoted in §2.3.3, and is also noted elsewhere in the literature. While van Wijk *et al* (2008) note the importance of strong, trustworthy ties in the transfer of knowledge, they also found that:

the number of relations impacts negatively on knowledge acquisition, firms may experience difficulties with the amount of knowledge available to them.

(van Wijk *et al*, 2008, p.845)

In commenting on the importance of trust to the transfer of knowledge (§2.3.3), I noted the contention that too much trust could be detrimental to learning and throughout this thesis I have detailed the importance of trustworthy networks. Now, though, I have shown that these too can be too numerous to be of assistance, and councils cannot always absorb all the knowledge available to them. The same is also said to be true about ‘corporate capacity’ of councils (at least as measured by relative expenditure on central administration and service provision) as Andrews and Boyne (2011, p.906) conclude that “more central capacity is beneficial, but only up to a point”.

When attempting to create a learning organisation, then, more is not always better, and even features beneficial to learning need to be optimised rather than simply increased.

8.4 Specific Modernisation Initiatives and the Consolidation of Learning

In this section I examine what the interviewees said about the roles played by the three modernisation initiatives in the consolidation of learning. More precisely, and in keeping with the first of the sub-aims of my research (Figure 1.2), I consider the legacy of each initiative in relation to the concept of learning to learn, and whether their implementation repositioned local authorities as learning organisations.

8.4.1 Best Value

The Chief Executives interviewees expressed, individually and collectively, a wide range of views on the legacy of Best Value. I have already noted some of these in Chapter Five, where Interviewee B commented on the lasting effects of Best Value, while Interviewees C and N came to the opposite view. Two interviewees believed that Best Value did not last long, or have a great effect, because it was a poorly constructed initiative: Interviewee N’s description of it was quoted in 5.2.1, and Interviewee D stated that it was not well thought through. Adopting a similar line, and concluding with a point already discussed, one interviewee told me that the concept of Best Value was flawed as it built on a:

mistaken view that if you inspect something to death you get improvement because of it and you don’t – you get people getting very good at managing inspections.

(G:268–269)

Despite taking this view about the foundations of Best Value, this interviewee had previously commented on the “massive improvements” that came when the process was “applied properly” (G:234–235), and described how one Best Value review had led to the awarding of Beacon Status. Similarly diverse views were expressed by Interviewee J, who described Best Value as becoming “a rather over-complex, convoluted pseudo-science” as well as being beneficial “when it was used well” (J:354-357). Here, then, and unlike his comments I analysed in Chapter Six, Interviewee J is acknowledging that local government’s approach to Best Value had an impact on the outcomes achieved, as does Interviewee G. However, when describing Best Value as both “clumsy” (F:535) and a “good idea” (F:549), Interviewee F believed that the government’s micro-managing approach to implementation was at the root of the scheme’s problems. Interviewee L believed Best Value was “a very blunt tool” (L:258) and that it, and other modernisation initiatives had been brought in:

for the wrong reasons. That isn’t just my opinion, I know. It was to control local government. (L:263)

He then went on to express his support for the alternative view of local government modernisation I outlined in §5.1.2 – a view allegedly held by others.

Further divergent views of Best Value were expressed by the Chief Executive interviewees, such as Interviewee H’s comments that the scheme concentrated more on inputs than outcomes but, as the volume of data grew, so did the ability to benchmark, enabling his council to adopt a targeted approach to service improvement. Interviewee C believed that the government’s investment in measurement was disproportionate to the improvement it sought to gain, but also believed that the availability of more information aided informed decision-making by councils. In this particular instance, Interviewee C’s authority went on to become involved in a voluntary benchmarking club in order to obtain comparative performance data.

Comments such as these begin to show that, as well as the resistance, denial and mistrust implicitly displayed, there is, in the data collected for this research, evidence of the consolidation of the practice of reflection leading to increased self-awareness. Despite comments that Best Value created a climate in which “you wanted to be the best but you didn’t necessarily want to share” (D:304); or that it

“wasted a lot of energy on process” (B:283–284) and became “process driven” (I:270–271) Best Value did produce long-lasting changes.

This was explicitly commented on by Interviewee P1 who, although that Best Value, like any other initiative, was “useful for a time” (P1:373) went on to state that her authority had “kept up a philosophy of trying to benchmark” (P1:378). One of her colleagues was more explicit:

I think it has a legacy...I don't think people can get away with not being able to say how well they are doing, which was possible prior to that...You might not use the term Best Value any more, but I think there is still a lasting legacy. (O:337–343)

Any conclusions regarding the legacy of Best Value have, though, to take account of two factors discussed previously: the heterogeneity of local government (and of individual councils), and the learning journey. To Interviewee J, Best Value “helped parts of organisations” (J:352) and its overall effects were “a bit patchy” (J:356), while Interviewee K commented that results were not collated in a way that would allow others to gain value from them. Interviewee N stated that, although Best Value information from other authorities may have helped his own to improve, this was the exception rather than the rule. One further interviewee, apparently describing one part of the Best Value process – that of the review – concluded that:

My experience was that you could use it, mostly, to shape doing the right things in your own authority. (Q:433–434)

This again shows that the review part of the process was that which Chief Executives found most useful. If the Best Value regime led to the consolidation of a changed approach to improvement within local government, then it did so only partially in that certain councils, and parts of councils, made full use of only one particular element of Best Value.

8.4.2 The Beacon Council Scheme

In §6.2.2, I discussed the role played by the Beacon Council Scheme in creating and enhancing the use of networks as a means of sharing learning between local authorities. This was a point I explored further with Interviewee R. I asked how councils shared information before the introduction of the Beacon Council Scheme, and what weaknesses were being addressed:

you just didn't seem to have that interaction. There would be conferences but usually Chief Executives and Heads of Department went. Again, there might have been some sharing of learning, but a lot more of it was about 'mine's better than yours'. So I don't think there was a lot of sharing of learning but it was two things together, wasn't it? It was Best Value, it was the Best Value regime saying here is a requirement, what you have got to do, and it has got to be customer-focused. I mean, Best Value changed local government dramatically and then the Beacon Scheme said, 'ooh, and here's a way to find out how to do it'. Now you've got organisations that promote benchmarking and people subscribe and pay lots of money to go and find out what's happening, and of course, with the Beacon Scheme, you could go and find out about the best ones and it didn't cost you very much money at all. (R:249–257)

Here, 'dramatic' changes brought about by Best Value are referred to and this, combined with the Beacon Scheme, is said to have consolidated one change within local government in that benchmarking is seen as a practice that has continued even after the demise of both of the schemes referred to. Additionally, and as previously discussed, reference is made to different networks being available, dependent on seniority. It is also worth noting the disparaging comment about conferences involving very senior council officials; that whatever their intended purposes, they provide more opportunities to show off than to learn. It could, though, be argued that saying that 'mine's better than yours' was the very essence of the Beacon Council Scheme. Indeed, Interviewee H, in his comment regarding an elite cadre of councils quoted in the §5.2.2, takes this view.

I also asked Interviewee R what she believed had changed within local government as a result of a decade of the Beacon Council Scheme. Her answer reveals her conviction that a change had occurred and what she saw as the reason behind it:

Yes, it changed, and because of the networks that were created...and it's a sort of word of mouth thing, what we kept being told was that people were told about the beacons and what they had to offer. Tenant involvement, the field I work in, the Beacons are still referred to, now that was five years ago. People are still referring to the Beacons and the things that carried on from it. (R:301–304)

The importance of such networks involving the interaction of staff engaged in similar activities was well understood by this interview participant, as is particularly evident in the following quote, and her analogy contains echoes of learning through doing:

And we were all very clear that the peer-to-peer – they call it ‘sitting with Nellie’ up here, as you probably know. From the mills? – so we were sure about that. We were also pretty sure that it was a bit about recognising the role of front line staff.

(R:198–200)

These are the words of an enthusiastic supporter of the Beacon Scheme, but they are not dissimilar to those of the Chief Executives quoted in §5.2.2 and who might be expected to exhibit more balanced and pragmatic views. Taking these comments together provides evidence that the Beacon Council Scheme did more than ‘broaden the perception’ of those in local government, leading to the acknowledgement of other councils as sources of knowledge that could be acquired through enhanced networking; it also helped to embed this way of working as normal practice.

In coming to this conclusion, though, I run the risk of making a mistake for which I admonish others – that of treating the whole of local government, or even a particular council, as a homogeneous whole. Following on from earlier discussions, especially that of the learning journey, I expect Chief Executives, councils and council departments to be at differing stages in their establishment and use of networks; Interviewee G, quoted in §6.1, commented on the use of networks some years before the creation of the Beacon Scheme. If the Beacon Council Scheme envisaged local government making good use of networks in the exchange and use of information, then it painted this picture on a not entirely blank canvas. Another argument for adopting an historical institutionalist approach, I feel.

In the introduction to this thesis, I speculated that the spreading of learning may be a process that required the expenditure of effort. In Chapter Two, consideration of the nature of donor and recipient organisations led me to include both in my analytical framework. One interviewee linked these, as well as the need to pull learning into an organisation, and also suggests the existence of phases in the learning process:

it was a method where you get out of it what you put in. So if you were half-hearted in terms of beacon councils – either trying to get it or to try and learn from it – then don’t be surprised if you don’t get much out of it. But for those local authorities who really trawled it, understood it, tried to learn from what people were doing, had the ability not only to understand what people were doing but then to take it and embed it within their own organisations – I think they will have got quite significant value out of it.

(A:297 – 301)

Although this interviewee only alludes to the existence of councils that did not exert themselves enough to either become or to learn from Beacon Councils, the comments of his colleagues quoted earlier in this thesis confirm that this was indeed the case. Again local authorities can be seen to be at differing stages along their learning journeys and again this has an effect on the consolidation of the Beacon Scheme as a learning process, and for consolidating within a new environment learning related to specific areas of council activity.

Reflection on the Beacon Council Scheme leads to consider two related points. The first of these concerns who attended open days, took part in the follow-up meetings, and in what capacity. In §2.1.1, I noted the problematic relationship between individual and organisational learning, and Elkjaer's (2004) contention that it is not always clear what is meant by 'acting on behalf of an organisation'. This latter point is related to networks elsewhere in the literature:

It may be important to clarify on what basis an individual is present in a learning network – as an individual learner, as a representative of an organizational unit, as a representative of an organization, as a learner about networks and even as an elected political representative or as a citizen. (Rashman *et al*, 2009, p.473)

This matter was of concern to one interviewee, and was a factor in his concluding that the Beacon Scheme was not an effective way of spreading good practice:

I'm not sure it did anything because it's about who attended – was it the right people?

(N:216–217)

The expectation of the scheme's designers was that council officers would attend open days and take knowledge back to their employing authorities where it would be implemented and consolidated as a new best practice. However, as Leach *et al* (1994) note, officers often exhibit more attachment to their profession than to their employing council, and it may be more useful to view the networks created, especially through the later, more detailed exchanges, as enhanced professional networks rather than inter-authority ones. What may, then, have been created by the Beacon Scheme were improved professional practices and the establishment of a new generation of practitioners, as described by Wenger (1998) and discussed in §2.1.1. While these outcomes would be positive ones that would shape views of what constituted current best practice, this may not, at least not immediately, feed back

into the recipient organisation in the expected manner, but would take rather longer to achieve.

This leads me on to my second point, whether learning was taking place *from* or *with* others. In the organisational learning literature, this point is considered through the concepts of exploitative and explorative learning (Levinthal and March, 1993; Holmqvist, 2004): in the former, better use is made of existing knowledge, while in the latter, new knowledge is created. The two, though, cannot always be treated separately and there is an interplay between them (Holmqvist, 2004). This last point is exemplified by the Beacon Council Scheme in that, while aimed at exploitative learning, it created, through its enhancement of professional networks, conditions that would allow explorative learning to occur.

Whichever view is taken of the networks established, or the type of learning engendered by the Beacon Scheme, it enabled practices judged as being exemplary to be shared widely within local government and to become consolidated as the new norm. This, though, and as Interviewee A noted, depended on local authorities expending the requisite amount of effort.

8.4.3 The Comprehensive Assessments

As with the initiatives discussed above, the Chief Executive interviewees expressed diverse views on the effectiveness of the CPA and CAA in consolidating changes in local authorities' approaches to learning. I start this section with the most positive of these, relating to a council that:

initially had scored 'Fair'. I sat in on their improvement programme and what we did was to say 'where are we weak, why are we weak? We need to become more of a learning organisation. Let's go and learn from the best' and we did actively go out and do that, and that would not have happened if it hadn't been for CPA...I could not emphasise enough how important CPA was to creating a learning environment. If it hadn't been for CPA, there'd have been a lot less learning. (M:275–286)

To this interviewee, not only has the CPA produced pressure for change, promoted reflection and provided a mechanism for learning to take place, but has played an important role in creating an environment in which learning is recognised as being important. That such an environment was a necessary one was accepted by a further interviewee:

we needed external challenge and better frameworks for shared learning than we'd ever had before. And I still think we're perfecting those in local government.

(H:415 – 417)

His final point is an important one here in that, for learning frameworks still to be being worked on, the idea that they should exist must be one that has taken hold.

In previous chapters, resentment of and resistance to modernisation initiatives have been much in evidence. However, in a comment that echoes the views of Interviewee A regarding the Beacon Council Scheme, one interviewee illustrates the efficacy of being fully engaged with the CPA. Although some concerns about the scheme were expressed, he went on to describe it as:

a single, considered, conceptual framework which we have quite deliberately used, so we haven't struggled against it, we've gone with it and used the framework...to use the tension of being scored and named or shamed, as a constructive tension to define our approach to improvement, used it to keep focus during political changes and all the rest of it, so we've got quite a lot out of it really. (B:294–298)

One of his colleagues explained how her council had used CPA ratings to support improvement:

We've gone to understand how comparatively similar organisations have managed to move in the judgements and the ratings and a neighbouring authority was ranked poorly and became excellent and that journey was over three to four years, so we've spent half a day there in advance, saying "how did you do it?", "can you tell us what were the critical things in your journey, in your learning?". (D:342–346)

Here, engagement with the CPA has brought about a change in each council's approach to improvement. Although these changes affect the first's internal procedures and the second's external search for knowledge, in both cases a change, once adopted, has been consolidated and used in other circumstances, with both councils becoming more willing and able to learn.

Two interviewees were particularly clear about the roles played by the Comprehensive Assessments in creating and maintaining a council's vision. They had, though, come to opposite conclusions. To one, the CAA:

took a stronger overview on whether you had a bit of a vision or not, that was always a bit false...some authorities had these vision statements that ticked the box but didn't mean anything. (Q:441–443)

His colleague, though, welcomed the CAA as an aid to determining where her authority wished to be, even though this posed a dilemma for her authority. Whatever the outcome, consideration of this point commenced with reflection and led to an acknowledgement of the risk involved:

being self-aware...looking at what your customers think of you is useful because, quite frankly...if you do more of what your customers want which means you have a poorer rating in the CAA, well, maybe you're doing the right thing, because that's really what you're here to do...so there are certain things about the CAA that we have deliberately said we do not want to be. We do not want to waste our energy trying to get to excellent or to four [star] because actually, for us, that isn't our priority...and so if that means we have to have a lower rating, so be it, which is a brave decision, and a risk. (D:351–358)

To this latter interviewee, the vision created with the aid of the CAA clearly did mean something, and shaped the consolidation of organisational ambition and subsequent actions within her authority. The CAA had also helped Interviewee D's council to create a culture of:

working with partners, sharing with the police, sharing with fire, sharing with PCTs and Strategic Health Authorities, Universities – you know, people all want to be thought well of, so they are willing to share to get that area assessment right. (D:336–338)

Interviewee Q took a different view of the same process, and CAA:

only mattered to the local authority. You just had to get your partners to not foul it up for you. So it was nothing to do with the quality of the partnerships. (Q:461–462)

All four of these quotes contain references to consolidation, but consolidation of different things: to Interviewee D, vision and partnership working; to Interviewee Q, box-ticking and the appearance of good partnership arrangements. Again, differences in attitudes towards, and engagement with, the CAA produce very different perceptions of outcomes.

A change within local government more generally had been observed by one interviewee, and relates specifically to Chief Executives:

Pre-CPA I believe that for a number of Chief Executives the skill requirement would have been more focused on what I call the classic Town Clerk model, you know, what's going on in the Town Hall, what's going on in the provision of council services, than an agenda that finds us today having responsibility for place...not just about council service provision. (A:369–372)

As I mentioned in §3.1, such a change was promoted by the Maud report of the late 1960s; to this interviewee, however, this was an issue that still needed to be addressed four decades later.

One specific instance of learning explicitly relates to the consolidation of change. Although commenting on the weaknesses of CPA in assisting service improvement, Interviewee J believed that the focus of both CPA and CAA on the broad theme of 'use of resources' had, through the disciplined way in which it was addressed, led to his council adopting – and maintaining – a different approach to the management of its assets. Specific acts of learning are not central to this thesis, but several other interviewees mentioned instances that illuminate the use of the CPA more widely. While Interviewee G believed that both CPA and CAA were “the wrong thing to do” (G:286–287) in terms of driving improvement, he acknowledged that the reports of other councils proved useful to his authority in moving a particular service from being problematic to becoming a strength. While he cited only one case, Interviewee A believed that “lots” (A:386) of good practice highlighted elsewhere had been adopted within his council. What Interviewee I learned, though, was that “what inspectors like is nice flashy books” even though they would never read them (I:300–301).

Other interviewees doubted whether the CPA or CAA led to the transfer and consolidation of the working practices of others; Interviewee N stated that the CPA and CAA generated little sharing as they were “a scoring and ranking exercise” (N:276) and Interviewee J believed that the “naked competitiveness” the CAA's star system was “an inhibitor to learning, an inhibitor to genuine transfer of knowledge” (J:412–413). While Interviewee K was aware of such transfers into his authority, he did not attribute these to the Comprehensive Assessments. Interviewee J also denied the existence of direct transfers of practice but believed that the assessment programmes had an impact in that, through collaborative working engendered at both

officer and member levels, they produced a “more generic assembly of input” (J:421). Interviewee F’s discussions with those councils that were consistently ranked highly led him to draw an “inevitable” (F:614), if general, conclusion concerning the importance of leadership, and the synergy between good political and managerial leadership; it enabled him to “know what good looked like” (F:623) in this regard.

In this, Interviewee F makes a point that was also made by others – that the CPA and CAA provided only opportunities to learn, not learning itself; that came as a result of discussions prompted by the examination of assessment results. Such an examination, though, also provided “leverage” (E:547) or “the room to really get stuck in” (G:285–286) that enabled change programmes to be introduced. Interviewee M questioned whether anything had been learned “at the knee” of the inspectors (M:278–279), but their imminent arrival:

threw off...the shackles of inherent conservatism and the dead hand of bureaucracy.
(M:279–280)

Prior knowledge of an inspector’s visit could drive learning, as he told me slightly earlier in relation to his work in a council situated towards the bottom of the CPA rankings:

I knew Hector the Inspector would be in in nine months’ time, so I immediately go out and say “what are our weak points and how can we fast track improvement? Where can we learn from?” So the fact that the Commission were coming in was a massive driving point. (M:265 – 267)

Interviewee P1 welcomed the framework provided by the CPA as it enabled her to introduce the “very significant change programme” that was needed (P1:430). This, though, only related to Interviewee P1’s experience in a poorly-performing council, and she found assessment less useful when working in a four star council. Interviewees K and M also expressed the view that the CPA and CAA were of more assistance to the lowly-ranked authorities, and their experiences are borne out by research cited by van den Dool *et al* (2010).

While the above quotations provide examples of Lewin’s ‘unfreezing’ stage (Figure 2.4) and, therefore, relate to the acknowledgement phase of my analytical framework, I consider them here as they are examples of this unfreezing being consolidated as an approach to change through the use of the CPA and CAA.

I started this sub-section with Interviewee M's positive comment about the CPA; in contrast the CAA was not "worth the paper it was written on" (M:301) and others adopted a similar view. To Interviewee B, the organisational assessment element of the CAA was "turning out to be conceptually wrong" (B:331) and attributed this to the pace of change within the sector. Interviewee C had a different starting point in that he preferred the descriptive approach of the CAA, but went on to regret the introduction of red and green flags and lost confidence in the scheme because of problems with the inspectorate. Similar concerns were expressed by Interviewee P1, who described the CAA as becoming "tired" and "dreadful" (P1:473). This situation was seen as inevitable as:

from the first days of it coming into operation, everybody knew it had a limited life. It was just so burdensome that it would collapse under its own weight. (Q:476–477)

The feeling that CPA moved from stimulating learning and improvement to becoming an administrative burden is noted by van den Dool *et al* (2010), with the reasons cited being those already covered in this thesis: whether the 'right' things were being measured; a concentration on inputs, and the 'massaging' of figures.

That there was a need for change in the assessment schemes was acknowledged, with Interviewee P1 accepting that, without such changes "you're going to go round like a hamster, rather than actually progressing" (P1:437). Interviewee O had come to the same conclusion in relation to the change from CPA to CAA:

good though CPA had been, it was time to move on. People had matured, a different regime was appropriate. (O:385–386)

To these interviewees, the consolidation of a system that applies pressure to learn and to change requires periodic change in the way that pressure is applied. Without such changes, and as Interviewees H and N noted "everyone eventually becomes excellent" (N:276).

I conclude this sub-section on the Comprehensive Assessments by quoting two interviewees to illustrate points made more widely. The first, although accepting of the need for performance data as an aid to self-awareness, describes resistance to the assessment regime by saying:

publishing league tables, naming and shaming, I don't think...shaped positive reactions from local government. (F:655 – 656)

Slightly earlier, he suggested a reason for this resistance:

it was never completely owned, it was never an individual authority's system: it was always a system that somebody imposed upon you and therefore as soon as it was no longer required, I would imagine in most authorities it decayed...There's something about local communities that was lost in all of this process. (F:589–605)

Both of these quotes exemplify a feature raised at a number of points throughout this thesis; that of the problems caused by Institutional Push, or of not working to reduce restraining forces. That resistance can be overcome, though, and lead to acceptance was commented on by the second interviewee:

I would dearly love to have said we didn't need [CPA], but I couldn't...overall it was a major force for improvement. (O:356–359)

8.5 Consolidation among Members

As before, references to elected members do not feature strongly in the Chief Executive comments, and variation is contained even within the few observations that were made.

Earlier, I quoted Interviewee G's view that a poor CPA report provided him with the space to act. This, though, was because the CPA:

terrified the members into thinking if they weren't prepared to change, then the organisation would be taken off them. (G:284–285)

Whether this response became the norm, and embedded within local government is not something that can be deduced from the data, and even Interviewee G viewed such a situation negatively. One of his colleagues, however, gave a more positive example, and one that shows the CPA having an effect on, and becoming embedded within, a different local authority procedure:

when Chief Executives sat down for their annual appraisal one of the things that the Council Leader would be saying to you is 'right, so where do you think we're going to be in a year's time when the inspector comes in an really does our CPA?' (M:267–269)

While this illustrates the importance of the Chief Executive, and of the political/managerial interface, it also shows the importance of a CPA inspection to members. In this case, the significance to an authority of its next assessment has led to consideration of the outcome being consolidated with the appraisal mechanisms for its most senior staff.

Such a situation was, though, the exception. The more normal reaction of members is illustrated by the following comment, made in relation to Best Value:

Local elected members didn't feel, here or anywhere else that I've heard, that it was their inspection system...It was something they tolerated rather than supported. And I think...if it's not a universal, it's a common theme. (F:573–577)

To this Interviewee, members felt that they had lost their position as 'the boss' of an authority, being usurped by an inspection system. To some – including Interviewee L, quoted in §8.4.1 – this was the purpose of the modernisation agenda, in which case the resentment displayed by members would not be of paramount concern to its architects. However, whether intentional or not, the general antipathy of members reported by their Chief Executives does not suggest that the changes modernisation sought to bring about were consolidated among elected members.

8.6 Chapter Summary and Conclusions

The main theme that I draw out from this chapter is that of diversity. Building on the analyses contained within previous chapters, the variation displayed in the Chief Executives' conceptualisations of organisational learning is seen to influence the actions taken to support it and this chapter has explored how this, in turn, affects the consolidation of cultures and structures conducive to learning. The notion of organisational learning as a journey, then, is a useful one as it encourages acknowledgement of councils, council departments and individuals as being at different stages on this journey.

Adopting this view, variation in the extent to which learning had been consolidated becomes easier to explain. This variation manifested itself in a number of ways: in the encouragement of experimentation and the neglect of assessment; in the emphasis on culture to the detriment of process, and of learning to be seen as being good being ranked equal to learning to be good. While all the Chief Executives claimed to have the same destination – that of becoming a learning organisation –

they had not all embarked from the same place, and had not all travelled the same distance.

Turning to the specific initiatives, variation in their use is again evident, with Best Value and the Comprehensive Assessments in particular being used more frequently to aid introspective analysis than to assist direct transfers of good practice from elsewhere, even though both were expected outcomes of the schemes.

That different approaches to, and use of, modernisation initiatives resulted in differing outcomes is particularly evident in comments relating to the Beacon Council Scheme and the CPA. In these cases, those councils that expended more effort to become more fully engaged with the schemes were said to have gained the most benefit from them and were able to consolidate both individual instances of learning and their approach to learning – that is, learning to learn. This is an important point for this thesis, as it suggests that those councils already more capable of learning were better placed to take advantages of schemes aimed at the improvement of learning. Underpinning this point is that the initiatives discussed here could only provide opportunities for learning; whether these opportunities were grasped was dependent on the local authorities themselves. A similar point relating the quality of Best Value reviews to the generation of proposals for change is made by Entwistle *et al* (2003).

While my analysis has revealed widespread acceptance that the Beacon Scheme enhanced the use of learning networks and the CPA/CAA provided a learning framework, more important is the consolidation – although not universally – of the ideas that a learning framework should exist, and that other local authorities are a legitimate source of learning. What at least some Chief Executives required, though, was not simply assessment that highlighted their weaker areas, but more focused assistance with improvement. In the absence of such help from the Audit Commission, local authorities turned to other sources more closely associated with local government. While doing so confirms the importance of both trust and networks, it also bolsters the consolidation of learning being seen as a route to improvement.

My analysis also shows some awareness among those interviewed of the limitations of their authorities to successfully absorb and consolidate all the knowledge available to them. That these limitations result from the large quantity of information presented and its substantial number of sources, as well as the characteristics of their own (and other) authorities, is supported by other research cited.

The involvement of members with the initiatives discussed, and more generally, has again been seen as being limited and, even where it was raised by the interviewees, variable. This chapter, therefore, contains little evidence that modernisation led to the consolidation of the concept of learning to learn, or even of learning as a means to improvement, among elected members.

Finally, I turn to the acceptance – though again not universal – that systems aimed at the promotion of change and learning themselves have to adapt to the changed environment they have helped to bring about.

This, then, concludes my analysis of the data collected for this research insofar as it relates to the four processual stages included in my analytical framework. I now move on to bring together the issues raised and considered within the first eight chapters of this thesis as a cohesive whole.

Chapter Nine

Conclusions and their Implications

With every mistake we must surely be learning
George Harrison, While My Guitar Gently Weeps

The preceding pages have illuminated the issues particular to this research project and the research process. There remain, though, some important tasks to undertake, namely: to draw together the more significant conclusions reached; to detail my original contribution to knowledge; to consider what implications there may be for practice; to assess to what extent my research aims have been met, and what further research could be undertaken. I address each of these in turn.

9.1 Conclusions and My Contribution to Knowledge

In the preceding four chapters I set out a number of conclusions; more precisely, I set out *my* conclusions, emergent from *my* interpretation and analysis of the data. In this section, I draw together these conclusions and situate them within the literatures explored in Chapters Two and Three.

9.1.1 Conclusions of a General Nature

I start with two interrelated conclusions: that local government is complex, as is organisational learning. These are, I admit, not new findings, but I state them here as a common but, in my view, erroneous approach taken to addressing complexity is one that seeks to impose simplicity on the situation, rather than to understand the complex interactions taking place. In what follows my intention is to aid the understanding of the doubly complex interface between government and learning.

A further overarching conclusion relates to homogeneity and heterogeneity. With regard to learning at least, no assumption should be made that any two councils (or departments or individuals) are at the same stage of development, or at the same point along their learning journey; similar points are also made by Lowndes (1999b) and Newman *et al* (2001). To do so runs the risk of the utilisation of programmes being dependent on existing attitudes to learning, with those councils already

predisposed to learning making best use of any learning opportunities. This conclusion is supported by Sammarra and Biggiero (2008) who note that the ways in which organisations search for knowledge is idiosyncratic to each, and reflects the differences in their knowledge bases. If it is accepted that learning organisations are good organisations, then this leads to an unintended widening of the gap between the good and the rest; a point raised by previous research (ODPM, 2003).

The government was clearly aware of the differences between local authorities as it highlighted these through Best Value league tables, the existence of Beacon Councils, and CPA/CAA ratings. However, by its insistence that Best Value should lead to local authorities matching the performance of those in the top quartile (DETR, 1999a) and become as good as the best (Audit Commission, 2001a), or should emulate the performance of Beacons (DETR, 1999c), the government was seen by the Chief Executives interviewed as promoting uniformity. In a manner reminiscent of Leseure *et al's* (2004) comment on adopting World Class Manufacturing practice from exemplars (§2.3.2) best practice in one area was seen as being promoted as the best practice to be pursued everywhere. Such actions lead to institutional isomorphism (DiMaggio and Powell, 1991). By defining, or allowing the Audit Commission to define, a 'good authority' (Leach, 2010), its use of centrally-determined performance indicators (Boyne, 1999), and its concentration on audit and inspection (Newman, 2001), the government may have eliminated the worst practices of local government, but to the detriment of diversity (Newman, 2001). Interviewee K (§5.1.2) made much the same point. Boyne (1999, p.4) warns of Best Value producing "dull conformity" rather than the intended innovation that is, as Newman (2001) states, an important source of new policies and practices. One source of learning was, then, diminished by the government's actions. Pedler *et al's* (1991) contention that company policies aimed at ensuring that everyone acts in the same way are a barrier to learning appears to be true at the broader, population level of local government.

In contrast, local government placed a much stronger emphasis on local context and resisted initiatives seen as paying inadequate attention to it. However, this resistance to uniformity meant that other authorities were not always viewed as providing opportunities to learn, as differences in performance were explained away as more illustrative of differences in context. Interviewees often saw these contextual differences as being more prominent than any similarities and so they became a barrier to learning. Such a reaction, though, was not new; referring to the adoption of

practices from other countries over a century ago, Rogers (2009) comments that, while some concentrated on the shared problems, others focused on the differences to argue that the policies were unsuitable for transfer.

I noted in §2.1.1 that boundaries are unavoidable (Wenger, 1998; Kislov, 2014) but that they emphasise differences (Kislov, 2014). The crossing of boundaries – be they geographic, organisational or professional – by ideas and practices is central to this thesis, and analysis of the Chief Executive comments suggests that these boundaries were viewed in different ways. Firstly, internal council boundaries, when viewed as creating silos, were perceived negatively, and interviewees spoke of their efforts to eliminate them. Secondly, although no interviewee explicitly viewed external council boundaries as a positive feature of their authority, they did so implicitly through the importance they placed on the local-ness of their councils and the uniqueness of their local contexts. Kislov's (2014) point that boundaries emphasise differences is, then, supported by my research, but what appears to be more important – at least in considerations of organisation learning – is whether these differences are viewed negatively, as something to be eliminated in pursuit of enhanced organisational learning, or positively, as something to be celebrated, thereby becoming barriers to learning. Those interviewed were capable of simultaneously holding both views, if relating to different aspects of the same subject.

The importance of boundaries to Wenger (1998) was discussed in §2.1.1 and Easterby-Smith *et al* (2008b) note that boundaries are, of themselves, important and need to be understood. Comparing public and private sector organisations showed that external boundaries were, in one case, “more permeable because it was a public sector organization” (Easterby-Smith *et al*, 2008b, p.496). Having made no such comparisons in this research, I cannot support or refute this claim. However, I can state that issues of mistrust, denial, resistance and context can lead to public sector boundaries becoming less permeable than they might be.

In this discussion, boundaries are seen as the space where two (or more) organisations interact, and permeability is not seen as being only one-way. Putting together these two statements supports the contention that the qualities of both recipient and donor organisations are important in conceptualisations of organisational learning. At the very least, it provides an additional way to view the characteristics contained within my analytical framework; as features affecting the permeability of the boundaries between organisations.

Chief Executive interviewees, however, created new internal boundaries through their almost ceaseless departmental reorganisations. Rarely, though, were these performed in quests for the stated learning organisation goals, and even more rarely were they viewed as helpful processes. If organisational learning was important to those interviewed, it was less important than other factors they mentioned, such as finance, the appointment of a new Chief Executive (“the most common internal trigger to management change” (Lowndes, 1999b, p.29)), or structural change being an activity that local government undertakes on a regular basis. In these latter two instances previously institutionalised practices are exerting powerful influences.

One example of difference illuminated by this research is that concerning Chief Executives’ knowledge of, and the meaning they attached to, organisational learning. Because of these differences, the policies, structures and cultures pursued in the application of this knowledge also differed, as did the outcomes. However, analysis of the interview data also suggests that paths are sometimes followed because of normative ideas concerning what ‘good organisations’ do, rather than in the clear pursuit of enhanced organisational learning. I cited one such instance in Chapter Seven, where those interviewed had made a much stronger link between organisational incoherence and non-learning than they had between learning and clarity of purpose. Actions taken, though, affect learning whether or not those involved understand what those effects will be.

At a number of points within this thesis I have referred to Chief Executives taking actions that would aid organisational learning, but which were taken without that aim explicitly in mind, or without any knowledge of the theories underpinning those actions. In these cases, Chief Executives failed to grasp fully the opportunities to learn provided by the policies they pursued, the structures they created or the cultures they inculcated. Such comments are in no way meant to be critical of the individuals concerned, but are made to illustrate the partial and varied knowledge of the subject held by them. Again, these findings are supported by previous research, which found that:

none of the leaders studied utilized a specific model or framework to guide them in their journey. Such an abstract concept as the learning organization appeared to be difficult for the organizations to understand. (Johnson, 2002, p.246)

One purpose of this thesis is to aid those in local government to obtain a more complete understanding of organisational learning and so it must highlight gaps in knowledge to enable these to be filled. In the language of this thesis, drawing attention to this deficit is intended to provide the pressure to improve in such a way that this will be acknowledged, and action taken to reduce it through the implementation and consolidation of the concept of organisational learning within local government. Learning, in my view, would be aided by those leading public authorities possessing a better understanding of learning to learn; that, in Argyris' (1999) terms, the espoused theory matches the theory-in-use and, in Wenger's (1998) terms, a learning architecture is created. Not that any improved understanding should be limited to those serving in individual local authorities; broadening this out to those in central government and the LGA, for example, could aid the development of programmes more suited to authorities in which it was an under-developed concept. In turn, this would enable all councils, not just those already skilled at learning, to engage more fully in learning opportunities.

Bringing together all the arguments made above leads me to conclude that the treatment of differences is of critical importance to organisational learning. In considerations of individual acts of learning, differences drive learning but similarities assist it by making boundaries more permeable. When considering the concept of learning to learn, it is not differences that impede learning, but the ignoring of these differences, treating organisations and individuals in the same way. What is needed, then, is neither the total disregard of, nor a concentration on, differences, but a better understanding of them.

9.1.2 Local Government Modernisation

The Chief Executives interviewed for this research provided support for my contention that the LGMA acted as a driver of increased interest in organisational learning within the sector. However, my research also found that local government showed no signs of adopting, of its own volition, practices more conducive to its occurrence. While this situation (which is not unique to organisational learning) can be used to justify the use of legislation to bring about change this, in itself, has a negative effect on learning as those affected fail to accept the need for change and exhibit various defensive behaviours (Argyris, 1999). I have given examples of these defensive behaviours manifesting themselves as denial and resistance in the

previous four chapters and, in Chapter Seven, highlighted local government's subversion of the aims of central government.

One issue raised by interviewees was whether the government really did wish local government to improve through learning, as is implicit in its official documents, or whether it was more concerned, for political reasons, that local government should simply not fail. These views are not mutually exclusive and perhaps help to explain the apparent paradox of modernisation – both generally and in specific initiatives – simultaneously aiding and impeding learning. Another explanation could be that central government simply had an inexperienced understanding of the subject.

Based on my analyses of the interview data and of the literature, the answer comprises a complex mixture of all of these – and perhaps other – factors. Modernisation provided structures for gaining self-awareness and an understanding of context, but often through the use of comparator mechanisms that triggered defensive behaviour. Rewards for good performance were promised, as were sanctions against poor, but the latter were much more visible. While 'failing' is a source of learning (Pedler *et al*, 1991), this is one thing the government would not allow (DETR, 1998a; DTLR, 2001). The context within which local government operated, then, was one that provided pressure to learn, but also produced resistance; that required cooperation, but stimulated competition, and one that required innovation, but led to risk-aversion and the apportioning of blame. In this, my research findings support those of Vince and Saleem (2004) and the conclusions drawn by Rashman *et al*'s (2009) literature review. Additionally, my analysis reveals the efforts expended within local government in being seen to be good through 'playing the games' of Best Value and assessment. This, though, does show learning to have taken place and that "learning to cover your back is important learning" (Vince and Saleem, 2004, p.137) is as true at the organisational level as it is at that of the individual.

As failure, if loosely defined by the government, was not an option open to local government, a plethora of organisations and systems were established or enhanced to aid improvement within local government. To some of those interviewed, though, there were too many of these organisations for them to be as effective as they might. Again, my research supports the findings of previous studies, with those of Beer and Nohria (2000) and van Wijk *et al* (2008) already cited. One further quotation encapsulates one aspect of organisational learning revealed by my analysis:

Decision-makers are not always situated behind an all encompassing veil of ignorance, however (indeed arguably a more common problem is information overload).

(Dunlop, 2009, p.290)

Because of the Chief Executives' comments on their sources of knowledge and understanding of organisational learning I relate this as much to the concept of learning to learn as I do to individual instances of learning.

In §5.1.1, I noted the emphasis placed by Chief Executive interviewees on local government bodies as sources of learning and used this as an example of the insular nature of local government. However, bearing in mind the importance placed on context and similarity by the literatures explored in this thesis, this insularity is not surprising, though it needs to be balanced against the view that:

there is little value in comparing performance only against similar organisations with similar perspectives. (DETR, 1998a, para.7.20)

Nevertheless, learning from other local authorities provides several hundred sources of knowledge but, as I discussed in §8.3, so many sources was not something all Chief Executives wanted; rather than assessment, they wanted assistance more targeted at improvement. There I linked this to the absorptive capacity of councils, here I link it to the concept of brokering (Wenger, 1998) discussed in §2.1.1. While those interviewees who commented on this matter expressed differing views on which organisation should be collating and disseminating information, my analysis suggests that their suggestions meet Wenger's (1998) definition of a broker as being different enough to bring a new perspective, while being similar enough to ensure acceptance. A similar point is made by Lucas (2005), in that common intermediaries can provide evidence of the abilities of others and so create trust and ease the transfer of knowledge. I see the Audit Commission as one such intermediary and some interviewees wished this body to provide information on best practice, even if other (and sometimes the same) interviewees did not accept this information. In those instances, though, disagreements about context were as evident as issues of mistrust.

The more significant conclusion I draw from the above discussion is that, notwithstanding differences of opinion about which body should act as broker, or the contextual similarities of other councils, the LGMA consolidated, or at least helped to

consolidate, within local government the view that learning frameworks are necessary and that other councils are legitimate sources of knowledge. In this respect at least, it aided councils to learn how to learn.

This research has uncovered evidence of changes occurring. In relation to risk and leadership, these changes involved movement towards more negotiated definitions; ones more conducive to organisational learning. However, as I noted earlier, only one third of the interviewees explicitly linked leadership and organisational learning unprompted, and my analysis also provides evidence that the modernisation agenda promoted, and the Chief Executive interviewees appreciated, a more traditional view of leadership that centred on quick, clear decision making. Both of these findings support those of Gains *et al* (2007).

Chief Executives also accepted that institutional features exhibited by their authorities were not always conducive to learning, but supplied evidence that these were being changed, and changed in ways that would aid organisational learning. Specific examples cited were the empowerment of staff, flatter management structures and greater acceptance and assessment of experimental work.

Enhanced organisational learning, though, was not an explicit aim of the LGMA; of more concern to the government was the quality of services provided by local government. That this improved over the period of modernisation is widely accepted: by the Audit Commission (2009b); the Secretary of State (DCLG, 2008a), and the Prime Minister (DCLG, 2008b). In each of these cases, the LGMA is said to have played a part. Research supports this contention, especially with regard to Best Value and the CPA, but also notes the effects of increased funding (Martin and Bovaird, 2005). Whether this improvement was sufficient, or whether an increase in funding might have played the more significant role were issues raised by interviewees, with one saying:

in fairness to Blair he pumped a shed load of taxpayers' money into it, and public services got better. No two ways about that. Across every single aspect of public services. What we failed to do was to get sufficient bang for the buck. (M:248–250)

This concern about efficiency – ‘bang for buck’ – was well-founded, as research by Lockwood and Porcelli (2013) into the effects of CPA found that efficiency was largely unaffected; although performance improved, spending increased, with the two

closely mirroring each other. This was not the aim of the LGMA, as it sought to eradicate a culture:

where more spending and more taxes are seen as the simple solution rather than exploring how to get more out of the available resources (DETR, 1998a, para.1.10)

One further interviewee made a similar point to his colleague about spending and service quality before going on to suggest a possible reason for the lack of improvement in efficiency:

for the amount of investment that went in in the Blair years, the outcomes, the improvement in outcomes, were not sufficient and a large part of that isn't down to the delivery organisations on the ground, it's the whole framework that we operated within, and it was stifling, quite frankly, with initiative overload. (I:318–321)

The government accepted that the framework within which councils operated was at fault (DETR, 1998a) and set out to change it through the LGMA. To Interviewee I, though, there were too many changes; a point summed up in Stewart's (2003, p.162) comments concerning the "restlessness" of modernisation, with initiatives being introduced in the wrong order, and one following rapidly on another. There was little time for one initiative to be consolidated before pressure was applied by the next.

The Specific Modernisation Initiatives

Unlike in the previous chapters, where I considered each of the three initiatives separately, here I link together the conclusions drawn from the individual analyses.

This research has shown that the Chief Executives interviewed were well aware of the importance of networks and that their councils were making use of them. Involvement in networks, though, was dependent on seniority and profession and how widely and effectively they were used varied. This provides some support for Easterby-Smith *et al's* (2008b) contention that a reason for the permeability of public sector boundaries is the existence of strong professional links between similar employees in different organisations.

Although networking among council officials did not commence with modernisation, there is evidence that, especially through the Beacon Council Scheme, it enhanced the use of existing networks and drove the creation of new

ones deemed more suitable to a council's needs. As those interviewed commented on networks established for one purpose later being used for additional purposes, my analysis also provides support for Sammarra and Biggiero's (2008) proposition that the more use that is made of interaction between individuals and groups to transfer knowledge, the more likely the transfer of different types of knowledge becomes.

Such uses of networks (although the precise term was not always used) were among the aims of Best Value and the Beacon Council Scheme and, in this respect, they can be deemed successful. However, in §8.4.2, I questioned whether the Beacon Scheme led to direct transfers of working practices, as envisaged, or to improved professional procedures. Not that these are mutually exclusive outcomes, and both would have positive effects. In §2.1.1 I noted Brown and Duguid's (1991) contention that learning involves becoming a practitioner, not learning about practice. In this case, then, it is useful to draw a distinction between organisational learning and knowledge transfer and, though aimed at the latter, the Beacon Council Scheme assisted both.

Interaction with similar professionals in other authorities was not the only contact assisted by the Beacon Council scheme, as interviewees also commented on the increase in their knowledge of their councils as a whole gained through the preparation of a bid for Beacon Status. The gaining of such knowledge, however welcome, depended, though, on their personal involvement and how much of their knowledge was passed to others was not a matter discussed. The Beacon Council Scheme, then, could play a part in breaking down the silos that the interviewees found so detrimental to learning. Again this mirrors the findings of previous research (Hartley and Downe, 2007).

This research supports the view of Rashman *et al* (2005) that the Beacon Council Scheme stimulated reflection more widely, but goes further by suggesting that it, and the CPA and CAA, also introduced the concept of reflection to some. However, while Best Value could also aid reflection and lead to increased self-awareness, more evident in the comments of Chief Executives were examples of mistrust and denial, and a resistance to using other councils as sources of learning and knowledge. Linked to this, my analysis suggests that the elements of Best Value and the Comprehensive Assessments that those interviewed made most use of were those that prompted reflection and self-awareness; the outcomes of reviews and assessments were used to aid internal analysis rather than prompting learning from

elsewhere. That Best Value worked best as “a catalyst providing a framework for deliberation” (Entwistle *et al*, 2003, p.29) is supported by my research. Earlier (§2.1.2), I noted Higgins and Mirza’s (2011) assertion that organisations good at adapting the practices of others were not necessarily good at learning from examination of their own routines. As well as suggesting that the converse is also true, my findings show councils attempting to correct this flaw by utilising elements of modernisation initiatives.

In §3.4.2, I commented that the Beacon Council Scheme was the modernisation initiative I believed to be most closely related to organisational learning. That it enabled individual acts of learning to take place is supported by Rashman *et al* (2005) and Bovaird *et al* (2009) but both also state that it was perceived as having relatively little impact in terms of service improvement. Bovaird *et al* (2009) suggest that one reason for this was small scale of the initiative: £5m per annum as opposed to the £100m per annum spent on inspection. These figures support the claim referred to in §3.5, that learning was the poor relation among the government’s methods of promoting improvement. Although Downe *et al* (2004) report the views of members and officers that the Beacon Scheme had served a useful purpose, they also note the view that this had plateaued because of the non-appearance of promised freedoms and flexibilities. As I noted in §5.2.2, this had the effect of fostering a climate of mistrust among those interviewed for this research.

The importance of trust to organisational learning is revealed both by my literature review and my data analysis. The latter, though, exposes aspects of trust (or mistrust) being displayed at different levels: in Best Value, mistrust of the data supplied by other councils and that the right things were being measured were displayed; in the Beacon Council Scheme and the Comprehensive Assessments, this mistrust was transferred to the schemes’ administrators in that they were not identifying the right beacons, or making the correct assessments. In §3.4.3 I noted that each council’s CAA results were disseminated – or at least made available – via a dedicated website. This choice of medium, though, may have affected the levels of trust present between the authors of reports, those reading them, and the councils to which the reports related, as Lucas (2005) refers to ‘virtual communication’ imposing constraints on the development of trust. Earlier in this chapter I noted the point made by Lucas (2005) that common intermediaries can provide evidence of abilities and

thereby engender trust. I take this further by viewing Best Value, the Beacon Council Scheme and the Comprehensive Assessments as being common intermediaries even though these were not always accepted as providing trusted evidence of others' abilities. My point is that for these initiatives to work as effectively as intended, they needed to be trusted.

9.1.3 Members, Modernisation and Learning

An examination of the involvement of elected members in the modernisation initiatives was not an explicit aim of this research. As only one question asked of the Chief Executive interviewees related to members, and that only to one of their roles, I exercise caution drawing conclusions from their answers or from their silences. However, in answer to this, and other questions, interviewees provided insights into the roles played by councillors and my interpretation of the data obtained is that engagement by members with modernisation initiatives was variable, and varied largely around a low level, as illustrated by the following examples.

One stated aim of the LGMA was an enhanced role for councillors, if largely pursued through changes to political structures (DETR, 1998a). The importance of political leadership is exemplified by a government statement on Best Value:

If it is used as a technical device operated by specialists it will fail to live up to its potential for delivering substantial change. That is why best value requires the engagement of the political leadership of the authority and other members.

(DETR, 1999a, p.5)

However, as Snape (2000) found, the description contained within the first sentence of this quote was precisely how Best Value was viewed by members. One interviewee (F) believed that the view widely held within local government was that Best Value was not a system owned by members, and only one Chief Executive (D) commented on Best Value reviews allowing members to see their councils as others saw them. Similarly, full involvement by members in Beacon Scheme or as peer reviewers proved difficult to achieve. Research by Downe *et al* (2004) raised similar concerns about the involvement of members in the Beacon Scheme, however, the ODPM/IDeA marketing campaign aimed at addressing this, and to which they refer, was clearly not as effective as Interviewee R wished.

While interviewees commented on the effort expended in discussing strategic matters with members, only one in four thought that adequate discussions were

taking place. Even then, some immediate crisis was likely prove a distraction. Though my analysis shows interviewees using the new political structures developed by modernisation to aid such discussions, and build trust between officers and members, others are seen to be using poor inspection and assessment results to 'scare' members into allowing change programmes to take place; as leverage to implement programmes devised by the Chief Executives. If trust is evident in such situations, then it is a one-way trust of officers by members.

The Political Context

In Chapter Two, I noted that the vast majority of the organisational learning literature relates to the private sector and, more specifically, relates to firms gaining and maintaining a competitive edge over their rivals. Such an edge can be measured by the profits made, but this is not the case within the public sector, where 'public value' is more relevant (Hartley, 2006; Rashman *et al*, 2009). Local authorities are subject to competing – sometimes conflicting – pressures and cannot easily select their customers or what services to provide; additionally, success and failure are contested matters (Hartley and Benington 2006; Rashman *et al*, 2009). It is for these reasons that Rashman *et al* (2009) reach their conclusion about the distinctiveness of the public sector context to which I referred in §1.1.

Local authorities are political organisations, with councillors overwhelmingly drawn from political parties. However, despite its emphasis on local leadership and priorities, modernisation paid scant attention to the “councillors that distinguish the local authority as a political institution” (Stewart, 2003, p.120). Indeed, Leach (2010) argues that modernisation undermined party politics by promoting individual leadership and a managerial approach while reducing the emphasis on different values and visions. This 'depoliticisation' enabled the Audit Commission to decide what constituted failure, a good authority (discussed above) and what was good for the area they served as if this were uncontentious (Leach, 2010). Party politics, though, appears to have been less important than might be thought, as pragmatism took precedence over ideology; features of the LGMA may have been more readily adopted where they aligned with local aspirations, but this did not always lead to those unsympathetic to the government resisting change (Newman *et al*, 2001). Similarly, Jones (2005) notes that political control did not significantly influence participation in the (voluntary) Local Government Improvement Programme, and what

mattered to the Audit Commission was stability of political control, as long as this did not result in stagnation (Leach, 2010).

This has important implications for learning in that what constitute 'best' practice and 'good' outcomes are matters left to the government and the Audit Commission to decide. Pursuit of these ends, then, results in the isomorphism I referred to above and not in diverse and innovative approaches to service delivery better suited to local contexts and which those interviewed supported so strongly.

Modernisation, then, can be seen as diminishing the complexities of local government by defining 'good' and promoting isomorphism. Complexity, though, and as I discussed earlier, is an inherent property of local government, and denying this does not remove it. Whether lessons regarding organisational learning acquired from the private sector can be applied to the public sector is a matter that has been much discussed (for example: Moore, 2005; Hartley and Benington, 2006; Rashman *et al*, 2009). This thesis has shown that, through drawing on literatures pertaining to each sector, it is possible to produce a synthesised framework that has utility in the study of local authorities. I believe my analytical framework achieves this end in large part because it encourages the examination of interlinked processes and characteristics; because it illuminates complexity.

9.1.4 Concluding Remarks

In §5.1.1, I posed two questions: whether local authorities took up the baton of organisational learning, and whether learning took place. In §2.3.3, I noted the contention that most attempts at change fail. Did, then, modernisation suffer the same fate as most change programmes?

To one interviewee, local authorities themselves had to shoulder some responsibility for any lack of learning:

local authorities are bad at learning from local authorities. I don't think we invest enough effort in it. (C:174–175)

Similarly, Interviewee A alluded to the existence of local authorities that did not expend the requisite effort to gain full advantage from the Beacon Council Scheme (§8.4.2). While there is undoubtedly some truth in both of these statements, this research has uncovered instances where local authorities were using the opportunities to learn provided to them by modernisation in general or the specific

initiatives considered. What appears to play a more significant role in whether or not these opportunities were grasped is the council's existing predisposition to learning; moreover, this may have been inherent to the way modernisation provided learning opportunities. This leads me to a significant point; that while the LGMA may have stimulated features that are helpful to organisational learning, such as leadership, reflection, networking, and the acceptance of other authorities as useful sources of learning, it did not do this universally nor, more importantly, did it fully consolidate the organisational learning ideal within local government. To expand on this latter point, an organisation that is *planning* change is not one that is exhibiting the qualities of a learning organisation. While Thomas *et al* (2001, p.342) note the importance of being able to "capitalize on serendipity", strategic learning involves the pursuit of learning opportunities being acknowledged as important, and embedded as an operational routine. In Chapter Six I noted Pedler *et al's* (1991) reference to leaning organisations regularly examining their environment and Rashman *et al* (2009, p.484) cite a number of studies that suggest that organisational learning is an ongoing process and that learning emerges "through routine organizational activities". In §2.1.1, I noted Wenger's (1998) view that learning is not a specific activity, but embodied in practice. One further work stresses the continual nature of learning and links learning to the capacity to share:

Learning organizations are continually seeking data from the environment, are fluid and adaptable, and learn from their previous experiences. They share knowledge and contain systems and processes for sharing knowledge and information.

(Johnson, 2002, p.242)

Making a useful contrast, Araujo (1998) sees learning as being part of "everyday" practices:

rather than a special practice associated with major change episodes or discontinuous innovation processes. (Araujo, 1998, p.318)

However, my research suggests that modernisation, especially through the Beacon Council Scheme and the CAA green flags, *did* encourage the view of learning as a 'special practice' and, in the latter case, explicitly linked this to innovation. Through the mechanisms it adopted, then, modernisation aided individual instances of learning but, by suggesting that these were special, undermined organisational learning in its wider sense.

Other research provides support for this contention as, although attendees at Beacon events may have learned a great deal, this was often less than they were expecting to, with a particular example of this mismatch relating to “processes of organizational change” (Downe *et al*, 2004, p.539). The “structure of the learning process was not clear to all participants” and dissemination strategies focused on the Beacon, to the detriment of the recipients (Downe *et al*, 2004, p.552). One issue that no interviewee mentioned was that raised by Szulanski and Winter (2002); whether those responsible for operating a successful operation fully understood what made it so (§3.4.2). The Beacon Scheme appears to assume that this would be the case and that those involved would be able to pass this knowledge on to others. However, as Downe *et al* (2004) note, Beacon Status was awarded for good practice in a service area and there is no reason why those involved in delivering this service, or others within their council, should be particularly skilled in teaching it to others. To me, this is another reason for the concept of learning to learn being more widely understood.

Turning to a consideration of pressure to change, in Chapter Eight, I noted the contention of some interviewees that mechanisms aimed at bringing out change themselves had to change if they were to continue to exert pressure. In this, I see a further example of the point I made immediately above: that local authorities had not adopted the organisational learning ideal, and still had to be pushed towards it through centrally-imposed initiatives. Need Pull had not been established and so Institutional Push still had to be utilised, even though the literature (for example: Argyris, 1999; Leseure *et al*, 2004; Senge, 2006; Hayes, 2010) consistently states that the former is more effective in bringing about long-lasting change.

As a result of this research, I see Need Pull/Institutional Push and restraining forces as being two views of the same phenomenon and not too dissimilar to the stick and carrot terms I used in Chapter Five. There I showed that the use of a ‘stick’ could lead to change as Chief Executives sought to avoid being branded as a failure. However, the route to acceptance took those interviewed through phases of resentment, resistance and denial.

Although the government applied pressure to change through the LGMA, this thesis has shown that equally, if not more, important is whether that pressure was felt by local government; often, it was not. Government cannot know how any individual authority will react to legislative pressure to change, but it can know that, in some instances – perhaps the majority – denial, resistance and subversion will occur.

While one aim of the modernisation agenda was transformational change, my research illuminates a local government exercised by changes to internal structures that were largely transactional in nature. In Burke and Litwin's (1992) view, quoted in §2.3.3, those interviewed were undertaking management activities, not displaying leadership skills; a view supported by Interviewee G (§7.2.1). Lowndes (2004, p.232) notes the view that "local authorities still look pretty much like they did in 1979", and council structures remained pyramidal and hierarchical; as did relations between local authorities and central government as viewed by those interviewed. Accepting these points, and Argyris' (1999) assertion that such structures tend to produce mistrust and are, therefore, inhibitors of organisational learning (§2.1.1), then mistrust may well be a characteristic inherent to the system of local government adopted in England and inhibit organisational learning within and between individual councils and between local and central government.

My research has led me to draw similar conclusions to that of Stewart (2003); that central-local relations are of pivotal importance in bringing about improvement throughout English local government. He too discusses the prevailing mood of mistrust and believes that modernisation would not achieve its potential unless and until there was a change in central-local relations. Although he does not mention Institutional Push, Need Pull, or the diminution of restraining forces, Stewart (2003) does conclude that encouraging local authorities to learn from each other would be a more effective approach to adopt; instead, the government chose to "hold up a few authorities as examples to be followed" (Stewart, 2003, p.248). Where I disagree with Stewart (2003) is that he calls for changes in the workings of central government; I contend that local government has an important part to play in altering central-local relations, even if the asymmetry of power is biased against it. As this thesis has confirmed, both recipient and donor organisations play major roles in learning.

Earlier (§2.1.1) I noted that learning organisations use data to aid understanding, not as a basis for rewards and punishments (Pedler *et al*, 1991). This latter use, though, was one often adopted by the government in its relations with local authorities, and within local authorities as exemplified by the (allegedly diminishing) existence of blame cultures. One characteristic of the learning organisation, then, still needs to be embedded within central and local governments – and within the 'learning space' between them to which I referred at the end of Chapter Three.

Perhaps, therefore, the government should not have concentrated on highlighting the best performers, as it did through the Beacon Council Scheme, or

punishing – or threatening to punish – the worst, as it did through Best Value, the CPA and the CAA, or “parachuting ‘improvement teams’ into a number of ‘failing’ councils” (Jones, 2005, p.661) but instead accepted that local authorities are complex, heterogeneous organisations, and built on the good practices already in existence – even within ‘poor’ councils – to spread improvement more widely. Not surprisingly, I believe this could have been achieved through pursuit of the organisational learning ideal, assisting local and central government to learn how to learn and enhancing the learning space between them.

Trust is at the heart of many of the factors that enable learning to take place and its converse has an equally debilitating effect on learning. Whether issues of trust and mistrust exhibit themselves in acceptance of performance data, the quality of inspectors, in the existence of exemplars, or in the quality of member-officer and central-local relations, they play a paramount role in the development of learning. If pyramidal, hierarchical structures produce mistrust (Argyris, 1999), and central-local relations continue to be constructed along these lines, then mistrust will always be present. However, as I stated at the very beginning of this thesis, the workings of local government are the products of human design, not by-products of celestial mechanics; they can, therefore, be designed differently.

In summary, then, my answers to the questions I posed earlier are that learning occurred and was assisted by the LGMA, but that local government did not take up the baton of organisational learning to the extent that it might. While learning took place, and individual characteristics of learning organisations were supported, the concept of organisational learning was not embedded within local government. Not that local government can be held entirely responsible for this, as the concept appears not have been embedded within central government either, hence its utilisation of mechanisms that inhibited organisational learning. Had organisational learning been better understood by those seeking to bring it about among others – and there is no reason why it should not have been – then the result may have been different.

More Recent Developments

Although this thesis concerns the period 1997–2010, the LGMA was neither constructed on, nor has it left, a blank canvas. It is useful, therefore, to examine one of the more recent developments intended to aid local authority improvement.

In §6.2.3, I noted the positive ways in which those interviewed viewed peer reviews. These, now in the shape of Corporate Peer Challenge (CPC), form an important part of the LGA's sector-led improvement offer to councils (LGA, 2011b). Research into the effectiveness of CPC (Downe and Martin, 2012; Downe *et al*, 2014) does not mention organisational learning but does highlight the influences of many of the characteristics included in my analytical framework; it also shows councils learning from their experiences.

Core elements of CPC include leadership, capacity and priority-setting, and approach these in a flexible manner, better to suit an individual authority's circumstances. In contrast to CPA and CAA, CPC is less burdensome, does not provoke defensive behaviour and, therefore, has more positive impacts, one of these being providing councils with the confidence to become more involved in other initiatives (Downe *et al*, 2014). Findings can be trusted as peers are "experienced and credible" (Downe *et al*, 2014, p.10) and have ongoing relationships with councils. CPCs encourage "open and honest self-assessment" (Downe *et al*, 2014, p.3) that, together with the peer report, often highlight issues about which councils are aware but have been unwilling to discuss. CPC is also a learning opportunity for the peers involved and one of its major strengths is that peers understand the complexity of working in a political environment.

Comparing the two research reports reveals councils becoming more honest with their Challenge Team, moving away from playing the inspection game, putting on a good show for the peers and covering up failure. Councils are also becoming more inclusive; although many initially requested member peers from the same party as that running their council, this changed to choosing peers from opposition parties to increase the credibility of the reports (Downe and Martin, 2012; Downe *et al*, 2014).

Unlike certain aspects of the modernisation initiatives discussed in this thesis, CPC appears to be making positive use of the characteristics included in my analytical framework. Much of this appears to have its roots in the CPC's emphasis on future improvement, rather than past performance (Downe *et al*, 2014).

There is, though, still more to do in this area, as Downe *et al* (2014) also reveal a minority of officers suggesting that the results of CPCs be scored to enable better comparison, and that sanctions be applied to those councils not acting on CPC findings. This is despite the negative comments of those interviewed for my research

on the effects of such exercises and suggests the institutionalisation of previous approaches. Because of the nature of CPC, it focuses on matters internal to councils and does not always include external partners and stakeholders. Additionally, councils are reported to find difficulty in linking CPC to other elements of the LGA's improvement programme, do not always use CPC findings to drive their improvement agenda, and require more assistance from the LGA in highlighting examples of good practice elsewhere.

These negative aspects have also been discussed within this thesis and their persistence shows that, while the CPC has achieved much, it too has not fully embedded the organisational learning ideal within local government. This, though, may be due to that fact that, like the LGMA, it does not have this as an explicit goal.

The conclusions set out above give support to and are supported by the research of others. In a number of cases I have built on previous studies to take their conclusions further, thereby making a contribution to the sum of knowledge of the subjects discussed. Below, I detail the contributions made to the methodology of the research process.

9.1.5 Contributions Concerning Methodology

This thesis contributes to knowledge through its application of a synthesis of three connected literatures contained within distinct discourses. This synthesis brings to organisational learning an appreciation of the worlds of politics and political science, while bringing to policy transfer an appreciation of the emotional elements of the agents involved. Linking both organisational learning and policy transfer to the subject of change management adds a further dimension to the cross-fertilisation of ideas and theorisations that strengthens all three.

In developing my synthesised framework through a detailed examination of the existing literature, I have included what I consider to be the major factors affecting the transfer of knowledge and the learning process. Other factors have been touched upon within the literature reviews, but have not been explicitly included. The reason for this is to avoid creating an unwieldy framework that loses its usefulness. The relevance of additional factors could usefully form the basis for further research.

A Missing Element

One element central to my analytical framework is that of the nature of knowledge. That this has not featured significantly in this thesis leads me to draw three conclusions. Firstly, this absence has been noted due to the application of my framework, so providing evidence of that framework's utility and prompting further reflection on this absence. I contend that there are two reasons why the nature of knowledge was not a matter on which the interviewees commented: that it was not a concept with which they were familiar; and that it is not a matter that plays a significant role in the consideration of learning to learn.

That the interview transcripts contain no reference to 'the nature of knowledge', or any similar term, supports the first of these contentions. Expanding on the second point, this thesis does not focus on specific instances of learning, and it is in such instances that the nature of knowledge is more likely to exert an influence.

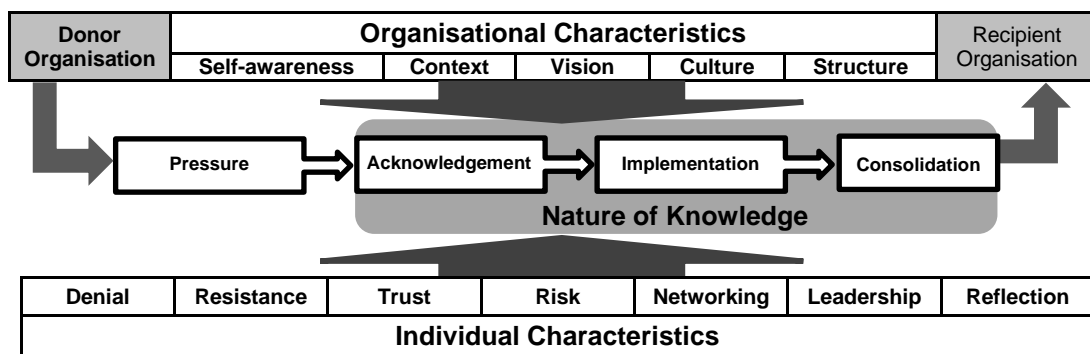
An Amended Framework

Having utilised the analytical framework, and considered the points immediately above, I now suggest some minor changes to it. Firstly, my analysis reveals that the nature of knowledge has a negligible effect at the pressure to learn stage. When considering instances of learning, though, others (Nonaka, 1994; Szulanski, 1996; Crossan *et al*, 1999; Becerra *et al*, 2008; Easterby-Smith *et al*, 2008a) suggest that it is of major importance. I therefore move the diagrammatic representation of this matter to lie behind the acknowledgement, implementation and consolidation phases of my framework.

Similarly, and in a way that echoes Evans' (2009b) contention that different obstacles to policy transfer present themselves at different phases of the process, my analysis suggests that the individual and organisational characteristics play more significant roles at different processual stages. I therefore alter the order in which they are represented to reflect this. However, I do not wish to over-stress this change; that denial, for example, is likely to manifest itself early in the change and learning process should not be taken as suggesting it cannot do so again at a later stage.

Making these changes leads to a framework illustrated at Figure 9.1.

Figure 9.1 An Amended Analytical Framework



As has been seen by its application in the preceding chapters, this framework is more sophisticated and useful than that with which I embarked on this research (Figure 1.1).

Leadership and Elite Interviewing

This thesis contributes towards viewing individual leaders as being important; a view that, as I noted in §4.3, was regaining support following a period of neglect (Peterson *et al*, 2003). Not that this was an aim of this research project, as all I set out to do was to show that interviewing local authority Chief Executives was a legitimate course to pursue in this particular instance. In that respect I believe the results obtained by this research project vindicate my position. By interviewing Chief Executives, and a relatively small number of them, I have obtained data that, through analysis, both supports and is supported by previous research findings. More importantly, the data obtained have allowed me to build on previous research and add to the body of knowledge on the subjects under consideration.

This research project has also contributed to the confirmation of elite interviewing as a valid and valuable research tool – at least in some circumstances. As my data show, when the aim is to explore the views of an elite, asking them for these views is the simplest course to follow, and is an effective one. That interviewees rarely follow scripts as closely as do interviewers is not a weakness but, if the aim is to get ‘under the skin’ of the interviewee, a considerable strength. By straying into areas that may not have been central to the questions asked, they show what is really on their mind, and how they are using their day-to-day experiences to shape their world and their actions. For example, during the research interviews described here I did not ask specifically about the state of central-local relations, yet

the answers provided supply useful illumination; I did not ask about Chief Executive pay, yet it was an issue that was clearly uppermost in the mind of one interviewee, and contributed to his view of central-local relations and the effects of the media in shaping the public view of his organisation. Additionally, the interviewees did not need to be avowed historical institutionalists to relate their experiences of Best Value to the wider context of performance management and CCT.

Although many studies have examined the connections between chief executives and learning and change (for example: Haleblan and Finkelstein, 1993; Argyris, 1999; Kotter, 2001; Johnson, 2002; Gill, 2003; Peterson *et al*, 2003; Senge, 2006; Pérez-Nortvedt *et al*, 2008; Becerra *et al*, 2008; Huang and Hsu, 2011), these relate to the private sector. Others have examined the role of chief executives in local government (Audit Commission, 1989; Dargie, 1998; Dargie, 2000; Broussine, 2000; Joyce, 2004; SOLACE *et al*, 2013) and related these to modernisation (Dereli, 2003; Harbour and Wilson, 2003; Stewart, 2003; Leach and Lowndes, 2007; Orr, 2014) and change (Asquith, 1997; SOLACE, 2012; SOLACE *et al*, 2013) but not always to organisational learning or policy transfer. This thesis, then, contributes to knowledge by linking well-researched areas by way of an under-researched one.

This thesis has shown support for many of the conclusions drawn by other studies into organisational learning. Even though those studies relate mainly to the private sector I have shown that those conclusions apply equally to the public sector. Additionally, this thesis has shown that policy transfer, despite much of its literature being international in focus, can usefully be applied to the study of local government within a single country.

9.2 Implications for Practice

The results of this research project have a number of implications for local government, central government and, perhaps, other public sector organisations. I start, though, with those particularly relevant to local government.

My first contention is that local government would be well served by the existence of a deeper understanding of organisational learning. In making this point I fully accept that I have a particular interest in the subject, and that, as one of the

interviewees stated, interest in organisational learning has declined somewhat in more recent years. The situation described by another interviewee, that:

at the moment, local government can't do anything apart from worry about its budgets.

(S:43)

is, though, one that I accept as being widely shared, but do not accept as being satisfactory. Rather, I tend to the view that the concept of organisational learning – though I am not unduly attached to the name – is one that always should have been, and always should be, of central concern to the public sector. This is perhaps particularly true in times of austerity, as local government seeks to define the meaning of 'best practice' in terms of effectiveness and efficiency and share it among its constituent bodies, though adapting and contextualising it, better to suit local circumstances.

In making this suggestion, however, I need to have regard to my epistemological position; that there are no objectively true definitions of best practice. What I am calling for, then, is an informed debate in which those involved in local government and its study can contribute to the construction of shared understandings of the issues, and ones firmly rooted in the context of local government.

My second contention, as I explored above, is that the public would be better served if central-local relations were built more on trust. The reputations of neither local nor central government emerge from my research entirely untarnished. The former can be seen as recalcitrant and insolent; the latter as overbearing and controlling. Neither of these pictures is entirely true, but nor are they entirely false. A relationship based on trust would enable these views to be shared and discussed and, as a result, behaviours to change. Trust, though, would have to go both ways, be 'real' and be accepted as such. In the language used earlier in this thesis, the espoused theory would have to match the theory-in-use. Though this suggestion has its roots in this particular research, its effects, I feel, would extend far beyond organisational learning. I am, though, under no illusions as to the difficulties involved in bringing about either of the hoped for situations outlined above.

Dissemination

If it is the case that interest in organisational learning is cyclical (Interviewees P1 and S), or that, in name at least, it reached a peak some years ago (Interviewee

B), then this thesis acquires two further functions: firstly to assist this cycle to come round again; and secondly to provide assistance to local government to take better advantage of the opportunities available should this occur.

To achieve either of these ends, the contents of this thesis need to be disseminated widely. In discussing this subject, though, I am mindful of the findings of my research. Firstly, this thesis, and any articles that may flow from it can be viewed as boundary objects (Wenger, 1998). Warnings concerning loss of context, and that such objects can disconnect as much as they connect, have, then, to be borne in mind. The intended audience is therefore something to be considered carefully.

The production of articles for publication in academic journals is a usual and expected outcome of research and has already been discussed, if in general terms, with my supervisory team. Such publications would be most effective in reaching an academic audience, though my research revealed that these are also read by council officers. While Interviewee R commented very favourably on the assistance provided by academics in enabling a diverse group of people to gain insights into organisational learning, such intensive involvement – which I view as brokering (Wenger, 1998) – is unlikely to be widely available.

Although concerning council officers' uses of sources of information relating specifically to regeneration, Wolman and Page (2002) report similar findings to my own. More precisely, they ranked academic journals eighth out of 10 for frequency of use, and ninth for usefulness. To reach the practitioner audience, then, I need to take into account of this, and that a significant number of interviewees told me that they obtain information from the 'trade press', or from organisations such as the LGA, and use these media appropriately.

Information, then, needs to be presented in ways that suit the intended audience, and without creating resistance. If an organisational learning approach to improvement is to be embedded within local government, an acknowledgement of the need has to be established, and information presented to Chief Executives (and others) in ways that they will accept. I do not want to teach organisational learning to those in local government, but do want them to learn about it. In Chapter Two, I noted Tobbell and O'Donnell's (2013) contention that teaching is more than instruction, and that Brown and Duguid (1991) and Pedler *et al* (1991) suggest that teaching is to be avoided. In §5.2.2 I noted, but did not comment on, Interviewee J's disparaging reference to preaching through the Beacon Council Scheme. Bearing all

of this in mind, my intention, then, is not to trigger defensive routines by preaching, but to assist the organisational learning approach to become accepted and consolidated within local government; to illuminate the concept of learning to learn so that learning is undertaken routinely, without planning. In essence, I agree with those authors cited by Rashman *et al* (2009, p.27) who call for the “demystification” of organisational learning and wish to address the points raised by Huber (1991), cited in §2.1.1, concerning the failure of others to synthesise approaches to organisational learning and present this work in ways that give it administrative value.

9.3 Meeting My Research Aims

As my research aims contains words such as ‘explore’, ‘review’, and ‘examine’, then those aims have clearly been met. The more probing questions to ask, then, are to what extent my aims have been achieved and what contribution this thesis makes to the knowledge of the areas it has examined.

The second of these questions has been answered in the preceding pages, and my answer to the first of these questions is, as it probably always is in circumstances such as these, partially, even though this research has been conducted with its aims held very firmly in mind. The subjects of local government, modernisation and organisational learning are vast and the intention of this research project has always been to focus on the area where they meet. Even so, any single piece of research can only illuminate a small area, and provide only a partial view of that.

During the course of this research, various avenues of enquiry presented themselves and consideration of them, even if they were not followed, has contributed to my understanding of the issues that are discussed here.

Were I to begin this study again, knowing what I now know, I may well conduct the research differently. However, any differences would be nuanced rather than profound, and would reflect my development as a researcher. In terms of obtaining the primary data considered within this thesis, I would ask much the same questions of much the same people. Those questions, though, may be more finely honed and incisive, and asked in a more skilful manner.

This, though, will not happen, and I present this thesis as a significant and original piece of work that contributes to the sum of knowledge of the issues it discusses, even though it provides, and can only ever provide, partial enlightenment.

9.4 Suggestions for Further Research

I have, at various points throughout this thesis, pointed out areas where further research would be needed to explore more fully the issues being discussed. Here, I set out those where I feel most benefit would be gained by the undertaking of such research.

My first suggestion is that further work should be undertaken on the synthesis of approaches to change and learning. I began this process in Chapter Two of this thesis, and considered organisational learning, policy transfer and change management. There may well be other approaches, from other academic disciplines, that could usefully be included in any further work. Indeed, I considered, but dismissed, including the policy implementation literature in my work.

However, my suggestion is not just that more areas, or more literature, be included in any future work, but that more people take part in the process. The sharing of views held by acknowledged experts in their fields, and of the insights provided by the proficient use of varied approaches would, I feel, pay dividends. Similarly, more extensive use of the framework I set out at Figure 9.1 would lead to its development as a useful tool, or perhaps to its abandonment.

I make this suggestion in the context of local government and leave it to others to argue for its relevance to other scenarios. My concern is to improve the combination of the three approaches I examined, thereby making them more relevant, and accessible, to those working in local government. This suggestion has clear links with the first of my implications for practice, above, but it may be that the research I propose here would be a necessary precursor of that more practice-oriented work.

Another suggested area for further research is that concerning the changing attitude towards risk being exhibited within local authorities. This research has shown that a change towards a more negotiated view of risk management took place at same time as modernisation, but could not establish a causal link between the two.

Perhaps more importantly, I have no data with which to assess whether this trend has continued or has been reversed. Further research could examine both these points.

The organisational learning literature in particular highlights the detrimental effects of hierarchical structures on organisational learning and this research lends support to that view. As such structures appear to be a permanent feature of local government, research into the permeability of hierarchies – to both people and ideas – may also prove interesting and of practical application. Easterby-Smith *et al* (2008a) make the same point, and Easterby-Smith *et al* (2008a; 2008b) make a similar point with regard to boundaries and it may be that this is another way of looking at the same subject, or at least that the two suggestions are linked.

This research project has intentionally concentrated on strategic level learning. An examination of specific, service level instances of learning may, though, shed light – albeit a different light – on organisational learning within local authorities.

Finally, I make a suggestion that comes not from any specific part of this research, but rather has its roots in the contention that local authority Chief Executives play important roles within their councils (§4.3). Of interest to me, then, are the effects on local authorities of sharing Chief Executives. It is also a matter of concern, rather than simply of interest, that several councils have deleted the post of Chief Executive from their establishments. Instances of sharing or removing Chief Executives are still relatively rare; this, though, gives an opportunity to examine in some detail the reasoning behind, and the effects of, the decisions taken.

I accept that much more work would need to be done to mould any or all of these suggestions into acceptable research proposals. Here, then, I merely put them forward for further consideration.

A Final Word

This concludes my research project. More than that, it brings to an end a period that has been variously, and in equal measure, stimulating and frustrating, exhilarating and depressing. It has enabled me to discuss issues of mutual concern with a set of remarkable people at the top of their profession. It is with some regret,

then, that I note the departure from local government of a number of those interviewed. It was also a process that allowed me to engage – if at a distance – with authors who have much of interest to say about their areas of expertise.

If this thesis assists, or leads to others giving assistance, to those working in local government, then it will have been worthwhile.

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**STRATEGIC LEARNING IN ENGLISH
LOCAL AUTHORITIES:
THE INFLUENCE OF LABOUR'S
MODERNISATION AGENDA 1997–2010**

GRAHAM JOHN WILLIAMS

A Thesis Submitted in Partial Fulfilment of
the Requirements for the Degree of
Doctor of Philosophy

The University of Huddersfield

December 2014

Volume II of II

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THE UNIVERSITY OF HUDDERSFIELD
School of Human and Health Sciences – School Research Ethics Panel

OUTLINE OF PROPOSAL

Please complete and return via email to:

Kirsty Thomson SREP Administrator: hhs_srep@hud.ac.uk

Name of applicant: Graham John Williams

Title of study: Organisational Learning in English Local Authorities: The effects of the Modernisation Agenda.

Department: Criminology, Criminal Justice, Politics & Sociology

Date sent: June 2009

Issue	Please provide sufficient detail for SREP to assess strategies used to address ethical issues in the research proposal
Researcher(s) details	Graham Williams is a part-time PhD student. He is employed by Calderdale Metropolitan Borough Council
Supervisor details	Dr John Craig: Head of Division - Criminal and Community Justice, School of Human and Health Sciences, University of Huddersfield. Dr Jane Tobbell : Senior Lecturer in Psychology, School of Human and Health Sciences, University of Huddersfield.
Aim / objectives	<ul style="list-style-type: none"> a) Explore the extent to which the Local Government Modernisation Agenda has driven the increased interest in local authorities as learning organisations; b) Explore the extent to which the general thrust of, <i>and</i> specific policies promoted under, the modernisation agenda have affected the ability of local authorities to learn; and c) Make recommendations on improving the learning capacity of local authorities, based on the above analysis.
Brief overview of research methodology	<p>Much of the study will take the form of desk-based literature reviews and analysis. The literatures of public sector reform, policy transfer and organisational learning will be examined. The sources of all three areas will therefore be Government, local government and academic publications in the public domain.</p> <p>It is proposed that the research should also include elite interviews with senior officers in a number of local authorities. These will provide information on the implementation of modernisation policies and organisation learning theories from the perspective of a practitioner. Similar elite interviews with staff in organisations established to support local government might also be carried out.</p>
Permissions for study	A standard letter requesting an interview is attached. This contains a sentence specifically asking whether any further permissions are required.
Access to participants	Prospective participants will be approached directly.
Confidentiality	Confidentiality will be discussed with all interviewees at the outset of their interview. No personal information will be collected as part of this research.
Anonymity	Comments will be anonymised unless the research would benefit greatly from attribution. In this unlikely case, written permission will be obtained before attributing any comment to any identifiable individual.
Psychological support for participants	The research will not focus on any issues that are likely to require psychological support to be provided.
Researcher safety / support (attach complete University Risk Analysis and Management form)	Most of the work will be desk-based at the researcher's home or place of work. Travel to and from interviews will be undertaken on a number of occasions and due care will be taken at these times. The supervision team will be aware of the arrangements made by the researcher.
Identify any potential conflicts of interest	No conflicts of interest are anticipated.
Please supply copies of all relevant supporting documentation electronically. If this is not available electronically, please provide explanation and supply hard copy	
Information sheet	Please see attached draft.

Consent form	A consent form based on the model provided by the University will be used is attached. Adaptations include deletion of the references to pseudonyms as this is not relevant and information being stored by the University of Huddersfield. As the researcher is a part-time student, this is not practical.
Letters	Please see attached draft.
Questionnaire	Questionnaires will not be used as part of this research project.
Interview schedule	Interviews will be held early in 2010 and general areas to be covered are attached.
Dissemination of results	The results of the research will form part of the thesis submitted for the awarding of a PhD and therefore placed in the public domain in the standard manner. Specific parts of the thesis may be submitted for publication in the relevant journals and/or form the basis of presentations at relevant conferences.
Other issues	
Where application is to be made to NHS Research Ethics Committee	Not applicable
All documentation has been read by supervisor (where applicable)	I confirm that Dr John Craig has read all the documentation relating to this proposal.

All documentation must be submitted to the SREP administrator. All proposals will be reviewed by two members of SREP. If it is considered necessary to discuss the proposal with the full SREP, the applicant (and their supervisor if the applicant is a student) will be invited to attend the next SREP meeting.

If you have any queries relating to the completion of this form or any other queries relating to SREP's consideration of this proposal, please do not hesitate to contact either of the co-chairs of SREP: Professor Eric Blyth e.d.blyth@hud.ac.uk; ☎ [47] 2457 or Professor Nigel King n.king@hud.ac.uk ; ☎ [47] 2812

RESEARCH INFORMATION SHEET

Project title: Organisational Learning in English Local Authorities: The effects of the Modernisation Agenda

Aims of the research:

1. To explore the extent to which the Local Government Modernisation Agenda has driven the increased interest in local authorities as learning organisations;
2. To explore the extent to which the general thrust *and* specific policies of the modernisation agenda have affected the ability of local authorities to learn; and
3. To make recommendations on improving the learning capacity of local authorities, based on the above analysis.

The purpose of the interviews:

The interviews will explore your experience of the Local Government Modernisation Agenda with regard to organisational learning.

Interview questions will fall into four sections:

- a) Establishing your position now and pre-local government modernisation
- b) Exploring your knowledge of organisational learning
- c) Exploring your opinions on the learning implications of specific local government modernisation policies
- d) Exploring whether the characteristics necessary for organisational learning to take place are present in your local authority

All interviews will be recorded, transcribed and sent to you for confirmation. All interviewees will remain anonymous unless there is some over-riding reason why your name/position should be mentioned. If it is felt that the research would benefit from including this information, your prior written consent will be obtained. Documentary evidence in support of your answers obtained will also be sought.

A key element of the research will be to examine the modernisation initiatives for the characteristics needed for organisational learning to take place effectively. Your interview would therefore form part of the process of populating the following grid:

		Modernisation Initiatives		
		Initiative 1	Initiative 2	Initiative 3
Key Organisational Learning characteristics	Characteristic 1			
	Characteristic 2			
	Characteristic 3			
	Characteristic 4			

The research will also explore to what extent the organisational characteristics necessary for effective learning to take place are present in your authority.

What will happen to the research?

The results of the research, including my analysis of any interviews, will form part of my Ph. D. thesis. Your individual interview transcripts will not form part of the final submission. The target date for completion of this thesis is late 2012. Should I be successful in obtaining a Ph.D., my thesis will be placed in the public domain, though it is likely that it will be accessed by a relatively small number of researchers and practitioners in the fields of local government and organisational learning. A shorter version of the thesis may be submitted for publication in a relevant academic journal or form the basis of a presentation at a relevant conference.

COVERING LETTER

Dear X,

I am writing to ask if you would take part in research I am conducting into local government modernisation and organisational learning.

This research is being undertaken in pursuit of the award of a Ph.D. from the University of Huddersfield and it is my hope that the results will prove to be of practical use to local government in general.

I would therefore very much appreciate it if you could spare around an hour of your time to take part in an interview to enable me to obtain your views and experiences in this area. If you would like to take part, please contact me so that I can make the necessary arrangements to visit you.

If any further permission is needed either to undertake such an interview with you, or to enter your place of work, I would be grateful if you could let me know as soon as possible, so that any such permission can be sought.

An explanatory note giving more details about the research and the procedures I intend to adopt is attached. You will see that this sets out my approach to the ethical issues of confidentiality and anonymity. If you would like to discuss any issues regarding any aspect of the research before deciding whether you would agree to be interviewed, please get in touch and I will be pleased to answer any questions.

If, for any reason, you feel that you cannot take part in this research I would be grateful to receive any suggestions of other senior council officers – either within your authority or in another – who you think it would be useful for me to interview.

Thank you very much for your time, and I look forward to hearing from you in the near future.

Yours,

Graham Williams

Anonymised transcripts of interviews with Interviewees A to S

INTERVIEWEE A

Date: 27 January 2010

Setting the scene

5 **Q1 When did you enter local government?**

I was recruited by [another] Council in November 1999.

10 **Q2 What position did you occupy in May 1997?**

I was working within the Commercial sector – working in marketing and communications, advertising.

Organisational learning

15 **Q3 Have you heard of the terms “organisational learning” or “the learning organisation”?**

I have.

20 **a) Do you think interest in organisational learning within local government has grown in recent years?**

Yes, I would say there is evidence of that. Though I think to a degree it is still more of a concept than an embedded reality. But I think there are also some examples of where you can talk about exchange of information, people talk about sharing of good practice both across organisations but also within organisations to help areas that are perhaps underdeveloped. I think there are some great examples across local government now that would not have been the case ten years ago.

25 **b) Why do you think this is the case?**

I think there are a couple of things driving that: One, the senior managerial perspective – the change in emphasis in the performance management regimes. So, for example, the moment that the CPA started to add increased democratic and senior management accountability for improvement and change. I think the other thing is because of what it is in itself – that if you look at local authorities there have been significant changes. So, for example, demands particularly from the elderly population, the requirements for looking after vulnerable people, you look at demands for day care and the expansion of local authority roles and responsibilities under the power and duty of well being have all meant that what we used to do before as standard core practice has needed to evolve and a part of that has been learning new ways of doing things.

30 **Q4 Do you feel that you have a good understanding of organisational learning theories?**

35 I would say a reasonable understanding – and I use the word ‘reasonable’ because it is constantly evolving in my view. There was a time in terms of organisational learning where there was quite a grip around external people coming in and driving or being the catalyst for that and then leaving without the culture of organisational learning being left – but that was previously accepted as there was some improvement moving forward. I think it has evolved now into really trying to make organisational learning an organic thing that sits within an organisation and is a part of its culture. However, there will inevitably be varying degrees of success in an organisation like a council that in some cases provides 800 different kinds of service across a diverse customer base. In some respects you could argue that a council is more of a mini conglomerate model than a single organisation – so it can be complex to get that overall approach to the learning organisation embedded.

40 **a) What do these terms mean to you?**

45 Organisational learning to me would be – lets take some real life examples. We have just been through quite a significant process of re-evaluating how we went through the waste collection procurement. We might have started the process more trying to understand how we managed our relationship with a social enterprise but we ended up with a process that really put question marks about how we had actually gone through the procurement. The really positive thing about that is that it helped to provide some lessons we have been able to apply in other parts of the business going forward. That to me is a trait of a learning organisation and we have seen behavioural change such as 150 members of staff, including myself, have, as a result of the contract procurement review, now been through additional learning and training around contract management. Now you could argue that would have happened anyway – but it might not, but as a result of doing that piece of work on waste procurement it has happened.

50 **b) What has been your major source of information on organisational learning?**

55 Probably three areas: one is practitioner experience, two, through mentoring and coaching – understanding how people within a successful organisation create a learning culture within the organisation and then through the academic route.

60 **Q5 Do you want your council to be a “learning organisation”**

It is moving towards this but I think we can get much better

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Q6 Do you think you are one?

To some extent – but would I say we were the finished article? No. I don't think you ever get to become a finished article in a learning organisation. But if there was a point where you can say here is a prime example of a learning organisation, we aren't there yet.

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a) What has been put in place to make it so?

There's a few things really: if we take, for example, the stuff we have done with our political leadership – it has just been confirmed only last week that the group leaders will continue their mentoring through the IDeA That's not something that has happened previously and the benefits of that enable each leader to get another, non-[council name] view about what works and what doesn't work. I am absolutely convinced that that view brought back into the organisation is and will continue to help the political leadership of this organisation to formulate their own views of what is best for [this council], so that would be one example. Another example would be the activity we have done around future leaders programme where what we have tried to do is develop a group of staff on a non-hierarchical basis by providing them with the leadership/learning tools that would help not just with themselves personally, but the people they come into contact with. And that's not just the people they manage, but their peers and the people they report to. So those are just a couple of examples. And as I said earlier, the practical example was the real life learning situation where we could have engulfed ourselves with the waste contract – apportioning blame, finger pointing. To a degree that has happened, but actually have also taken a sensible approach to try to learn from the experience.

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b) What have been the major problems in becoming one?

A few things really. I think, if I use [this council] as an example, [this council] has, had a long standing culture which has been very much focused on itself – and when I say [place name] I mean the council and I mean focusing on *itself* and what goes on within the council – to the extent that I have wondered, looking back from where we are today, what consideration has been given to the community, over how we do things in here. So there is a question about culture that can be a barrier to organisational learning. And in [this council]'s case then if you are in the situation where you have tended to be introspective and you are constantly looking at what *you* do and not asking yourself the question 'what might we learn from others?' – whether that is from other parts of the council, or whether that's from people outside the council in the locality, or people outside the council across the country – if you're not asking yourself those questions on a regular basis and feeding the answers back into the organisation, then you can get into the situation where you think you are doing really, really well against yourself, but when you get shown the reality of how you are comparing against other local authority areas – for example you suddenly realise you are off the pace with examples such as customer satisfaction, household recycling rates – you find you have had a false view of your progress.

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Council Structures and Culture

Q7 Does your council have a clear idea of what it wants to be in, say, ten years' time?

I think it definitely has a clearer idea about what it wants to achieve on behalf of local people in a shorter time-scale than ten years. Whether we could claim to have a clear, consensus view both politically and managerially about a ten year view then we would look to the sustainable community strategy as evidence. However, the degree to which the SCS is embedded still requires further work across both Members, Officers and Partners but this is not unique to [this place] given the complexity of the issues that we face.

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Q8 Do you/your senior management team/senior members put aside enough time to reflect on what you are doing (rather than the details of how you are doing it)?

Managerially, yes. Across political and managerial – no we need to put more time aside and have plans to do so.

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a) For the part where the answer was yes – how have you managed to achieve this?

Because we have made a commitment to it. Over the last two years we have made quite a serious commitment to really look at how we work, talk about the culture we want to try and create, to look at elements like the learning organisation and how we might effect that, make that happen. So we put time aside. Just yesterday we had five hours with the extended management team – which is effectively the Senior Management Team plus heads of service – thinking about where we think Members are, the future vision, working on the next iteration of Vision into Reality in recognition that there are a number of things that have been progressed. We will continue to put more time aside and as a management team we will have at least four away days and combined with the extended management team, we will have a further four away days giving eight in total of real quality time throughout the duration of this year.

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b) For the part where the answer was no – what do you need to do to achieve it?

I think there is an evolving elected members' role – and them understanding what they could be. What do I mean by that? It was really interesting that one of our new directors pointed out something to me just other day in the Constitution, which I had not picked up on, that there is a line in the Constitution that the scrutiny panels – each of them – should meet at least 15 times a year. I don't know who prescribed that, who wrote that, but if you times that by five, that immediately commits elected members to 75 meetings a year. If you just assume that each of those meeting lasts a couple of hours you are almost committing to 20 or 30 working days just to meetings. If you contrast that with the authority the director came from their scrutiny committees meet no more than four times per year, but they have really high quality, high level things that they discuss. Now we, managerially, have to take responsibility for creating the environment where some members here think that that is the sort of thing they

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should be doing and investing their time in. And a part of me, talking about the idea of mentoring, is to create among the leadership examples of 'there are other ways'. So, until we bridge that gap, I think, in terms of where elected members really focus their time and energy it will be challenging, I think, to have a truly effective political and managerial interface. And there is also the issue of no overall control. For my part I think this is an issue which Officers in particular have overplayed in the past as at least half of the local authorities in local government are now under no overall control. In the successful ones of those you see an agreement cross-party on how they will work on the probably 85-90% of issues they agree on. The political debate is targeted around the 10-15% they disagree on. When significant issues do go wrong in NOC authorities you tend to find the greater good taking prominence. I think we have got some development in that area. So I think there are some challenges one that requires a managerial shift and the other that looks to reframe the adversarial mode of politics to a more collaborative kind of working.

Q9 What would you say were the top three ways in which you and your staff receive information on new ways of delivering services?

Research that we do ourselves.

The other would probably be from best practice communications – for example the 'trade press' – the Municipal Journals of this world, places like APSE and the I&DeA which both have knowledge databases.

Then there is also the collaborative work we do with partnership working. So an example of that would be some of the work we have done to create an Innovation Cluster across the public sector in [this place] which is about harmonising the way that we approach improvement across [named place].

Q10 What is your council's attitude towards risk-taking?

I think the council's attitude to risk taking is 1) still evolving around understanding that it is one thing having a risk register and identifying all your risks, but then...doing something about it to mitigate risk and manage risk. So that's an evolving picture. Again from some of the learning we've had on some of the things that haven't worked well, we've been able to move on some of that. The other thing which I would see as an opportunity is to look at what I would call the other side of risk - which is called 'opportunity'. You know, you could say we have an approach to risk management or we have an approach to opportunities management. I would say if you inspect us, we culturally have too much of an emphasis towards risk management as opposed to opportunities management.

Q11 Do you encourage staff to experiment with new ways of working/delivering services?

Yes, and from my 360 appraisal and the staff survey – one of the areas that comes out strongly is that staff feel empowered. So, you know, through initiatives like 'grasp the nettle', 'smarter working' I think they are practical examples of where we've really tried to encourage staff to innovate.. I think that's not only encouraged, but whether it's through the Institute of Customer Service or the Future Leaders programme, whether it's [Name] One, I think there is evidence of the organisation actively supporting that development. It's OK saying to somebody "I want you to think innovatively", "I want you to promote a learning culture", but if they have never done that then they need the tools to be able to do so.

a) How are the results fed back into the council system for analysis?

What I would say is that we probably don't have what I would call a central hub... of how that can be held. There is one evolving though, so the work we have been doing using lean methodology around business process and the way we work, we've now got an information/learning hub evolving...clearly one of the messages we've got out there at this moment in time is the need to do more for less. Of course, quite naturally people say "Okay, I can buy into that, but I need examples of how it happens". So if you look at the last issue of 'Your Call', which is the internal staff magazine I think there were two or three examples within that of how service areas have moved from one position of providing services in a certain way to another position of providing services where you could evidence that the customer was getting a better service but actually they had managed to do it with less resource. So through the natural communication methods we have, like Your Call and e-Call there are examples. We could probably do with, and there are examples of it on the intranet, but we need a focus point where you can say "but I want to know how I might tackle this problem". I think it would be good if people could source something electronically which we are on with as a piece of work.

Q12 When was the last time your internal organisational boundaries were changed? What prompted that change?

The start of what I would call the organisational review started probably in about September 2008.when the dialogue started to take place with elected members. That was following almost a decade without any significant review of this kind. One of the key drivers on that – one of them was the change in managerial leadership - one Chief Exec to me, but also a very clear view in my mind that we had a group of people who had been able to get the council to the point it was at, but there was a real question mark as to whether that point was good enough and whether we had the skills, to be where we needed to be and testing that out with elected members, starting to understand what we wanted to achieve through things like Vision into Reality and having more focus. I think that the judgement – not only my judgement, but that of elected members and also of the staff affected – was that there was a need to move from where we were and there needed to be perhaps a greater blend of people who were less experienced in the existing culture of [this council], but perhaps people who had new thought processes and new ways of thinking.

That came into being officially as of October [2009] but its quite interesting because, you know, setting the new tone of where we want to be as an organisation had the effect of some other people who may not have been directly affected by that process think "is this the place I want to work at any more?" – which I think has helped

them, but I think has also helped the organisation as well. I'll just give a microcosm example of the benefits when you get new people looking at key issues: we've had a tradition which I believe must date back ten or 15 years or more where, in the budget process, the Trades Unions get to meet with each of the senior management teams to scrutinise them in terms of what might the budget mean in terms of industrial relations or employee issues. And that's been going on for a long time. We've got one or two new Directors now who've just said "why do we do it this way? Why don't the Trades Unions just meet *all* the senior management team in one go?" And you sit and think about that, and it's obvious. There's lots of benefits in doing things that way, for one, they get a corporate view and, from management's point of view, we all can ensure that we have a consistent theme. That is the beauty of somebody looking at the same issue through a different set of eyes or bringing a different experience and that's what this authority had been missing. It's a long answer, this, but I think it gets to the core of this organisation and where we need to eventually move to in its entirety. Going back to introspection – introspection from members, introspection from management – [place name] has been an introspective place. If you look at things like waste recycling, if you look at the last 5-6 years of household recycling and you compare how we have been doing against ourselves in year 1, you would see growth - it's got to a point of 25% household recycling – you would see a line of improvement. But the moment you move from the absolute to the relative, and you do the comparison of how we sit in with our statistical neighbours, all of a sudden you see we are one of the worst performers in the country. I would say the cultural shift that we are going through right now, and we are in the absolutely in the middle of, is getting to where we start to understand that how we progress isn't solely measured against what we do but how we progress is measured against what others do. We will only get to be the best not just by meeting our own expectations but by applying a mentality which sets out to ensure that the negative aspects of a postcode lottery doesn't exist in [place name] versus elsewhere.

Q13 Do you use secondments (or similar) to share knowledge/expertise within the council or with other organisations?

Yes, as part of the LSP we've got people who are seconded in and there are several examples of that throughout the organisation where secondments have taken place and are taking place. And there will be more to come.

Q14 Can you give an example of a change you have tried to implement but failed?

Yeah, I wouldn't use the word 'failed' – that means it's dead and gone and you can never go back – getting elected members..., trying to influence them to think about what I call the 90% rule – the 90% that we agree on and the 10% we disagree on, and how we will work on that 90% is still a work in progress for me. But I accept that, culturally, people have been behaving and acting and thinking in certain ways for almost 30 years but, you know, in the space of a year or a couple of years I am not necessarily going to make a total change in that.

Specific Modernisation Initiatives

The Beacon Council scheme:

Q15 What involvement have you had with the Beacon Council Scheme?

Across the three local authorities that I have worked for we have been a 'Beacon Council' for various aspects of work. We have also applied for but been unsuccessful in gaining beacon status and we have also applied for beacon status for collaborative working and partnership initiatives.

Q16 What did involvement in the scheme teach you about your home organisation?

I think one of the things it does is confirm to you that the sort of stuff you are doing is innovative. And it can also help you understand at what point the innovation potentially becomes normal. So, you know, one of the key elements of a Beacon Council status is the requirement for dissemination, of sharing of best practice and what you can find is that, at the early part of that dissemination process there are a lot of people saying "how did you do that?" and "we're really interested in that". Towards the end of it, or a couple of years after it, you can find that what you are doing is very much the norm, which, if you understand that process, can then ask you the question "is norm okay now?" or do you need to start thinking about the innovative "where next?". The dissemination part of that is quite powerful.

Q17 What did you learn from other beacons? Were any changes in working practices adopted as a direct result of involvement in the beacon scheme?

Yes, if we look at benefits for example. I think Salford Council had beacon status around home working and stuff like that – around benefits collection. We have adopted some of that thought process here in terms of how we work.

Q18 Did you try to implement a change but fail, and if so what were the barriers to change?

I think there is work around equalities that I have seen in one or two beacon councils and particularly the point where equalities is really integrated into how we treat residents/customer, so it is not seen as something separate. I think again I would use the word 'work in progress' rather than 'not'. I think we are on the journey to understanding that the equality agenda in the very, very best Beacon Councils, is really about a customer service agenda. And we are still probably in the box of statutory requirement rather than understanding and applying the the power of it from a customer point of view.

So if you know that some councils are better at some things, what is it that stops you implementing those things here?

Again it's the culture, the context it sits within. So, if you use the word 'equality' and it immediately gets a reaction that's negative – let's use a really good example, the [local newspaper] ran a campaign, didn't they, to do with the bookmarks, and I know that a lot of elected members felt uncomfortable with that and it wasn't handled well, particularly managerially. We should have just said this is how much it has cost us, and not try to have a drip effect. But some councils would have just said to the [local newspaper] "we're doing it, it's absolutely right, and here are the benefits and if you want to write about it, that's up to you". Now they might have got a headline for a day, but it would have led to less protracted coverage. So there's a thing about culture and we have it in us, and if you don't believe we have it in us – if you think about... do you remember 'things do change'? You might not remember it but we got national coverage because there was a hypothesis in the media that what we were doing was almost in some way promoting or sensationalising terrorism to young people. The view the council took was that wasn't what it was about at all, but we were trying to inform people about the realities of the world we live in. And the council was quite clear about that and went from a position where the government had instructed us to take it down to the government requesting that it should be put back up. All right, some minor modifications, but nonetheless, because we stood firm and had a collective, cross-party, managerial feel around it we came out with a bit of pride about it. Things do change – sells like hot cakes now with people wanting to understand the best practice that we're doing and wanting to learn from it too. So the kind of 'what gets in the way?' is again, for me, about how we see ourselves and the confidence we have in ourselves and what we are prepared to do collaboratively and what we are prepared to do adversarially.

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Q19 Do you think the scheme was an effective way of spreading good practice?

I think it was a method where you get out of it what you put in. So if you were half-hearted in terms of beacon councils – either trying to get it or to try and learn from it – then don't be surprised if you don't get much out of it. But for those local authorities who really trawled it, understood it, tried to learn from what people were doing, had the ability not only to understand what people were doing but then to take it and embed it within their own organisations – I think they will have got quite significant value out of it.

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Best Value:

Q20 Did the Best Value framework bring out information about your organisation of which you were unaware?

Again, I would say it is the context and the culture of the organisation. There were some examples where the answer would probably be yes, it's a process that enabled us to take new learning and understand things perhaps in a way we had not seen. But it was also a process which became devalued because it became a kind of methodology to justify why things perhaps should stay the same. So again we've got a live example here, whereby ten or so years ago, if not longer, a decision was taken under a Best Value context to split – people working in waste collection or street cleansing – to split their salaries in order to make it look like they were competitive, both in a CCT context, but also in a Best Value context as well. Might have seemed a really sensible decision at the time, and it might have meant that the service wasn't considered for outsourcing or a different form of insourcing for example, but the long-term effects of it just are not positive. So I think the Best Value regime ... I would have question marks that it didn't become an industry in itself and the length of time that Best Value Reviews took.. you know, we can do a lean process review with some serious energy, and people locked in a room, in a week. The same thing done under a Best Value context would probably take a year.

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Q21 Was the information available from other authorities of use in making comparisons with your own authority?

Reasonably, but I wouldn't say I got too excited about it. Because, as I say, it became an industry in itself.

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Q22 Was the information available from other authorities of use to you in bringing about improvements in service delivery?

Less so.

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Q23 What were the main drawbacks to Best Value? (Not asked, as covered by previous answer)

Comprehensive Performance/Area Assessment:

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Q24 Which aspects (if any) of the CPA/CAA have helped your organisation to learn about itself?

The one thing about the CPA and the CAA is that it does generate a natural inquisitiveness to go and find out about the good practice that is happening elsewhere. Unless you are so completely and utterly in your own bubble that is. The CPA brought in a more resident-focused approach, particularly from the managerial leadership of a local authority and it brought with it much greater accountability. Because I don't think that performance management in terms of accountability and responsibility amongst senior people in local government was that prevalent pre-CPA. The problem with the CPA is that, because it was so prescribed, it got to a point where an authority could be good, not because it was actually good, but actually because it could meet the prescription. So [this council] was a four star authority yet at the same time had a direction of travel which was only adequate authority and this was based eight years of customer satisfaction in the worst quartile? Council Tax rates higher than most local authorities? Continuous issues with safeguarding, recycling rates amongst the bottom quartile and a number of high profile regeneration projects stalled for up 25 years (e.g., [identifiable schemes]). So, I think the CPA got to a point where people could play a so-called game and get an answer. What the CAA is attempting to do is much more outcome focused and less about process, which is a welcome change. More about outputs and

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outcomes rather than inputs, which you could say was a weakness of the CPA. However, before you can really get to a situation where you can make a judgement as to whether outcomes are being achieved, it really does require you to get to understand the local context. So, unlike the CPA, where you might have had a standard key line of enquiry, the CAA is intended to not go down that route and is saying "well, these are the priorities you set in your area – not our priorities, your priorities – we're testing how well you are doing against your priorities", which is conceptually a good thing to do. But the practice of it and the difficulty of it is, if you've got regulators and assessors who lack the necessary experience in mapping economics or understanding how local economies can work, you run into the problem of people who really aren't best placed making judgements on some pretty key things and that's the weakness of it. Now, in five or six years' time, if it doesn't get scrapped, then there might be the level of knowledge in the system, but it's not there yet.

Can I go back to that question? I was trying to get at whether the CPA/CAA taught you anything about your own council, rather than in comparison to others.

Well, yes, I come back to the point that, wherever you end up when you compare against others, inevitably starts you asking the question "well, where are we on this?" So the CPA scenario when I came here as Deputy, you know, we had an issue with how things evolved that we were clearly not aware of. We were clearly not aware of those issues of housing performance because we were doing the assessment of housing against ourselves and not against what was happening elsewhere. Because of my knowledge of how the CPA works, I encouraged colleagues in housing to say "how are we comparing?" and that brought us to understand that there was a whole series of things that we weren't doing as a council that other authorities were doing which enabled them to be in a different place in performance management terms and have greater impact on residents. So, in that sense, you know what I mean, it really did help people understand a little bit more about what was going on in their organisation. Pre-CPA I believe that for a number of Chief Executives the skill requirement would have been more focused on what I call the classic Town Clerk model, you know, what's going on in the Town Hall, what's going on in the provision of council services, than an agenda that finds us today having responsibility for place through the power and duty of well being of an area, and not just about council service provision

Q25 Which aspects (if any) of the CPA/CAA have helped your organisation to learn about what other councils are doing? You've already mentioned the fact that a league table makes you naturally inquisitive. Yes, as I say, the fact that it has accountability attached to it as well. It's not just the fact that you can see how you compare against other authorities, but if you take my previous authority the fact that an assessment had been made which was 'poor' presented a baseline and a fantastic lever for me, in terms of creating the improvement journey. You know, you look at that same organisation today and it's been in the top 20 public sector organisations to work for and in terms of the process that we have just been through in terms of the CAA, scored very, very strongly from a use of resources point of view. So would that have been possible without the CPA, my answer would be probably not.

Q26 Have you implemented examples of good practice from elsewhere that have been brought to your attention through the CPA/CAA? Again you have already touched on this. Yeah, lots I would say.

You mentioned housing. Yeah

Q27 Which aspects (if any) of the CPA/CAA have you found to be least useful? Not asked.

Other Local Government Modernisation Initiatives

Q28 Do you believe that any other initiatives introduced as part of Local Government Modernisation have helped local authorities to learn from each other? Or hindered learning taking place? The single biggest opportunity that has been missed, and this relates back to New Labour modernising local government white paper in 1998. In particular, the real focus around partnership working and the creation of local strategic partnerships evolved. If you read any of that text around the government White Paper it talks about the need for local authorities to move away from just being focused on purely council service areas and to focus on the place. It talks about greater collaboration and working with the public, private and voluntary sectors. I think that it is a real statement that, in the 2007 Local Government and Public Health Involvement Act we now have a duty to cooperate. I think that tells you that the intent was right, but the actual ability for local government to take that on and see the many benefits of it was mixed, hence the need to legislate. Now we find ourselves in a financial scenario which had we embraced the sort of ethos of what was being talked about in 1998 we might be perhaps in a more robust position, as a public sector, than we are now, with local government at the forefront and leading it. We're now having to do that at great speed as you can see for example with the integration with Health. You can see local authority partnerships, shared services, all now coming at real speed but you have to ask the question "where was the leadership and foresight to really make this happen when the times were better as it is always better to do collaborative type activities when it is not a crisis.

Thank you very much, that is the end of my questions.

INTERVIEWEE B

Date: 5 March 2010

Setting the scene

5 **Q1 When did you enter local government?**

I entered local government in 1974

10 **Q2 What position did you occupy in May 1997?**

In May 1997 I was Chief Education Officer – in [named council].

Organisational learning

15 **Q3 Have you heard of the terms “organisational learning” or “the learning organisation”?**

Yes.

20 **a) Do you think interest in organisational learning within local government has grown in recent years?**

Yes. Curiously I think the term has possibly passed its zenith. I don't hear it referred to quite as often as it was three or four years ago, but I think the concept and the approach is continuously strengthening actually.

25 **b) Why do you think this is the case?**

Because of the scale of change for the public sector, and that is important because a lot of it is about councils relating to other public sector agencies, third sector agencies. The need to constantly redevelop the act, if you like, of what we are doing and as you address the challenges of that it becomes more and more apparent that they are about organisational learning – organisational reflection on strengths, on organisational reflection on purposes and impacts and that strength is learning.

30 **Q4 Do you feel that you have a good understanding of organisational learning theories?**

Probably highly imperfect, but I think I have got a fairly strong sense of drive towards it and probably some conceptual understanding. But probably not particularly strong.

35 **a) What do these terms mean to you?**

It's a collective process of reflecting on purpose and experience. A deliberate use of prompts to consider impacts and processes, drawing on external information as well as challenging the view of an organisation. Doing so in a way which not only develops individual understanding, but develops shared understanding and leads to an organisation that adapts to its challenges.

40 **b) What has been your major source of information on organisational learning?**

In a very formal sense, probably restricted. I mean, we have a Leadership Academy here and we also have a developmental process for individuals and for the team at the top of the organisation - and there's a degree of sharing that across with the NHS - all of which are a combination of reflection and some input from Organisational Development specialists. Some of the inputs will have included some concepts which we could regard as being about organisational learning, not always using that terminology.

45 **Q5 Do you want your council to be a “learning organisation”?**

Yes. The easiest question so far.

50 **Q6 Do you think you are one?**

The answer to that is that you are always 'on the road' but never there. I suppose if I were to rephrase that to “do I think we are more of a learning organisation than we were three years ago?” Yes, more than, but certainly not as strong as we ought to be.

55 **c) What has been put in place to make it so?**

Well, when I took up as Chief Exec here in 2004 one of the first couple of things we did was to create a Leadership Academy. That was about the response to the scale of change and a recognition that making the best adaptations to change was as much about leadership as anything else and a great deal of the content of leadership has been about the 'learning organisation' again, if you want to use that term - but that actually is what you could certainly label great chunks of what we have been doing as being about that, reasonably self-consciously. Now the Leadership Academy is now in its fifth cohort. Cohorts overlap, certainly in the early stages, and are about 18 months long. Some people have gone – moved on to posts in other authorities or other organisations - but we've put about 80 people through that now and that's had an influence. We've put a lot of effort into what's been a fairly fast changing set of administrations in [named council] to make sure they are a reflective, learning set of politicians and they are relating well to the organisation. We've developed Personal Development Plans around most of our senior managers. Those are creating learning individuals, but learning individuals who are thinking about their learning in the context of the organisation and the purpose. So all of those

are quite conscious contributions to process, the rest is more a cultural response to challenge. There has been some stuff in the NHS as well, but I'm not particularly strong on that.

d) What have been the major problems in becoming one?

70 There have been no barriers to that, no conceptual problems. If there's a sense that we're only on the road, and not there, it's to do with scale, depth, time, energy, I think, nothing more structural than that.

Council Structures and Culture

75 **Q7 Does your council have a clear idea of what it wants to be in, say, ten years' time?**

There's a constantly evolving concept of what we want to be. You ask me this question at a very interesting time, actually, because we have a fairly clearly expressed set of priorities and impacts we want to make as an organisation, we haven't had a clear take on our operating model until really quite recently and we are now highly engaged in that. Partly driven by the scale of the actual challenge coming – I don't know whether you're
80 conscious, we set off last September with a major innovation and efficiency programme which has at its heart a new operating model and we're currently pretty switched on to that, actually. We did stuff by the turn of the year which was at least a mirror, a view of what we're like at the moment and identified pretty clearly from that what we want it to be like. We have now got a set of strands that show in a sequenced way moving us towards the operating model we want to have. So I think we've now got a slightly more complete vision as to what the
85 organisation should be – in its impacts and its operation.

Q8 Do you/your senior management team/senior members put aside enough time to reflect on what you are doing (rather than the details of how you are doing it)?

Historically, no, I don't think anyone would say we've been sufficiently focused on that, but currently we're putting a great deal of time into that, for the reasons I've just been over. It might be useful to know that our Corporate Management Team – which is called the Executive Management Group, actually, EMG – has always met weekly for half a day and then monthly for a day. It's continued to do that but has also now spawned a 'council of the future' programme of meetings which are three-weekly, which are actually the same set of folk, very largely, which are entirely focused on what it says on the tin – what the future organisation will be. So there's a lot of focus on it
90 at the minute, so I think at the minute we are, in the long run of things, no we haven't been.

What do you think there is still to do in that area?

Delivery. The gap is always between concept and delivery in complicated organisations. I think that, although there are some elements of the design of the future which still need to be teased through quite a bit further, those aren't the bits that worry me. The bits that worry me are delivering change. Some of those bits are to do with actually where a local authority stops and starts – this is Total Place stuff really. We had a quite interesting discussion at our partnership executive about focusing any Total Place effort in [named council] on a small number of particularly fecund areas. That has an impact on the council of the future and also on the public sector of the future in this place and that still needs quite a bit of teasing out. Particularly the governance and the
100 accountability of the structures not yet conceived which are going to take the burden of the Total Place concept.

Q9 What would you say were the top three ways in which you and your staff receive information on new ways of delivering services?

Conscious engagement in the national to local overall system debate. Loads of us get engaged nationally, get engaged regionally, get engaged in the City Region, get engaged in Total Place discussions, get engaged in LAA discussions, CAA discussions. It's been a [named council] conscious approach – in a very selective way – to make sure any engagement has a really clear local purpose in it, but to actually make sure we are tuned into the debate. There is no shortage of debate in the intense period we are going through, and that's probably number one and its taking that contact into a considered reflection within [named council] as to how we read that, how we
110 relate it to our context, how we work out which bits are important to us and what we think is right.

Second would be the considered use of external challenge. We've never been a big exporter of strategy in [named council]. We're a reasonably large authority, so we can find strategic strength within ourselves but we are conscious of the dangers of the sort of hardened arteries of thought from not having enough external stimulus and we tend to deliberately engage outsiders to come and give us that external stimulus from time to time. So, the council of the future stuff, the I&E stuff, we are actually getting consultants to do that, but we are using them as challengers and movers-on, rather than exporting the task, so that would be a second one. That's just one example, we have always done that in different ways – external peer review type things and anything else that helps to provide a stimulus.

The third would be simply individual, trying to create a culture where individual interest in what they are doing – the public sector is rich in people who are highly committed, people in the public sector are like that. Not 19,000 like that, but there is a whole set of folk, several hundred, who are really thoughtful – trying to create a culture where there is an uninhibited sharing of ideas within the organisation. Not a hierarchical thing, but sort of a space for people to chuck in ideas. So, for instance, we run management forums, sessions, once a month actually, where anyone can come – in fact it tends to be those few hundred who are really interested in not just their own job but in the whole concept of what the council is doing – get speakers in to stimulate discussion and then have a discussion. That sort of stuff is important.

Q10 What is your council's attitude towards risk-taking?

Well, I'll give you the glib answer – which is predictable – we're not against people taking risks. We expect people to manage risk and to consider risk. We try to avoid blame cultures and certainly don't wish to close down
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advancements by avoiding risk. The slightly subtler answer is, I suppose, to say we quite consciously try to position [named council] just behind the leading edge of change. We don't want to be famous for being the place which is always doing something novel. We want to be famous for doing the stuff which is producing the right impact. Actually we don't want to be famous, we just want to *do*, so were not up for high recognition, and that means just keeping away from the highest levels of risk, and being conscious of what is going on, spotting the bits which are looking really worthwhile and coming in very soon after. If you can be a second early potato, I suppose we would be a second early adaptor.

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Q11 Do you encourage staff to experiment with new ways of working/delivering services? How are the results fed back into the council system for analysis?

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There's a sort of challenging encouragement which says – yes, we're very interested in people doing these things, but demonstrate that it isn't just a novelty, that there's a thought-through impact of what you are trying to do. This is the point about not being quite on the leading edge, but just behind it. But yes we do. A good example I suppose would be some of the stuff which we've been doing around using texting and so on, as ways of engaging young people...inaudible...We were very early into that actually - considerably. We were doing some stuff nationally leading on that for a while. How do we share it back? Well that goes back to Management Forums really. We've got a standing process which we can use to share and discuss the rich ideas around. We got a green flag for some of the environmental stuff. Again, we would consciously discuss that stuff.

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Q12 When was the last time your internal organisational boundaries were changed? What prompted that change?

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Last week. Quite seriously, we have just, just implemented a wholesale change in our senior management structure. Taken out a lot of posts actually, as part of the I&E process. What's caused that? – a combination of our anticipation of CSR 2010 and our using of the sort of 'forced radicalism' of the funding reductions to really think what it is we are trying to achieve, to be most effective in getting the impacts we want. Very, very topical, really. If you were to ask what was the one before that, actually in the senior management structure we've been making sort of piecemeal changes quite regularly...inaudible...

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Q13 Do you use secondments (or similar) to share knowledge/expertise within the council or with other organisations?

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Yes we do, but do we make as much use of that, and get the richness out of that that we could, I think probably not, actually, Graham. We certainly do it – there are several secondments at the minute within the organisation. At senior management level there are four people seconded out of particular posts to do other things. We have had people seconded between the NHS and us, between the Police and us, between the voluntary sector and us. Not actually much between the private sector and us. So it's by no means novel, there's quite a lot of it around but probably could do more of it actually.

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Q14 Can you give an example of a change you have tried to implement but where you were not totally successful?

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Yes. Quite a substantial one would be our approach to the local towns in [named council]. I don't know what it's like in Calderdale, but [named council] doesn't exist – [named town] exists, [named town] exists, [named town] exists – so there's a fairly obvious and natural, and to some extent successful, process of using the identity around the towns and the valleys up into the hills as a way of getting engagement with local people and making sure that the way in which we operate is sensitised to different contexts, how we operate in ways that are relevant to those places. Conceptually that is very clear and we have made some progress on that. We've actually never managed to align the political process effectively around [named council]. So in some bits of the borough the local politicians come together naturally and strongly around a town, which tends to be several wards, and in some places it really hasn't worked properly.

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If you're going to ask about the barriers why, I can tell you why. Or rather I can tell you what the difficulty is. The question of why is that we haven't been good enough yet to get over the difficulty. The difficulty is the nature of political balance in [named council]. Talking about the constitutional changes which need Council to take decisions, this is a three-way split council, we form administrations but the administration can't make that sort of change happen. So we are dependent on all three main parties coming to the same view about what balance of power they want between the towns and [named council] as a whole and whoever is in opposition will have a different take on that to those in administration and its made more complex by the fact that obviously some parties have more weight in some patches than others. So that's been the difficulty and the reason why we haven't done it is that we haven't been effective in forming a political agreement.

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You rightly anticipated that I was going to ask about the barriers, but the bit I am not clear about is what was the impetus for that change in the first place?

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Oh well, quite a simple analysis that if you are running a democratically-controlled bureaucracy then you need a connection between the...inaudible...democracy, you know, with people identifying with what's going on, which you can only get at township level. I can't excite somebody in [named town] about how the pattern of older people's service operates across [named council]. I can excite them about how it happens in [named town]. So you have to work with that historic...I suspect that Calderdale will be the same. For the first...for a long while, a surprising long while, for 20 years after 1974 everybody was trying to obliterate the identity of towns and say "[named council]...where's your loyalty to this place called [named council]?" It makes no sense, there is no natural identity. So it took us a long time to turn that around and say that the identity of the townships was a strength, not a weakness.

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Specific Modernisation Initiatives

210 The Beacon Council scheme:

Q15 What involvement have you had with the Beacon Council Scheme?

Reducing, actually. I'm not sure of the dates, but the Beacon Council has been around a long while actually.

I think it's Round 10 at the moment.

215 Early days in that, we were a frequent responder to the invitations to pitch for Beacon Council status. Got quite a few of them. A lot of them I think actually...one, two, three, four...we would certainly have had our share if not more than our share of Beacon Council type...Enthusiasm dropped. Occasionally we have put in recently – only occasionally – for Beacon Council status, but it's not been particularly important to us.

Q16 What did involvement in the scheme teach you about your home organisation?

220 That, well .. it told us something about the system and something about the council, I suppose. About the council, it used to be a rather introverted council actually, and that getting engaged in national processes was good for us. Stimulated thought and got us out of some complacent, 'not invented here' type sort of territory. So to some extent, quite successful. It taught us a wariness of over-bureaucratised processes. Might be why interest began to drop off in Beacon Councils. There's something just about natural shelf life of these things isn't there actually? Even the best ideas only work for a period before they silt up in some way.

Q17 What did you learn from other beacons? Were any changes in working practices adopted as a direct result of involvement in the beacon scheme?

230 I think I'd struggle for picking on Beacon Councils partly because I'm more conscious...I mean, in terms of learning from other councils we learned a lot, how much of that was from the Beacon Council Scheme I'm not sure. So I can talk to you about some really quite recent major learning from other places that tends to be most intense about our own acknowledged weaknesses. For instance, some of the stuff we're doing on teenage pregnancy at the minute – quite a lot of learning coming from Calderdale actually. Certainly on NEETs...When we had a very weak revenues and benefits service we...inaudible...other places over that. Where we've been dealing with particularly intense challenges, I suppose the Prevent agenda is an example, we've both contributed to learning elsewhere but also taken from it. So that interchange has been really powerful for us actually.

235 Where we have been addressing the personalisation agenda for adult services, you will perhaps know there's – nothing particularly to do with Beacon Council – there's a whole, highly developed national process of shared learning going on there which we have gained from – more than contributed to, actually.

240 Some of the RIEPs stuff, bit of IDeA stuff...so a lot of learning from elsewhere but I wouldn't identify it particularly around the Beacon Council.

Q18 Did you try to implement a change but were not totally successful, and if so what were the barriers to change?

245 I'd have to go back over and identify...I can't help.

Q19 Do you think the scheme was an effective way of spreading good practice?

250 As I said, I think for the first two or three years –yes, but I think it's...I don't want to be too dismissive of it...it's still doing good but I think these processes need refreshing and partly what's happened is since the invention of the Beacon Councils Scheme we've got so many different forms of shared learning across the public sector now in place that there's just overlay after overlay. So there's a lot of IDeA stuff, the learning centre at IDeA, a lot of stuff that is specific to programme areas – so we're learning on health improvement processes. Not particularly Beacon Councils but there is a whole industry sharing practice there. We've now got green flags from CAA process – we've just got overlay on overlay, all essentially overlapping. My view is that it's become a bit too complicated actually.

Best Value:

260

Q20 Did the Best Value framework bring out information about your organisation of which you were unaware?

Yes. I think it was a way of looking at costs and efficiency of operations which we had been very lazy about until Best Value came in.

265

Q21 Was the information available from other authorities of use in making comparisons with your own authority?

270 I think on balance it helped. There were the usual arguments about the reliability of the inputs and therefore about the quality of the comparisons. It became over complex, some of the indicators were not actually well-related to outcomes and impacts. There were all sorts of criticisms which were often advanced or, for that point, accurate, but did it produce habit of thought, of discipline which had been absent within certain local councils and the public sector? Yes it did.

275 **Q22 Was the information available from other authorities of use to you in bringing about improvements in service delivery?**

I think there are some very direct ones actually. And in some ways, so me...inaudible...We have made major efficiency savings in the way in which we collect refuse which have been levered by comparisons which we are...inaudible...unit costs of outsourced providers and used those to reform the in-house operation...inaudible...

280 **Q23 What were the main drawbacks to Best Value?**

I'm sure you've heard the well-rehearsed whinge about Best Value. Apart from the data, Best Value also, of course, created complexity in organisations, sort of artificial contractor-client splits, wasted a lot of energy on process. Not the subtlest of ways of achieving the impacts it did.

285 **Comprehensive Performance/Area Assessment:**

290 **Q24 Which aspects (if any) of the CPA/CAA have helped your organisation to learn about itself?**

The key element has been the structured approach to both the comprehensive and corporate performance assessments which we have consciously used here, actually, to give a framework for our own approach to evaluating ourselves, to try and...inaudible...processes. So, again, I mean, in some way like Best Value, though I think actually CPA is much better designed than Best Value, whatever one's senses of some inadequacies, or some sort of imbalances in process, overall, a single, considered, conceptual framework which we have quite deliberately used, so we haven't struggled against it, we've gone with it and used the framework to drive...to use the tension of being scored and named or shamed, as a constructive tension to define our approach to improvement, used it to keep focus during political changes and all the rest of it, so we've got quite a lot out of it really. The conceptual framework has had a balance in it which would not necessarily be the immediate balance of our own thought but its been good for us. See ourselves in different ways, that's all to the good. The concept of the Area Assessment is appropriate to the times we are now going into. It aligns well to the challenges around Total Place as a response to the overall system – the design we need as part of the response to the reduction in the public purse. The first round has had a few weaknesses, but conceptually I think its right and we're keen to support its retention, despite whatever it is that any incoming government thinks it might want to do.

305 **Q25 Which aspects (if any) of the CPA/CAA have helped your organisation to learn about what other councils are doing?**

Er, yes. CAA more than CPA I think. CAA has that design in it, but CPA yes. One of the techniques has been to immerse ourselves in it, so alongside CPA there's a peer review process managed by the IDeA which, as CPA advanced, became more and more aligned with CPA concepts. Several of us, including me, have been peer reviewers for the IDeA or actually on CPA exercises – very powerful. Learning brought back to the organisation. Then in a less intense way has simply been the reflections at the end of each episode of the CPA, to Audit Commission reflections and sort of various conferences and so on which we have been quite enthusiastic engagers with.

315 **Q26 Have you implemented examples of good practice from elsewhere that have been brought to your attention through the CPA/CAA?**

I suppose I'm tempted to pick on one I got involved with myself, actually. I was a peer reviewer on the corporate performance assessment of Stockton-on-Tees and brought back from that an approach to information management within the authority which I thought was much stronger in Stockton than it was in [named council] at the time and used that to re-engineer a bit of how we operate it. Others have brought back housing stuff.

320 **Q27 Which aspects (if any) of the CPA/CAA have you found to be least useful?**

325 CPA was, I thought was...you remember we went through two sort of phases of design, really, and I thought the second phase was pretty good. The first phase was not very well balanced. In terms of the current process, currently the Area Assessment, we're in a very interesting period, the Area Assessment is conceptually actually spot-on. The nervousness of this first round is such that its actual added value is going to be limited because of the insufficient depth of understanding between the assessors and the place and there's been a wish to make sure that everything is triangulated so that they've not said anything very provocative so they did tend to tell places what they knew. There's nothing wrong with that, sometimes its quite helpful to have somebody new and get their balance of what you are doing. ... inaudible...first round stuff, actually, getting teams in place and all the rest of it. The organisational assessment part of CAA I think is turning out to be conceptually wrong actually. It's partly that the times are moving so fast, the idea that...I mean a large part of the organisational assessment is actually use of resources assessment and the idea that you can do that for individual organisations rather than looking at the use of resources across the whole of the public sector now feels out of touch with the Total Place challenge. So I don't see a future for organisational assessments as currently framed.

335 **Other Local Government Modernisation Initiatives**

340 **Q28 Do you believe that any other initiatives introduced as part of Local Government Modernisation have helped local authorities to learn from each other?**

Actually I think the scrutiny process has. A key bit of the modernisation agenda, this was balancing between strong Cabinets and strong scrutiny process. Scrutiny has always been highly valued in [named council], actually, I know it is variable in different places, and that's partly because, in a funny sort of way, I think it's a by-product of

345 the three-way split council here. So we've always had a cadre of quite experienced councillors who aren't actually
in the current administration, but may have been in it, and they've got a wide sense of the challenges of the
organisation and the place. So we've had very strong scrutiny processes. Some of the biggest episodes there
have been major ad hoc enquiries which have drawn on experience elsewhere as well as in [named council]. So,
350 if I was to say to you for instance, an example, a curious one in a way...we've had one on safeguarding which has
been quite complex and has drawn on experience elsewhere, has had external experts brought in to the scrutiny
panel alongside elected members – and the richness of learning from that, which we wouldn't have been capable
of without that process. Another, much narrower, has been some aspects of health provision. There's one going
to Council this month actually on pain management, which is health really, but health meets social care. Grew out
355 of a specific interest of a couple of scrutiny members, brought in quite a lot of external learning – stuff we would
not have thought about without them pursuing it.

Or hindered learning taking place?

360 No, I don't think anything has hindered, I think it's all been relatively positive. I don't think its all been successful,
but I think some of the...I think there's some major needs for considered thought to the learning environment of
local authorities. Can I just touch on RIEPs for a minute? If you think about the concept of sector-led
improvement, which is close to concepts of learning organisations really, I think we are dissipating the potential
strengths to support sector-led learning across far too many organisations. Certainly in this region. So, inter-
sector-led learning, you would say there's individual organisations, there is the Audit Commission and
365 inspectorates, there is the IDeA, there are RIEPS, there are Government Offices, there are issue-specific learning
engagements set up by Government departments about big agendas – health improvement being one. Now, you
know, that must be five or six different things I've just given you and there are too few good people to spread
them across that many organisations, because it's difficult, isn't it? Creating improvement, creating learning, isn't
easy...inaudible...

370

Finally

Q29 Are there any questions you were expecting to be asked but which I haven't asked?

375 No, it's in your text that you wanted to talk about organisational learning and how the modernisation agenda
relates to that. There's nothing more to say about that, except perhaps to say that the relationship between
organisational learning and the development of individuals in organisations is an important relationship. The
development of individuals in the public sector, certainly in top-end leadership roles, is still under-developed.
We're doing some work in [named council] and I know most authorities are doing that actually, but the national
380 approach to shared learning across all public sector organisations goes in fits and starts. There are various
organisations there, but I don't think they're strong enough. We should have much more shared learning across
the whole delivery system from Whitehall to...inaudible...to councils locally. DWP, Job Centre Plus – I think there
should be much more shared development of top-end leadership across the public sector. That relates
to...inaudible...strong and it helps organisational learning...inaudible...

INTERVIEWEE C

Date: 15 March 2010

Setting the scene

5 **Q1 When did you enter local government?**

Gosh, when I entered local government. I think 1975

Q2 What position did you occupy in May 1997?

10 May 1997. I was, I think, Executive Director, Legal Services, here at the City Council. So I was in charge of the legal department and related items.

How long have you been Chief Executive? I have been Chief Executive since 1999.

Organisational learning

15 **Q3 Have you heard of the terms “organisational learning” or “the learning organisation”?**

I have, but not, not with any depth if you understand me, not in any depth I should say.

a) Do you think interest in organisational learning within local government has grown in recent years?

20 Yes, I certainly...I took the job in '99; of course with the Local Government Act of 2000 we saw some significant changes with the adoption of Executive arrangements from 2001. You know, very, very different arrangements for the taking of decisions and relations with members and the rest. And in the light of those changes and how fundamental they were, I mean, we made lots of structural changes here but we did do those on the back of a Leadership Programme that initially we sought to put together for the council's most senior officers and then later we had a very substantial exercise undertaken with middle managers. I mean the numbers involved - in the first case probably a couple of hundred and later 1500. Just recognising, you know, the significance of the shifts that were called for, and certainly when we had the first [named council] Leadership Programme which was focused, as I said, at the principal managers across a much larger range of departments that we had then than we would have now - I think we had 150 the first time - it was the first time ever that senior officers from all of the council's departments had met together in the one place to look at the changes that were in prospect and to look at the reaction that was called for on the part of the organisation generally, and certainly over the years since then, you know that, the adoption of that ethos of acting as one council, you know, rather than a range of many professional and specialist areas in a range of disparate departments, has been at the heart really of the programmes we have taken forward. So just in terms of the investing significantly in leadership and training both at the organisational level and the personal, then that has been a characteristic really of the last ten years and very much. I think, focused around the modernisation of decision making and the modernisation...the changes in relations between officers and members in terms of the adoption of executive arrangements.

Q4 If yes to 3, do you feel that you have a good understanding of organisational learning theories?

Not asked at this point - already answered above

40

a) What has been your major source of information on organisational learning?

45 I'm not sure I have come across the theories lying behind it. I mentioned the actions I took when getting this job but I think they were largely intuitive or resting on experience of how the organisation had operated before I was appointed. I suppose that lots of people coming into jobs feel that we could do a lot better in terms of cross-boundary working and the cohesiveness of the organisation as a whole. As I inherited 12-15 different departments - or 12 departments and three autonomous units - it seemed to me they were all largely separate empires with their own support arrangements and that even if the only thing I ever achieved was reducing the number of the empires, that seemed to me to be an effort worth making, but, I mean, it was about a lot more than that. I can recall within months of getting the job - again I think it was the first time the directors had been away together...when I say a weekend it was certainly Friday night - and I just asked colleagues just to go round the table and give their views on how the council was performing, where the big improvement challenges were, how they saw their own roles and probably we were not halfway round the table and probably half a dozen people...it was very much a...there was a sense that well, my part of the organisation is really doing pretty well, I think there are some challenges the council faces, and they always seemed to be in someone else's area of responsibility - you know, if we could sort better, it might be corporate support services or, well, perhaps we have an Achilles heel perhaps on the personal social services side but the development is really strong. And I did ask that the discussion be paused, I said "look isn't there already a theme really developing here?", just the trite point that we are operating very much as a number of separate sort of siloed organisations with views about the effectiveness or otherwise of our colleagues. So it was actually trying to get just a different view to how we needed to pool some of the learning that was being done in different areas. But I say, it was certainly on my part, perhaps other chief execs may be different, it wasn't because of any wealth or depth of understanding about theories on learning, it was how we worked more effectively together to improve outcomes, really, for those who the local authority is there to serve.

60

65 **Q5 Do you want your council to be a “learning organisation”?**

Well absolutely. It seems to me that an organisation that isn't a learning organisation is almost certainly not an improving organisation. And I think, as I was trying to say from that meeting, I am sure that there was learning with various degrees of formality and organisation within the various silos. I think what we didn't have was a commitment to learn together as a single organisation and to build that in. So whilst there may not...as I say, the leadership programmes in which we invested probably ran for five, six years. Obviously we still have activity that goes on but I mean it was just recognised that unless and until we were coming together to reflect upon what was being done, what more needed to be done, as then how some of the areas that were performing less well and learn from some of the high performing areas then we wouldn't progress at the rate we needed to progress.

75 **Q6 So would you now say that the council is a learning organisation?**

Yes I would, but it's like the question 'is the council an organisation with a commitment to improving?' You are always having to refresh and reinvigorate because of the pressures of the day jobs that everyone has. You have to actually make space, I think, for that, for that learning and then for the honing of policies and practices on the basis of that. Something else we've done, again in my time, I can't speak before that really, we've always tried to get perspectives from outside of the authority. When we originally started with the director meetings, whenever we were off for the day or an evening, we would try and get...I remember we had the Chief Executive of Newcastle came down to share some of the challenges that had been faced within Newcastle City Council. I think we had Bob from Sheffield, we had people from...is it TNT, the parcel delivery service? We had Cisco Systems because I think they had received an award during that year for either being an excellent learning or training organisation. So we actually tried to leaven what we had and it mattered not whether they were in local government, but coming to talk to us...it wasn't at a very theoretical level, it was again their take, their experiences, what they'd done, what had worked, what hadn't worked. I think all of those sessions colleagues found valuable and so again, I am not sure of the conceptual underpinnings of the expression. I mean, I don't know whether that would resonate really with what you are asking, but those are some of the things that we did in order to engender that spirit of having a clear trajectory for improvement and going forward together, rather than having a spearhead and then people trying to catch up. That's what lay behind a lot of our activity.

Can I ask you about the problems there were in pursuing that?

Well, we came to the view fairly early that we were too disparate an organisation, we were too fragmented, we had too many departments whose work was too closely focused around particular professional areas. It wasn't difficult to persuade colleagues that, to people out there, to those who are in receipt of services it matters not one whit how we organise things within the council and the more we were siloed within the council, by and large, the worse the service that was delivered. This was before we had a single call centre or contact centre. But what that meant.. the problem was...that meant.. you know, in fact we now have just four strategic service directorates, so you can imagine to move from 15 – not immediately down to four, I think we had gone to six initially and then five, I'm not sure we can get much smaller than four, but it really meant discussions between senior colleagues where it was clear that, you know, the outcome of a collective determination to make radical change was that many would not be in their positions. So between 2002/3 and 2006 I can't recall ever speaking at quite as many leaving do's. Director of Planning, Director of Housing, Director of ????. But what we tried to do wasn't on the basis of somebody coming in and doing a hatchet job, it was to build a consensus on the direction of travel, you know, let's get the principles agreed, getting that sorted, then getting into the detail of how we will organise and then dealing with those issues *seriatim*, as it were. So they were challenging and I think bringing different services together was challenging. So now you know we have a city...examples would be legion ..within our City Development Directorate we now have planning – that's the detailed regulatory side – strategic planning, strategic transportation, asset management, building regulation, regeneration and economic services, marketing, tourism – so this was actually a bringing together...all around what we thought was a sensible theme of promoting sustainable development, but these are...there are actually quite a lot of differences between those different services, so bringing them together to work within the one area I think overall is to the benefit of the organisation. And actually I don't think that anyone would seriously suggest going back to the more fragmented organisational arrangements that we had. I mean, there is a political dimension as well to all this. I mean, I'm talking about the organisational side, but plainly things changed massively in 2001 when we moved, as we were required by law to do, to an executive and away from committees and committee chairs, where there had always been a long history of close relations between, you know, a committee chair and a service director and often the member's future in terms of the member's ambition would very much...if you've got a chair of the Social Services Committee or Chair of Highways Committee, on how effectively those services performed. So you had a very close bond often between the many directors and the chairs. From my perspective at the centre I thought I'd inherited a black hole if I'm honest with you, because there were no levers that you could...

125 **Interview interrupted. Interviewee C left the room and returned some time later.**

Interview resumed.

Council Structures and Culture

130 **Q7 Does your council have a clear idea of what it wants to be in, say, ten years' time?**

Yes. Again I think that is something that has changed a lot since 1999. I think my arrival coincided with a lot of big changes, so I am not claiming the personal credit for all of this, but we adopted our first Corporate Plan in 1999 and spent some time reflecting on how we ought to frame, very briefly, the overall vision for the council and since then we've revisited that on a three-yearly basis and now we have a strategic plan for the city which fits with the

135 city vision and also incorporates our LAA targets but a component of that is a business plan which is very much,
as it were, the council's organisational side of it. So, we've invested a fair amount of effort and imagination, I think,
in trying to be clearer on what the priorities were. For example, if you were to open my screen saver on there – on
everybody's PC – it will say the mission of the council is to bring the benefits of a prosperous, vibrant and
attractive city to all the people of [named place]. That was the discussion we had back in '99, that whatever we
140 were doing varying particular objectives and different three-yearly periods, that was what it was all about. It may,
in some respects, sound trite, I think does capture, really, the essence of why we are here. And so I would hope
there is clarity at that macro level, but then in terms of the strategic plan, which is about, obviously, work with
other partners as well, and the business plan component of that, then we do have a suite of documents where
you can see a sort of a golden thread running through them.

145 Before '99 we had nowt as far as I am aware. If someone said "what is the mission of the council?" it's just
something we'd never, ever seen any need to formulate. Well, we're here to provide education support services,
we're here to deal with some of these adult protection...but we'd not really just tried to capture the essence and
then to build from that.

150 **Q8 Do you/your senior management team/senior members put aside enough time to reflect on what you
are doing (rather than the details of how you are doing it)?**

I think we've done more on the officer side, you know, than with members. Well, I've mentioned the Leadership
Programmes and the work on the Corporate Plan and then later the work on the Strategic Plan, and it's
interesting actually, that the [named place] Strategy Board, which is where we have all the agencies coming
155 together, you know, to review that, is not a body, actually, with members on it. You know, it's very
much...obviously I'd be on it, the directors would be on it, there'd be the Chief Exec of the PCT, there'd be the
Assistant Chief Constable, you know, its almost...I think we've had a coalition here since 2004 – the
Conservatives and the Lib Dems – and what I've never been able to do is – to be honest it's been largely the
Conservative Group – is to persuade members that there would be real benefit in some of the sort of things, you
160 know, like policy away-day, just start with a blank piece of paper, what are we here for, what are the...what is
achievable over, you know, the next sort of three years, what should our priorities be for the..? We have all of the
budget discussions and I think that is largely...Confidentially, it is some members of the Conservative Group who
really do not see that as the role of officers, you know, they have been elected, they are accountable to their
electorates, such discussions are ones for politicians. I have no doubt the Lib Dem members on the coalition
165 would agree, you know, to those sorts of discussions, of facilitated discussions and that, because I think it is trying
to build a real ethos of working in a team, you know, across that political and administrative divide. But I think
other authorities have probably had more success, if I am being honest, than we've had in that, but they're not
easy issues though.

170 **Q9 What would you say were the top three ways in which you and your staff receive information on new
ways of delivering services?**

I've already mentioned just one technique around our own Leadership Programmes in terms of actually going out
and, you know, inviting people with an external perspective to participate in those programmes. I think what you
then get, actually, are...because I do think overall, I have to say, I think local authorities are bad at learning from
175 local authorities. I don't think we invest enough effort in it, But you then get, for example, at my level there's a
Society of Metropolitan Chief Executives that has two weekend schools each year and what it is, it's the Chief
Execs of the big Mets, the Unitaries – not all the Unitaries – but the urban Unitaries, and then the London
Boroughs. It's the only thing I involve myself in. Because SOLACE – the Society of Local Authority Chief
Executives – represents such a wide array of different authorities with a range of different challenges, you know,
180 small districts to large counties, and I find that, personally, useful in terms of bringing things back to the council. I
mean, there's one next week, or this coming weekend I think. So it involves two people at Director General level,
one from the Treasury, one from CLG, it would involve the Chief Exec of the Audit Commission, the Chief Exec of
IDeA, and its just an informal opportunity, you know, to discuss...and we have Ministers as well if they are ready
to come, and quite a few are. All the...Chief Inspector of OFSTED...you know, you get an opportunity in an
185 informal setting to talk. In and amongst that you do realise, you know, how differently different authorities who are
represented are responding to those challenges and I'm sure there will be similar arrangements for the Chief
Legal Officers or Directors of Development, I think probably all of us find it useful in some of those cross-authority
meetings to build that better sense of what's happening elsewhere. But I do think the relative lack of progress on
the shared services agenda shows how relatively insular we still all are. You know we often face quite formidable
190 challenges, you know, within our own cities or within our own towns, and they are quite formidable. And
sometimes, sort of, looking at addressing those challenges on a cross-boundary basis looks even more
formidable because you are bringing in other layers of politics and politicians, you're bringing in sensitivities
to...some of those sensitivities are around place. Now what I would quote, its another way of learning together, I
do think the City Region agenda has been, has advanced perhaps further than I thought it would if you had asked
195 me five or six years ago, because really what that is about, I mean, it might be about trying to get more devolved
responsibility from government, but essentially its about trying to get a sensible alignment of policies that impact
on economic growth. you know, across the boundaries of authorities who occupy that same economic space, so
the numbers travelling into [named place] from [named places] is that, unless you get some sensible...I can't think
of any better word than alignment...you know. some sense that these problems require to be tackled in a similar
200 way within different authorities in that space, then actually you're going to impede the efficient operation of
particularly the labour market, but not only the labour market, you know, other markets – might be supply chain or
business-to-business links. You see that has been, probably departing a bit from your initial question, but you
asked about learning, I think that's been driven by a commendable self-interest, a recognition that none of us are
islands and that...I always quote to my colleagues here that, is that actually, if [named neighbour] is not thriving,

205 you know, if there are real issues about [named neighbour] city centre and its attractiveness as a retail location or as a place for inward investment, actually that is almost as important to [named place] as it is to [named neighbour]. Actually trying to get that thinking, because actually its the one bloody economy...I could go on on this agenda, Perhaps you could just remind me what the initial question...it was how we learn, wasn't it?

It was the top three ways in which you and your staff receive...

210 I've mentioned about people coming in on Leadership Programme, I've mentioned about, I think, the officers then getting out and networking with officers at their own level, when we learn. I suppose the last example is more where actually there is a community of interest between the relevant authorities and then, I think, you start learning from the different ways in which, say, economic challenges are being dealt with. So, in terms of attracting inward investment, attracting, say, a relocation of civil servants, you know, how you would have done it as an authority is impacted on by how as a group of authorities you think that ought more sensibly to be done. It's a bit of a strange answer to your third question, but that's all I can think of.

Q10 What is your council's attitude towards risk-taking?

220 It's a very big question, that. In terms of the council's attitude, again, what's changed a lot over the last five years, perhaps more, but probably around five years, is a much greater clarity about what we see the risks as being, you know, and a sense of the impact that any of those risks materialising might have on the ambitions that the council has. So not only would we be much more focused around, you know, risk registers in relation to particular projects but we would have a corporate risk register. An interesting debate recently with members has been how much of that should be put into the public domain and we've not concluded that yet. So there has been a much greater degree of making explicit what the risks are. If you ask me then about the council's appetite for risk-taking...it's difficult...they're always balanced judgements, aren't they, at the end of the day. I think some of my colleagues would say, well what we've been trying to move from since 1999 was a blame culture where officers had every incentive to keep their heads down because if they promoted a venture and that was to fail, then the culture was much more around them being required to answer for that, as opposed to, that's what colleagues would hope we had more of now, a recognition that, unless you take risks, then your hope of improving and improving at pace is one you can't realistically expect to realise. You'll know yourself that because its a politically-led organisation, because there is such intense media interest in the activities of the local authority, because inevitably, and certainly if you ask me now in the run-up to an election almost certainly on the 6th May, do considerations of perceived electoral advantage or perceived electoral damage come into the assessment of proposals that are brought forward? Well, yes they do. But it's not surprising that, is it? So I think there is probably a greater sensitivity to risk at certain periods in the political calendar. I believe that the City Council here is less risk-averse than it was. I certainly think it is much better informed about risk than ever it was, so there has been progress. I think it's always more difficult when it comes to the culture within which the organisation operates to say confidently there has been significant change. Also it's always quite difficult to know whether one could be drawn back to an earlier situation. I think, again, an important component in all of that is the state of relations between officers, certainly senior officers, and members and even more crucially, probably, between either council's corporate leadership team or corporate management team and then the political executive. I think without, you know, an open, honest, candid relationship, without trust and confidence, it is more difficult to take on risky ventures, I do think there needs to be a full and open discussion, that everyone knows the basis on which we're going forward. It's interesting here, and I think this is quite...I've never done a survey so I wouldn't know...quite unusual, [named council] has never, under any administration, opted for the executive arrangements under which individual executive members – portfolio-holders – have a decision-making capacity, they've never adopted that so, its always been, since 2001 here, its been about a collegiate form of decision-making and a deliberative approach to important strategic decision-making, just as the executive here has always had the leader or leaders of the main opposition parties. So it is a little bit different but the crucial discussions are obviously the ones at what we call Cabinet, which is the political office-holders and the other officers.

Q11 Do you encourage staff to experiment with new ways of working/delivering services? How are the results fed back into the council system for analysis?

255 We've certainly sought to impart to colleagues in our many Leadership Programmes that...and we've had members come along to speak to officers to confirm this...that we are determined to move from that blame culture to one that does encourage innovation, and to that extent it encourages risk-taking because it hasn't been done in that way before. On the basis, trite though it may seem, that if we continue doing things as we always have then we are not going to be able to get the very different outcomes that we are looking for. So that's my take on the efforts we have made. In terms of seeking to assess the impact of that, it is, I think, a bit more difficult. On the education front, by dint of intervention and not choice back in 2000 or whatever it was, we moved to a company model for the provision of educational services and we sought to supplement the capacity we had here strategically by having a board of that company that again had external input. I mean, we moved to arms length management organisations on the housing management front and we moved early on that. So I certainly think that structurally there has been a readiness to say we're not greatly concerned, we're pretty pragmatic on what the structures are. Certainly the intention there was to try and build up some confidence within those organisations to look at things differently. I think I said, anyone who thinks they've got it right, the challenge to improve is a constant one. I would hope that if you were to survey staff more generally, because we do have a lot of staff-surveying work going on, people would feel that they would be more supported and encouraged to come forward with proposals for doing things differently and better, than would have been the case some years ago. I think that is probably the fairest I can say, really, at the end of it.

275 **Q12 When was the last time your internal organisational boundaries were changed? What prompted that change?**

In the throes of being changed at the moment, but they were last changed in 2006. So we'd moved significantly in 2002. 2003. The immediate, I suppose, the precipitating factor in consideration was to try and accommodate the requirements of the Children Act in 2004 which saw a wide range of children's services being brought together in a more integrated way, with a different role from the Director of Children's Services. What we did with that was to say, well if that's what we're going to do on the children's services front, do we do children's services differently or should we use it as an opportunity to say well, if the thinking that lies behind the Government's children's proposals is valid, then why wouldn't we seek to apply it more widely? So what we did in 2006, that was when we reduced further the number of directorates, we decided we'd only have four strategic service directors and each of those would have an important corporate element – they would be helping in an important way to run the authority – they'd all have a focus on professional leadership and strategy, we would give more extensive responsibilities to the chief officers reporting to them in terms of operational activities, and we also adopted here a mechanism, and again I don't know what happens elsewhere, where all these directorates as newly structured, with directors having that role, were all paid the same. We used to have all manner...We didn't want a situation where the DCS got that plus 20%...so that's where we moved to in 2006.

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What we're just looking at now, is because of the education company we had, you know, we...and it had just performed well over a five-year period under a contract with the council. We maintained that as a part of the structural arrangements and what we agreed just last week here is that over the next 12 months we would bring an end to those arrangements and we would actually fully integrate services across the children's services areas – that's early years, integrated youth service, children and family social care, and education and learning – so we will be completing almost the cycle of what we commenced in 2006. So, that is to say, if you look where we will be next April compared with, say, perhaps where we were in 2000, they will look like entirely different organisations in truth. There will have been a lot of movement in two big reorganisations over that period.

300 **Q13 Do you use secondments (or similar) to share knowledge/expertise within the council or with other organisations?**

We do, I think not as extensively as we might and certainly not so as to recreate the sort of conditions that obtain within the civil service where I think there is much more of a tradition of generalists who can move, or who are moved, often quite significantly within departments to do quite different jobs. Yes, we've had a number of secondments with the PCT, indeed there is a key role within our Children's Services area on the commissioning front that has been filled by a PCT secondee. At a City Partnership level, where we're working more at the strategic level, in terms of trying to agree on our analysis of the challenges the city faces and then on what we should be prioritising by way of interventions, we regularly have secondments from the university, or universities, again from the health sector, sometimes from the acute trust, on other occasions from the PCT. We have, and again I think we were the first to have it, it's become more popular now, but for a good few years our...the whole of our community safety enterprise has been headed up within the City Council by a police superintendent. So what we've had is a long-term secondment, you know, four or five years. So that person reports to our Director of Neighbourhoods and manages that enterprise in the same way as any other officer would. I mean, we've found that to be really beneficial. We think the police have also found it to be enormously helpful. It gives us a much better insight into how the police operate and some of the problems that we thought we might face, you know, in terms of bringing someone in from a senior level within the police to manage quite a big enterprise with the council have not transpired. So I think we all feel that's been...there's a universal view that's been beneficial. So yes, I think where we have done it, it has worked well. I can't think of...well, I can think of problems that we've hit with it. And in some areas like, you have it on Youth Offending anyway, you do get a lot of secondments in from probation, from health and other agencies because that's how the system works. I suppose, back to shared services, perhaps the problem we hit is where the organisation seconding the member of staff then hits real financial difficulties, the risk is they batten down the hatches and pull the people back and that has happened. So, again, it's building up a relationship with those agencies that seeks to ensure that, when they are taking that sort of decision, you know, they are bringing in some of the balancing considerations, because that can be damaging, because you have been building up a certain way of working. That's more about the relationship between different agencies, you know, that secondees shouldn't just be seen...oh well, pull them back if it gets hard, because that's...again about the perspective of the service user, that's not going to impress them one whit, is it? And if, in our case, your then having to rebuild some of your expertise, say, on commissioning for the elderly, then that's a challenge, I do think we'll see a lot more of it, certainly between ourselves and health.

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330 **Q14 Can you give an example of a change you have tried to implement but where you were not totally successful? What was the impetus for that change? What were the barriers to making it?**

Well, this may not be the biggest advert, but if you look at where we're currently at, we've had significant, as I know Calderdale has, significant challenges in the Children's Services area around safeguarding particularly. And I know we face real challenges in terms of a massive increase in the number of referrals, but really what that has done is to, I think, point up some of the deficiencies in the arrangements that we had. I mentioned the arrangements we made in 2006 on that children's service front and it was an agenda led by government but we were seeking to bring these various services together. I think in retrospect, we took out of the department of social services, children and family social care to bring it in to children's services but, you know, when you're taking an area like that away from a wider set of professionals dealing with social care it's whether you're also doing some damage in that. Did we provide enough support in terms of the sort of business support side? Did we make sufficient provision for training and looking again at processes? Were the case management arrangements that, again, came with that transfer sufficient to allow those staff to be as responsive as they need to be? So you do, when you get challenges such as the ones that we've had, and I know that the climate has changed since 2006,

345 but then you do, you think, we've done what was required on paper, but did we at that time think through all of the
issues that we should have addressed...I've mentioned around, around support in terms of, you know, number of
non-specialists and non-professionals around the IT. So, as I said to you, I didn't have any issue with the
Government's agenda, I think it was a sensible agenda to try and bring the services together. But I, in retrospect,
350 being in any way augmented. I just don't think we sorted all of the issues that needed to be sorted in that
connection. So, right direction of travel, I think the falling down was in the detail and perhaps being insufficiently
self-critical back in 2006, as I say, about the detailed arrangements we were putting in place.

355 **Specific Modernisation Initiatives**

The Beacon Council scheme:

Q15 What involvement have you had with the Beacon Council Scheme?

360 We were a beacon authority in every round apart from the very last one. So I think we were the only authority who
had at least one beacon award, was it, for the first six years of the scheme, So yes, we were enthusiastic
submitters of proposals and then keen to share with others the benefits of that work. I mean, our line with all of
that has always been, because we are obviously a big authority, have the resources that go with size, if there was
enthusiasm within any part of what is a large enterprise – we've still got more than 30,000 staff – then we would
support that at corporate leadership team. And that's what we always had, because, as you know, there was a
365 range of different areas and, as I say, until the very last...I think by year six or something only ourselves and I
think Leicester had been Beacon Authorities in every round and in some of those years we had two or more
beacon awards. But it wasn't a part of any strategy to...because we don't apply...we're not in, you know, whatever
it is, Council of the Year, all the other stuff. That was the line we decided at CLT. If staff want to put the effort in,
want to be promoting what they are doing, and to be sharing that, then we see it as our responsibility to support
370 that. But, if you've got units, you know, under pressure then we wouldn't be saying, well, we want to bid for that.
So that's how we did that.

Q16 What did involvement in the scheme teach you about your home organisation?

375 Given the range of areas that were covered in there, I think that it was a positive experience and that, whatever
trials and tribulations you might be facing on the budget front or other areas, I think it was clear to all concerned
that, you know, we had pockets of excellence, you know, all over the show, and that is good for the organisation
more generally. So, I say, whilst the encouragement stopped short of our insisting in any year that a bid would be
made, I think it did justify the encouragement, really, of that involvement, Of course a number of officers would
then be involved in the sharing exercise. I think it's good for the confidence and, sort of, health of the organisation
380 and the range of it...it might have been asset management, it might have been getting people into employment, it
might have been around benefit administration, it might have been about modern libraries...it really didn't matter in
that sense, it was that 'here's an authority that year on year has been saying that there are things of such
distinctiveness here that we ought to support and allow them to be shared'. So I think, yes, we did, we learned...It
wasn't just the learning, I think it was some of the heartening sides of that identification really.

Q17 What did you learn from other beacons? Were any changes in working practices adopted as a direct result of involvement in the beacon scheme?

385 We've certainly been along to get a better take on how other authorities have done things. There will be people in
the organisation who would answer you immediately there, I'm trying to...

It could be very service-specific.

390 Yes, it would be service-specific and I can't give you an instance, but I am pretty confident there will be. There will
have been occasions where we've come back and said, well, we think we can, you know, do this differently and
do it better.

Q18 Are you aware of any time when somebody has come back and said "we ought to do this" but that hasn't...either haven't done it or found that you couldn't do it for any reason?

[pause]

Again, perhaps I am asking too service-specific a question.

400 Again, I am confident there will be but I don't have the information. I could probably make enquiries but it depends
how much you need.

There's plenty of information around I can follow up.

Q19 Do you think the Beacon Council scheme was an effective way of spreading good practice?

405 On balance, I think, yes, overall it was. I mean we...towards the end, because it was an annual...as I said,
because we were always in there, you do begin to worry a bit about the burdens that it imposes, but, after all,
these were burdens that we willingly took on. I do think there's a desperate need for some of the positives, you
know, some of the excellent performance in authorities to be more widely diffused, you know, and to be the
subject of public and media comment. My take for some years has been that a lot of the media in the UK are
410 unremittingly hostile to the public sector and more particularly the local government sector – not just the Daily
Mail, I think a wider range of newspapers – and therefore you do reflect on to what extent are we, you know, the
authors of some of that in terms of the getting on with the job and perhaps some of the political brickbats that are
thrown. It may be that one party's allegations damage another party, but as often as not they damage the

415 authority and the reputation, therefore, of authorities. It's a long way of answering, but I think schemes like the
Beacon Scheme...because it wasn't just...there was something that sat behind that, a fairly objective external
assessment of good performance, I think, however widely they were or weren't reported – and that's another
thing, in my view, you have to revisit these schemes because they...my own take is that they were a valuable
420 component in the general picture that local government would seek to present of the import of the services that it
provides, but by and large, in the generality of cases, would always get things right, you know, the high level of
competence with which they're performed. I mean, we get – it must be the same in Calderdale – I think anything
that's ever reported, say, on bin collection...in [named council] we've just had an...inaudible...saying missed bins
here. I forget how many we collect here in a month but its several million and actually the percentage of missed
425 bins is microscopic. But if you are collecting several million then you only need a half or one percent of missed
bins for it to be into the many hundreds. It almost becomes just the "ah, can't even empty the bins", and you think
actually, any other organisation with this level of performance consistently week in – week out would probably be
proclaiming it from the housetops, but it's just, you're beaten so often for it that if you are not careful you get into
almost some sort of victim syndrome. So, I suppose I am saying there that any coverage of that is better than
430 none.

Best Value:

435 Q20 Did the Best Value framework bring out information about your organisation of which you were unaware?

Well, I mean, the aspiration of seeking to secure the best possible value across a whole range of things that you
do is one that no one sensibly could take exception to. I think the particular Best Value framework – and even
more so when it was around, compulsory competitive tendering – was so conditioned and so prescriptive that it
was a little bit like some of the recent efficiency drives, you know. It almost created a climate of compliance,
440 formally, but with very little change in substance. Because, just as I think the...so, would wholly welcome the
involvement of our auditors in looking with some rigour at whether, in key areas, we were securing Best Value.
Just as I very much welcomed the CAA – the Comprehensive Area Assessment – in terms of that looking across
the piece and across the work of the council and other partners and trying to give a narrative but a balanced
assessment of the overall contribution. I mean, I think that was then undermined by red flags, green...you know,
445 things that would be gifts to the writers of by-lines in the media but actually focused attention from that balanced
assessment and put it, you know, back on the headline-grabbing. So, I suppose perhaps you are back again a
little bit to central government being more trusting of the capabilities at a local level, with inspectors and auditors
having important roles, but not for central government to be getting into the degree of specificity, you know,
around targets and multiple targets and...the investment in measurement and the investment in responding to
450 inspections seems to me to be disproportionate to what government seeks to gain thereby. I think central
government's got enough challenges without...in other words, it shouldn't see securing Best Value as being about
putting in place a panoply of targets, measurement requirements, restrictions and the rest, I think it ought to be
that overall assessment of how the authority is performing. And another point I would just make, go back to media
reactions, talking about value for money, and this has become a part of the, you know, the use of resources test
455 that the Commission applies, part of the organisational assessment, sitting alongside the Area Assessment.
Having made that change last year, what they did, and its the constant language of raising the bar, so whereas I
think in the year before the new CAA arrangements we had consistently scored a four – which is a four out of four
– for the use of resources component, we were told at the start of last year "well, you do need to understand that
under the revised arrangements that would mean you would come in as a two this year unless there are some
460 features that would warrant a...inaudible" ...we ended up as a three, it doesn't really matter. But to the man out in
the street, we had a use of resources score...I lose track of the years...in 2008, we have a use of resources score
in 2009, we think our auditors would accept that we had improved over that period and yet we have ostensibly
gone backwards, because we've gone from...Now, what does Joe Soap make about going from a four to a three?
And inspectors do this far too frequently. I don't think there's enough thought given to public confidence and the
465 importance of how language is used in that connection. You probably just saw now that, was it last week,
OFSTED indicated that under their revised arrangements for inspections of schools, twice as many were
identified as now failing. Well, what does that...I mean, have the schools got worse? I mean, is it actually
conceivable that some have got better but...It seems to be something that inspectorates and auditors feel
compelled to do. If you're going to that then scrap the existing scheme, scrap the language that went with it. Be
470 honest and say this is an entirely different approach to assessment, because I think they are doing enormous
damage to public confidence in governmental institutions more generally. That's my hobby-horse – I've shared it
with you.

475 Q21 Was the information available from other authorities of use in making comparisons with your own authority?

Well, one of the components in that is identifying 'statistical neighbours' so that there's an opportunity to
benchmark your performance against that of other comparable authorities. Again, you've got to be bloody sure
that the statistical neighbours are sensible statistical neighbours and not infrequently we struggled to understand
we why are, say, the statistical neighbour of Stoke-on-Trent, I'd be honest with you, that's just a...So the principle
480 is right, the principle is, that in order to make comparisons we do need to ask ourselves, well, why if a comparable
authority, if an authority that is similar in a wide range of respects to our own is achieving that performance, you
know, we are doing less so. I think sometimes though, government expectations are then wholly unrealistic.
We've had this recently around teenage conceptions where we've not, in the result, agreed with Government. A
target was... they will only agree to a very ambitious target that sits with the statement that Ministers have made

485 about whatever it is, halving this level...We're saying, that's bloody ridiculous, you know, if you look where we are,
you look at the best performing authorities and what is the best that one could hope to achieve, then the targets
you are looking for – we are not prepared to sign up to them because we are signing up to fail and that will be
wholly demoralising, you know, for the staff concerned. If you feel that because of, you know, Ministerial
490 pronouncements you have to press for that, then we ain't gonna agree. I must say I just think there does have to
be some, you know, authorities...Place matters, you know, and local conditions do vary, however much, you
know, you try and sort of globalise those and say oh well, why is your performance not the equivalent of, say, that
of Liverpool, who've made great strides in the last... – it's been interesting because that's all been changing a little
bit recently – I just think it needs a more sophisticated and place-sensitive approach more frequently than would
appear to be the case. We had a presentation here on infant mortality from the team that came. You can't
495 imagine, you know, a more serious subject. And they then say, oh well, if you look at Bradford and Leicester and
[named place], you know, there are worryingly high levels of infant mortality and one actually said you can
perhaps learn, you ought to be looking at high performing...looking at how well East Riding are doing. You know,
you take so much of this and then you say, 'actually, with respect, this is total bollocks'. Look at the demography
of the East Riding. Look at the realities of Bradford and Leicester and [named place]. Look at the different
500 incidence of infant mortality in, say, the black African community, the Bangladeshi community, the
Pakistani...where, in all of those communities, you know, the level is much higher. It might have to do with a range
of things, to do with education level...But you know, to then say that a city like [named place and neighbour]
should be looking at the East Riding who have none of these demographics is, sort of, it's offensively simplistic.
505 And I think we're back to just place again, so, to come back to your first point, yes it is right that we should try and
identify comparable authorities for the purpose of benchmarking, because it isn't easy in the public sector often
knowing how well...you can measure how well you did last year and you can measure how well you're doing
against the target you have set, but they're not necessarily meaningful. We regularly, what we regularly do is, we
would look at core cities, because we've got other big cities with similar big city issues, we'd probably look at
neighbouring authorities where you've got some similar demographics, and then we would also then take
510 whichever inspectorate or commission's statistical neighbours that were advanced. But as I said, they need to be
used with care if they are to be used appropriately. Long answer to a short question.

Q22 Was the information available from other authorities of use to you in bringing about improvements in service delivery?

515 Yes, and we've been a part of this, is it the PWC club, you know, where we voluntarily give over information on
performance so that we can get an early heads up really on how we are performing against other authorities, but
it is with the similar caveats that I put earlier about differences in place. Don't...it's important not to rush to
judgement about any particular area of performance without giving thought, you know, more widely, to some of
520 the possible, you know, factors bearing upon that performance, but yes. It seems to me that, with all of these
things, the more information, the more light that is shone, then the better informed the decision that you're in a
position to make about your own services. So I certainly...fully support the principle.

Q23 I did have a question about what were the main drawbacks to Best Value, but...

We've touched on some of those

525 **Feel free to answer it if you've got something that you want to add**

Actually, so often when you push an inspector on well why, why are those authorities identified as the ones with
whom you believe we should most appropriately be compared, it's usually done by some analytical officer back in
the office, or some statistician, and so often when you then add a bit of common sense to things you start to say,
530 look there are all sorts of reasons why this is vastly different. So I do think that confidence needs to be built in the,
you know, in the reliability or the legitimacy of the choice of authorities with whom to compare. For example, you
could make every city in the country look absolute shit by comparing them to the national average, and yet that is
what constantly happens. Why is [named place] not...well hardly any of the cities do. When you look at, because
we have 200,000 people in inner city [named place] who suffer multiple deprivation, you get all the arguments...
535 oh well, even deprived authorities can perform. That is a misleading statement. There may be statistical outliers in
all of these things but, you know, if you, in an area where perhaps say 50% of the children live in households
where no one works, or in single parent,,, do you realistically expect your educational achievement in those
areas...Its again the lack of sophistication in the comparison. It's the, well that's the national average...no one
would expect that economically, you know, because they would say ah well, we fully recognise that economic
540 conditions will vary very significantly from place to place. I know I am making the same point as earlier, really, but
I do think it's important.

Comprehensive Performance/Area Assessment:

545 **Q24 Which aspects (if any) of the CPA/CAA have helped your organisation to learn about itself?**

Well I suppose, with the corporate assessment of the CPA, where you had a team doing a visit and looking,
really, at how the organisation operated across the piece I think you got some intelligent feedback. But, it does put
me in mind of Kipling's If... facing triumph and disaster and to view those two imposters just the same. Over
several years we were an excellent authority – a four star authority under CPA – but did that mean there were not
550 some real challenges in various parts? No it didn't, there were areas where we always struggled with. I say, Adult
Social Care, amount of...I just don't know whether those overall...because what came out of that is you were
either a four or a three...To whom does that matter? I think the CAA, which is a descriptive, which is a descriptive
narrative, as it were, which ranges over the area of services we provide, looks at how we work with other
partners, builds on that year on year, is a better approach, I just feel, I just regret it was then felt necessary,

555 whether at the behest of ministers I don't know, to say, oh well, we now need red flags and green flags so that the man in the street knows the areas of real concern. But that's not true. You know, the green flag was an absolute nonsense because it wasn't...at one stage we were down, I think, for three green flags...but in two of them it wasn't regarded as sufficiently innovative. Well, what's that got to do with anything? So, if no one else had been
560 doing that, you know, that's...but if others you know...anyway. And on the red flag front I remember having dinner with Steve Bundred and with Gareth Davis before the results and saying I think you have spoilt, prospectively, a much better system by conceding to the green...because all you will get in the media is a focus on those, often quite narrow areas, of poor performance, of inadequate performance. And what you will not get is what this whole change of system is intended to give you, which is that overall assessment of how agents are performing in an area, and they said oh well, don't agree [name], you've got to think again of the man on the Clapham Omnibus
565 and what will this mean...Anyhow, the day after the CAA this last time, the front page of the [regional newspaper] was just a list of the whatever it was, the twelve or fourteen red flags was – "Region failed by public services", and I felt like sending this to the Chief Exec of the Audit Commission, you know, with the sense of 'told you so'. This was as predictable as night following day. Now, the region's 22 authorities had not failed the bloody public and if anyone had taken the trouble, you know, to read those overall assessments, they'll get richer and better year on
570 year. But it was just the bloody red flag stuff again. So its that gimmicky stuff – as I was saying, perhaps the stuff that Ministers do want, I don't know, I wasn't quite clear from Steve Bundred whether it was themselves or the Commission – that just do damage to the sort of responsible comprehensive reporting that we ought to be looking for. I say, I'm a strong believer in inspections and assessment, I think it is important that light is shone into corners that might otherwise, you know, remain un-illuminated. But not the bloody gimmicky stuff that goes with it and often this is the league table stuff as well.
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Q25 Which aspects (if any) of the CPA/CAA have helped your organisation to learn about what other councils are doing?

580 It would be interesting to know, wouldn't it, how many officers and members across this authority have read the Area Assessments and Organisational Assessments for other authorities. I would guess very few, actually. They've probably looked at ours and sought to learn from those assessments, and that's what we do. It then feeds into our own performance assessment and the, you know, we have quarterly performance reports. We're already speaking to our CAA lead around some of the challenges last year and how we're doing this year, but my bet would be that if they are intended as a vehicle for learning from good performance elsewhere, I suspect they
585 have not been used for that purpose. I'd be most surprised if they had. Whether they should have been is a different question, but I don't believe they will have been used for that purpose.

It just strikes me, it's not one of the questions I had down, but the Audit Commission don't say 'oh, you've got a red flag for that, I'll match you up with a green flag somewhere else'. I'm just thinking out loud now, I've not seen that as an aspect of it.
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No, no I haven't. I think we actually did, I think we did...I think we have actually made that approach to the Commission not so much in the green flags, but, you know, we face particular challenges on burglary and I'm pretty sure our performance manager...I think he did go back to the Commission to ask 'well look, are there any
595 areas, you know, from the work you've been doing' – because otherwise we could spend bloody ages looking across all 150 upper tier authorities – 'you know, are there any where you have seen really good practice in these areas?' And we may have gone to HMIP, or whatever it is, to actually...certainly we were aware that they would have information that it might be helpful to us to know. I think some of the dangers of that, as I said to you with infant mortality, is that you can't just take crude performance against targets because the expectations in different
600 areas, I think, can vary so significantly. So it is looking at whether inspectors have been impressed by different approaches and nothing's being trialled and piloted here that has not been piloted elsewhere. One of our issues on burglary was 'can you tell us of any other authority that is doing more?' You know, we fully accept we have challenges, but it's been a real focus of ourselves and the police, and the police saw this exactly the same thing we've described – all of the various approaches we'd adopted in terms of agencies coming together, target
605 hardening. So we said 'are you aware of any other authority that has initiatives that we've not been pursuing?' And I'm not sure we got too much back on that. That seems to me, perhaps not just the green marrying up the red, because the greens are such an odd...they're so oddly defined, but an acceptance of some responsibility on the part of the Commission for, you know, for actually encouraging, you know, that sort of learning. I think we had to do that ourselves. That's what I'm saying, I think we had to say, 'well look, can we...' I'd have to ask the head of
610 our Performance Improvement Unit but I'm not sure we got too much back from that, whereas, that is where...at the Commission, that is where all of the learning together ought to be.

Q26 I was going to ask you about examples of good practice from elsewhere that might have been brought to your attention through the CPA/CAA, but I will put the bit you've just said about burglary under that unless you've got another example. I was perhaps worrying too much about the time.
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Yes, I can't off the cuff...

Q27 Again, I was going to ask which aspects (if any) of the CPA/CAA have you found to be least useful, but I think you have perhaps covered that with the 'gimmicky' bits and adding the red flags, so are you happy if...
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Also, can I just say, the system...I think the CAA is a much better system than the CPA that replaced it, but in terms of officers and members reposing confidence in the assessment, I do think that the capability and the talents and the perceptions and the insight of the CAA lead are critical. So if you get a CAA lead who leaves

625 leading members and the senior reps of partners unimpressed in terms of the depth of their knowledge of a big and complex place like [named place], then that impacts really significantly on the confidence that is reposed on those assessments. There have been issues on that, you know, with us. But I mean, it's the same team across [named county], so if there were issues with us...I am aware there have been issues with others as well.

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Other Local Government Modernisation Initiatives

Q28 Do you believe that any other initiatives introduced as part of Local Government Modernisation have helped local authorities to learn from each other? Or hindered learning taking place?

635 Well, I chair a group which is the regional local authority Chief Exec's group and it's not very long ago when you could rarely get more than three or four local authority Chief Execs together. Now we have a functioning group which is pretty well attended. I think there's been a growing awareness there that, in terms of authorities facing challenges, we need to do much more by way of sectoral self-help, you know, that the local government sector itself supporting authorities facing particular challenges. And you've seen some of that at Doncaster, I think, with, you know, seconding of officers on the Children's Services front to them. I think Rotherham Council have done some good work in trying to put together, you know, a protocol around all of us – before we hit these problems – you know, agreeing to both receive and to give support. And I think that, together with the RIEP – I know there have been issues about how RIEP funding has been allocated but, I mean, that is about improvement and efficiency and that is also, I think, about the advisers who can be commissioned under that system always having a goodly knowledge about, you know, how things work elsewhere being helpful. I suppose finally, as well, I would say IDeA, so that... you know, some of their projects particularly again for members – some of the mentoring of members – the principle is right. We're just talking to them at the moment about, again, some Children's Services challenges and whether our exec member might, you know, benefit from understanding, you know...from a mentor. They're always difficult things for members, bearing in mind some of the again... what's being achieved elsewhere, how might I respond here. So I think at that regional level, at the official level, I think Chief Execs and their readiness to support authorities in difficulties or indeed to accept help when proffered elsewhere from the sector is important. As I say, I think there is a role for the IDeA and I think, I don't know how long the RIEP arrangements will be with us, but as I say, the building the sense there of agreeing to work collectively on a number of thorny issues and then sharing the learning from that process has been beneficial.

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Finally

Q29 Are there any questions you were expecting to be asked but which I haven't asked, or have you any other comments you would like to make?

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I don't think I have. I've no insight to offer, I'm conscious I've been pretty responsive to what you've had to say.

INTERVIEWEE D

Date: 21 April 2010

Setting the scene

5 **Q1 When did you enter local government?**

In...goodness me, thank you Graham for the easy questions to start off with...in 1987 I joined the [named] London Borough. And I remember it being 1987 because it was just prior to the second phase of compulsory competitive tendering which was in 1988.

10 **Q2 What position did you occupy in May 1997?**

Yes, I was the Assistant Director for the Economy and Environment in [named] Metropolitan Borough Council, having just left [named council] when I was an Assistant Director there in their Direct Service Organisation.

Organisational learning

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Q3 Have you heard of the terms “organisational learning” or “the learning organisation”?

I have, but I think a definition might be helpful to make sure I am on the right track. I have heard of it, but it's just to check that we mean the same things.

[GW explains he wants to explore Interviewee D's understanding of the term]

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Well, the answer is yes.

a) Do you think interest in organisational learning within local government has grown in recent years?

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For local government? Definitely, definitely. I mean, I think that the...I introduced the fact about Direct Service Organisations, compulsory competitive tendering and then moving into Best Value and moving into, you know, continuous improvement because I believe that in the world of competitive tendering it was very insular. It was about how you do things and how you compete and that competition was, it felt as if that competition was with industry, but not necessarily with other local government sector. It was about 'is your building serviced the best it can be?' but not across the sector learning. So I think there's been a shift from professional and trade learning to corporate learning and sector-led learning very definitely, and that has come from the Best Value where we introduced, you know, the four Cs, and that challenge and now moving into the Local Area Agreements and looking at Total Place and looking at partners and looking at stretching targets and that sort of thing...I think the CPA and the CAA, that Comprehensive Area Assessment, has really stretched people's horizons and they think 'ah yes, it is actually the sector' it's not just about the silo that they were in before.

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Q4 Do you feel that you have a good understanding of organisational learning theories?

Probably not. I wouldn't say a good understanding. Brief, yes, good, no.

a) What do these terms mean to you?

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In my mind it would be about how an organisation looks at itself, learns, Looks outside, looks inside to improve what it does and understands what it should be doing. That's what it means to me.

b) What has been your major source of information on organisational learning?

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Through journals, from professional journals. Through work itself, being part of, you know, either as I am at the moment, Chief Executive, or being part of a corporate management team when the organisation has embarked on improvement, has been through an improvement journey really. And also then, prior to that, through management studies that I have done previously. I did a Masters in Business Administration so would have touched on some of that then, that's why I say it's a brief...because I think that is a bit of a time ago unfortunately, so maybe a bit dated.

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Q5 Do you want your council to be a “learning organisation”?

Oh yes, yes.

Q6 Do you think you are one?

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I think we continue to learn and I think that we are, I would say, mid-way placed in...That might be being a bit too modest. I will let you tell me at the end.

a) What has been put in place to make it so?

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It is about culture. It's about trying to change the culture of an organisation to be aware of its self, so to be more self-aware and to be more outward looking and I have put in place a deliberate requirement for the changed structure to have heads of service who go, who actively go out and try and promote what we do and learn from what others do. [Named council] was good at that, and in terms of Beacon status and working with IDeA and partners and others, did quite a lot and did quite well, and then hesitated for a while because there was a period of policy overload and initiative overload and people just struck...you know 'how are we going to get on with this?' The thing we've put in place is confidence in people that it is, actually...to be excellent and to be good at what you

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do, to constantly improve and constantly learn is all part and parcel of that. So it's as much cultural as anything else and trying to give people time to think. It sounds really trite but to create...and I had a real battle with members here...to create a level in the organisation that would allow people some time to think forward, not to just do the day job.

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b) What have been the major problems in becoming one?

Confidence. Well, the first thing was the fact that people felt that the comfort zone and well 'we do it OK now, don't we? If you look at your performance matrix we're well placed, we're doing things quite well, why do we need to...?' So there was something about awareness, there was something about confidence and not being critical, it was about constantly improving and it was about investment as well. So investing in people to have a more strategic role to allow people time to actually think forward. You know, resources and political will to have that structural change was something that we had to overcome and...we've looked at our HR function as well and increased the HR function to really continue the investment we've made in people, but to evaluate what they have learned, and that is something that I think we have been weak at before, People can trot off and then say 'this is part of my CPD', they've done that, but actually, what did it do for our organisation? So we're doing more of that as well, in terms of evaluation.

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Council Structures and Culture

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Q7 Does your council have a clear idea of what it wants to be in, say, ten years' time?

No, but we are working on it. And I say that here, and perhaps I should not just be so current, and maybe draw on previous experience as well. No, it hasn't yet because of its place. It's a small rural district, it's very, very good at what it does, it has a good satisfaction with its local residents, but it was scared to death through local government review. Not quite sure about whether there was going to be one unitary authority in the county of [named county] and, if so, what did that mean to [named council]? And [named council] fiercely fought for its independence because it is excellent at some of the things it does and wants to be [named council], it doesn't want to be subsumed in a bigger county. But, because of the local government review, it's meant that other districts around are partnering with each other and sharing with each other, as [named council] is, as we are, but that bigger plan, getting members to that bigger plan which is, 'hang on a second, as the austerity years are here and ongoing, we will not be able to survive like this because we are too small. We need to have strong alliances and allegiances with others'. And so we are getting there, but we haven't actually picked our partner. We do know what we want, but it's work in progress about what the end will be.

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Q8 Do you/your senior management team/senior members put aside enough time to reflect on what you are doing (rather than the details of how you are doing it)?

No, But we are getting better at it and I have put in place monthly policy group meetings where they are my meetings, they are not member meetings, and I think...the short answer was 'no', getting better at it and know what we need to do so...The politics and culture have been very much about, you know, doing the day job and doing it well and then saying 'ooh look' and being...the expression I've used before is 'being done to' – the policy has hit you before you have actually anticipated it coming. We're doing a lot better than we were but there's still more to do.

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Q9 What would you say were the top three ways in which you and your staff receive information on new ways of delivering services?

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By, literally either through the journals through conferences or through networks. Getting out and about, and that's through professional benchmarking clubs and that sort of thing.

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And probably seeing it, you know, being part of a benchmarking club, and seeing somebody else's experience is probably the most efficient way, because it's readily understandable.

Q10 What is your council's attitude towards risk-taking?

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It will take a risk, but it enjoys measured risk, but it isn't cavalier. And I don't know whether my idea of measured risk now has been influenced. It has been quite conservative, with a small c, but the Leader of the council is very prepared to take measured risks to take us forward.

Q11 Do you encourage staff to experiment with new ways of working/delivering services?

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Yes. And I...again I shouldn't draw only on [named council] because [named council] is very different to the experience I've had in other authorities...[named council] is a small district authority but for the place is a big employer. The turnover of staff is low here and there is an extraordinarily strong, kind, family culture to the business of [named council] and the organisation of [named council]. But because people...because the turnover is low you do have to encourage people to actively go out and search for new ways of doing things. Now some people do that naturally and enjoy it. Other people...it's the comfort zone, we've done it, it works, why do we need to change? So I find, myself, when people want to do things they get on with it and do it, and we benefit from that. Then there are other times where you've got to cajole people, to say 'well actually, that's just a bit old hat now, it's taking too long, we cost too much now because we're not keeping pace with the different way of doing things'. And when...we're going through a voluntary redundancy process at the moment and we are going to lose a

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135 number of staff, and I can think of four members of staff who have all got over 30 years experience, so that gives you a clue for the turnover. People have managed to keep abreast, but it's not everybody's natural desire to be, you know, cutting edge.

140 **a) How are the results fed back into the council system for analysis? Presumably people don't just go off and start doing things totally differently.**

145 Well, actually, they have done and then..."Ah, that was interesting, good, let's share that then". The measuring, the evaluating...systems are implemented and should be evaluated and systems have been implemented and not evaluated terribly strongly and we have lost out there because then the benefits haven't been spread throughout the organisation. So now we're aware of that, we've been quite good at innovating or learning from others and implementing, but not across the council as a corporate body, so that's our next step which is: the findings come into the corporate management team, we look at...this is newish, so I haven't got a body of evidence to say it's here, look at it...but we are looking at highlight reports about how did it, what did work, what hasn't worked and then spread that through the organisation.

150 **Q12 When was the last time your internal organisational boundaries were changed? What prompted that change?**

[Interviewee D asks for clarification and GW explains further]

That happened...the last one was about 18 months ago.

155 **And you did it because...?**

The need to be more corporate and to share intelligence and to share learning.

Q13 Do you use secondments (or similar) to share knowledge/expertise within the council or with other organisations?

160 We don't share secondments but we do share services, Because we are quite slim – you know, as a district there are few people trying to do a lot of things, so what we do is we'll share services and bring in the learning that way as well, rather than secondments, We have done, for particularly regulatory staff, we have, but we tend more to share our services and our experience that way. We work well with partners in [named county] and the districts and are getting better at working...this is the prize for me, which is getting better at working with the County Council as well.

Q14 Can you give an example of a change you have tried to implement but where you were not totally successful?

170 Every council meeting I think, "could that have been better?" but I can't think of an example. I suppose the boundary change that you've just spoken about, introducing a new tier into the organisation, took a long time to do and it's taken a lot longer to reap the benefits than I anticipated. So it's not that it hasn't worked but I underestimated how steep a cultural climb I had on my hands. I'd have to let the questions continue and I'll put that to the back of my head and see if I can give you any other thoughts.

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Specific Modernisation Initiatives

The Beacon Council scheme:

180 **Q15 What involvement have you had with the Beacon Council Scheme?**

185 In the last three years, none, but watch carefully on the improvements and who's got what, where, and when. But initially, because I think beacon must be about 12 – 13 years old now, initially this council in [named council] were very actively involved in the beginning and did quite well and I think it's...for whatever reason it stopped getting actively involved, I don't know, but it did. And personally, I know I was involved in the first beacon when I was in [named previous authority] and we did very well on the waste and won the beacon for waste council for [named previous authority]. And again that was all about the shared learning wasn't it? It was all about what we are now calling legacy, are we, or something else? But it's about sharing that, and that was all part and parcel of the beacon event, wasn't it?

190 **Q16 What did involvement in the scheme teach you about your home organisation?**

195 It did make me really understand the service area and also the weaknesses, because when you tread the boards and fill the forms in and did the bit, you knew absolutely when you were telling the truth the whole truth and nothing but, and you also knew where your evidence wasn't as strong, so you knew if you were skating on a bit of ice. And it also did show you how much you relied on other parts of the organisation, so it did start the connect with the other part of the organisation there.

Q17 What did you learn from other beacons? Were any changes in working practices adopted as a direct result of involvement in the beacon scheme?

200 When I went from [previous named authority] to [second named authority] and [second named authority] started on the beacon journey as well, I remember in Health & Social Care I used...I was encouraged by that organisation to use the learning I'd had from [first named authority], and brought that in, I remember shadowing [named officer] at the time, who was the Director, to the lessons learned. It was a different topic area, but it was the lessons learned...we did that and then we did that quite successfully. But the direct learning and things that were exciting

205 were more about what now is climate change but was all about the energy efficiency and that sort of work in those early days thinking 'yes, how can we do this to be more efficient and effective?' So there was some that felt more cutting edge, Kirklees for example, where we took some learning from Kirklees as well. And I think that just the fact that it opened the mind to the fact that there were lots of good sources of other ways of doing things and networks and things like that. So, it may have been the topic, but it was also about, then, that social network that you could then ask other questions about other things.

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Q18 Did you try to implement a change but were not totally successful, and if so what were the barriers to change?

215 I think sometimes, if you compared yourself with councils that seemed to be richer or poorer and where there seemed to be lots of resource available for the activity, that was a barrier, that was something of this will never ever get of the ground because it would be a growth bid, members have already told us they are not going to have any of those, so no, it was mainly about money and that could have been a bit of laziness, could have been a bit of well, if you tried harder you and made a compelling case you could have got it. So sometimes the obstacles were about money, and not necessarily seeing the same sorts of issues. If the particular problems facing that council couldn't be easily transposed, then that was another barrier as well. You'd think, well I won't try that one; I'll look at another one instead.

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Just to go of my script for a minute and to follow that up, do you think then that looking at councils and saying 'oh they've got loads of money, we could never to that here' that you've invented that barrier, possibly in some instances. You said that perhaps if you'd made a better case you could have got the money. Do you think that people invent problems?

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230 Yes, I think at the time, you know, looking back at the very beginning of beacon...I think the beacon has had a real, sort of, up and down. It started off, I think it did very well and then I think it plateaued a little bit in maybe year six or seven and it was a 'yeah, you know, ok'. And that's really, I think, the really the time I thought "what extra is it going...?" Going through that process, and there was a small reward at the very beginning I remember, something like £17,000 could help you with your publicity or whatever else, it was that...you thought "well, what am I going to learn?" and there's a big commitment to sharing that learning and sharing the knowledge at the end and do we have the energy and resilience to do that? So those were some things. Then I think, yes, maybe looking at...well it's quite a timely process to go through...I wish I could remember the council, it was certainly when I worked in [previous named authority] and we had a beacon event held by another authority and it was about looking at the climate change agenda and it was at a time that the [local newspaper] had pictured a man with an umbrella saying "is this climate change, do we want it?" and members wouldn't even let us have an officer called anyone to do with climate change, and that was well, I'm just wasting my time, so I don't think I invented it. I think it was pretty real at that time, but then, working through it – and that's what I mean by a more compelling case – if I'd have captured the initiative earlier and been able to tell the tale before the [local newspaper] did, then I would have done better, I think. So, through time, you then just carry on doing the things that you were doing a little better, a little better, a little better until eventually...and we did get on the right track, but it took a little longer. That was the example I thought about, but there are other examples just looking at the areas of England that I've worked in, there are examples when you look at places like the London Boroughs and, you know, what Hammersmith might be doing, who seem to be a very forward-thinking and innovative council in certain things and you look at that and you think, well, we don't have the same political will to be that brave so we won't do that then, And then that's where I think, as a Chief Executive, I have a job to do which is to say, "well, no we should" and it goes back to your thing about risk its "no, we should be that brave, come on, we haven't got an election in here for another three years well come on let's do it now" sort of thing. That's where I should help more. Which doesn't answer your question at all, does it?

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I think it's interesting. I wasn't suggesting that you did, in any particular case, invent something, but I think that people do imagine that some barriers are stronger than others and think "I won't do that because..." and then start to guess what they will say, but actually when you try, things are easier than you envisage.

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I would agree with that. I think that that can happen and I think the thing is some people think that beacon or local government awards or best council to work for or things like that, I think...this is what I meant about it had...the beacon sort of plateaued, but then it has come back again, I think, because people do see the benefits of shared intelligence and I think that, just to stretch this point, it's the 'buy it once, use it thrice or four times' because I think local government now realises that it has an absolute and utter brilliant army of people who are all doing the same thing, but some are at various different stages, and if we work better together about saying 'please do lead', which the whole thing was about, please do lead on that and we can follow and then we'll lead on something and you can follow. The best example ever has to be how we've been, as a local government family, how we have managed to pay over the odds for consultancy support on things like PFI and other deals where everybody has invented the same wheel and there has been a technical expertise that if only that shared intelligence were there on that to say, which I think the London...Capital Ambition is London's regional improvement body and they now, I think, are saying "why? we can be the technical experts, the financial, the legal experts". So that's just a different way of where we do our learning. I think Leeds have done quite well on that, actually, as well.

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Q19 Do you think the scheme was an effective way of spreading good practice?

275 I think it was, and I think it probably could have done better about its own evaluation and analysis and made...I think that it was more luck that it had that plateau and picked up again because I think that when people were successful beacons they tried again and they tried again and then after a while it wasn't obvious what the learning was, it wasn't obvious what the benefits were. So I think that it could have been...targeting the evaluation, targeting the case studies, targeting...the push was left to the individual authorities and I think that perhaps it could have been co-ordinated better so that more people felt the need to continue the learning.

280 **Best Value:**

Q20 Did the Best Value framework bring out information about your organisation of which you were unaware?

285 Yes, I was in [named authority] and in [second named authority] doing Best Value Reviews. The answer is yes, it did.

Q21 Was the information available from other authorities of use in making comparisons with your own authority?

290 Not necessarily other local authorities because my experience tended to be on the services that were engineering, that were the blue-collar services, the ones that had been part of the Compulsory Competitive Tendering regime, and so the critical friends that we tended to use were from other sectors, not necessarily local government sector. But the learning was there from other sectors and that was the opening out of the compare, contrast...No, we did, didn't we, we did, because then we had our family, we had our Best Value family, yes, sorry, we did, we did. I think that some of the examples and some of the sharper learning was from other sectors but then, yes, looking at benchmarking with others we found that the private sector was just a sharper edge and then we compared ourselves with our family...our Best Value reviews, yes, we did. It seems ages ago actually. It does seem a long time ago, whereas Beacon was even longer ago but that doesn't seem as long ago.

300 **Q22 Was the information available from other authorities of use to you in bringing about improvements in service delivery?**

305 Yes, in terms of benchmarking. You had your family didn't you? You had your networks and your family comparators to look at and yes, if it was at one extreme or another, you would look...why is that and how is that? and be more analytical about your service areas. But I think in the world of Best Value it still felt quite insular, that you wanted to be the best but you didn't necessarily want to share...I think it's become...the CPA has...that journey...and it's been the comprehensive assessments for other organisations as well and you look across...and the sub-regional focus...you look across and say "actually, it is more about all doing well, rather than competing". It's changed from a culture of competing to collaborating, I think, with local government partners – well local government family and other partners.

310 **Q23 What were the main drawbacks to Best Value?**

I don't think that there was a particularly well understood construct for it. I don't think that...it was trying to be the best, but I don't think it...It didn't live very long. I think it tells its own tale, really. I don't think it was well thought through.

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Comprehensive Performance/Area Assessment:

Q24 Which aspects (if any) of the CPA/CAA have helped your organisation to learn about itself?

320 I think probably the self-assessments. And I think in the self-assessments that organisations have been really honest and taken the time to look and followed a series of questions and followed some similar guidelines about how you should assess yourselves. And then perhaps in a more jaundiced way you realise that your honesty might have been a bit more honest than a neighbour's, or...And then you start thinking about "ooh, whoops, my judgement isn't...it's a self-assessment, I recognise myself here, recognise my authority here, but I don't recognise that one". I think then there was more of an honest assessment and then one that you would not want to show all your dirty linen in public, and then another one that might have thought "ooh well, are we all being equally honest?"

330 **Q25 Which aspects (if any) of the CPA/CAA have helped your organisation to learn about what other councils are doing?**

335 The access to the information is there. I think what the Audit Commission are trying to do at the moment and tried to do last time through the One Place website...access and being able to really look and see...and you feel, fair or otherwise, you feel you've had a similar evaluation, you've had a similar process to go through, you can compare yourself quite easily and the information is quite accessible. I think the performance management part of the now CAA – value for money, use of resources – is really quite easy because it's quite detailed and you know what they are looking for whereas the managing performance side is not as easy to recognise what people are looking for and how that's being assessed. But you...it's the culture – working with partners, sharing with the police, sharing with fire, sharing with PCTs and Strategic Health Authorities, Universities – you know, people all want to be thought well of, so they are willing to share to get that area assessment right.

340 **Q26 Have you implemented examples of good practice from elsewhere that have been brought to your attention through the CPA/CAA?**

Yeah, you do look, and see...I mean certainly, absolutely. We've gone to understand how comparatively similar organisations have managed to move in the judgements and the ratings and a neighbouring authority was ranked poorly and became excellent and that journey was over three to four years, so we've spent half a day there in advance, saying "how did you do it?", "can you tell us what were the critical things in your journey, in your learning?" etc. Have done that, and do do that and look for other authorities and when we're thinking about our service reviews and what we're trying to do we do look for the excellent authorities, or the ones that aren't, well, why is that? So we don't want to make mistakes, so we do...

350 **Q27 Which aspects (if any) of the CPA/CAA have you found to be least useful?**

Probably the inspection, really. I think the process is good. I think being aware, being self-aware, you know, looking at what the customer feedback, looking at what your customers think of you is useful because, quite frankly, if you're doing what your customers want and it's still...if you do more of what your customers want which means you have a poorer rating in the CAA, well, maybe you're doing the right thing, because that's really what you're here to do. And we're not all in the same set of circumstances and so there are certain things about the CAA that we have deliberately said we do not want to be. We do not want to waste our energy trying to get to excellent or to four because actually, for us, that isn't our priority, it's somewhere else, and so if that means we have to have a lower rating, so be it, which is a brave decision, and a risk.

360 **Other Local Government Modernisation Initiatives**

Q28 Do you believe that any other initiatives introduced as part of Local Government Modernisation have helped local authorities to learn from each other? Or hindered learning taking place?

365 What I didn't talk about Best Value, which I should have done, was about the peer reviews. I mean, that's been helpful. And certainly members being involved in peer reviews as well, for themselves and for other authorities, has been very helpful. And when members get the bit in their teeth, which a couple of our members have, then that is helpful and they bring things back and that works and it also helps them develop. Sorry could you just repeat...I did think of something and it's just gone out of my mind.

370 **GW starts to repeat question.**

Freedom of Information. I think freedom of information has helped because, whether we like it or not, it's meant that the things that you might not want to have shared, perhaps, are out there in the domain and that...you think "oh my gosh, well that's exposed something I wasn't aware of" or "we look really good there" or we don't. And also things like Audit Commission, the Regional Improvement and Efficiency Partnerships which have...a new name for organisations which are helping improvement and that is something you can look at in a confident and possibly even sometimes confidential manner, where you're trying to improve as a region or a sub-region and all support and be supportive of each other. And that certainly happens in Local Government, [named] region. One of the things – it's not part of the modernisation agenda, necessarily – but the IDeA in our region have encouraged masterclasses for Chief Executives to look at topics, and that again encourages you to look into your organisation and think "oh yes, how has it been there? How would we react and what would we do?" That's been quite helpful.

Finally

385 **Q29 Are there any questions you were expecting to be asked but which I haven't asked?**

No, I don't think so Graham. From the information that you gave in advance I think that...No doubt as ever you'll think "oh yes, it could have been this" when you've gone, but no, I think that's fine.

INTERVIEWEE E

Date: 10 June 2010

Setting the scene

5 **Q1 When did you enter local government?**

I started work in [named] Council, which is one of the Metropolitan Districts in [named area] on 4 July 1983. I can even remember the time of day.

10 **Q2 What position did you occupy in May 1997?**

In May 1997 I was Head of Economic Development and European Affairs at [second named council]. But, as you well know, within six months I moved to [third named council].

Organisational learning

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Q3 Have you heard of the terms “organisational learning” or “the learning organisation”?

Yes.

20 **a) Do you think interest in organisational learning within local government has grown in recent years?**

Yes, it definitely has. I think it has always been there or thereabouts. If you track the history of what was welfare in the dim and distant past, through to HR and nowadays through to what we call Strategic HR, the phrase that I really like – I mean, I like Organisational Learning – but organisational development is the phrase that I use a lot to try to capture some of the learning stuff, but also some of the progressive, innovative, dynamic approaches that you want the whole organisation – someone in my position would want the whole organisation – to take these kind of things on board: management development, leadership development and to have progressive appraisal and performance review processes, and to also link it in to culture very clearly. Because one of the things that I've detected in the time I've been working in local government is a massive shift in the culture, the attitudes and – some places are quicker on the uptake than others on this one – focusing on citizens and value for money issues and a bit less of the self-serving job for life mentality which I think was around in the '80s when I first joined, through to a realisation now that we exist for a purpose and to serve the interests of citizens, residents and so on. Therefore the cultures that you try to encourage and to promote through the organisation, through organisational development type stuff, includes, on the learning side, all the management and development stuff that I have already touched on – you might want to develop – but also issues around having positive cultures to how you do reviews of things that have gone wrong, for example. I think that has changed enormously in the last, I would say maybe the last 15 years or so, there have been certain shifts and certain peaks in that obviously, nationally, so some of the child protection stuff still has a blame culture attaching to it, the need for heads to roll and all the rest of it, in my view doesn't promote a learning organisational response. It promotes a 'how do I cover my back and make sure that things don't go wrong' and therefore there's a risk aversion which I think was also there in the '80s when I joined, but we now – I like to think – have a risk-managed approach to stuff, rather than risk aversion. Generally speaking there is more of a realisation about recognising people do make mistakes, we're all human, myself included, and we are to learn, we are to develop, we are to progress as an organisation, we have to recognise that occasionally things will go wrong and it is very much a question as to what you do about that. Obviously sort out the issue, but then make sure that the system, the learning, the individual issues are dealt with and then that promotes a more positive culture around how to approach these kinds of things in the future.

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b) Why do you think there has been an increased interest in organisational learning?

I think there are a lot of different factors. I think the...if we work from the outside in, because that it probably the easiest way to do it, I think successive governments have placed a lot more emphasis on value for money. From the '80s that had the creation of the Audit Commission, the famous 'three Es' – economy, efficiency and effectiveness – and that required organisations to respond in a different way, to assessing quality of services, how services are provided. We then had CCT, I did a lot of CCT work in my early career and I learned a lot from that myself, and I know that the organisations that I worked in learned a lot in terms of how to respond to those legislative challenges, the policy implications that flow from that. Under Labour, from '97, I think the kind of performance regime, the inspection regime, comprehensive performance assessment, as was, CAA more recently, the whole Best Value Regime in '97, and so on. There's a plethora, you'll have documented these in your literature review. So I think there was a lot of external impetus and focus, and a lot of incentivisation. I think to be fair to Labour, they also promoted the establishment of the Improvement and Development Agency – the IDEa as it is known now – they promoted and financially supported the establishment of the Leadership Centre for Local Government, which has been running a few years now, as you will know. So there has been almost 'carrot and stick' about the incentivisations to promote more learning, better quality management, better quality accountability, better quality systems, better value for money and better feedback, both to citizens but also from citizens in terms of how services are perceived and so on. So there's loads of stuff around that. Internally, I think there has been a sea change in the role and the professional approaches to how organisations like local government are actually managed and if I look at my own career, I was perceived to be – in fact I was held back in my early career because I didn't have a so-called professional qualification: I wasn't a lawyer, I wasn't a finance

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CIPFA-type person, I wasn't an architect, engineer, so on. I couldn't understand why organisations that are supposed to serve citizens and communities would have these mental barriers and blocks that say you've got to fit these silos around where you've come from, what your thinking is" and that governs your ability to make a contribution or make a difference. As you might expect, I railed against that and I personally have done a lot of management stuff, qualifications-wise – MBA and so on – in order to compensate for that. I've also detected – and other people have been through the same routes – so the former professional regimes that used to have its embodiment in the chief lawyer becoming the Town Clerk becoming the Chief Exec, that went in the '80s, early '90s, and a regime which was governed by value for money and therefore finance people ruled the roost. Nowadays, there's a plethora of people who occupy Chief Exec roles: social work people, HR people, educational people, children's services people most recently. If anything, former professional regimes are pushed further down the queue, rather than at the forefront of the queue. I think that's healthy, I think that's good. I think there has also been a shift in the quality of elected members and in the running of organisations, in the governance of organisations; modernisation is part of that which we will come to specifically. What you might call the 'professionalisation' of the councillor role, the elected member role, and the governing body roles of schools and the NHS Trusts and all the rest of it, I think have also pushed for more organisational excellence in how things are done and the way they are done, and that, in turn, has promoted a virtuous circle of positive learning and developmental stuff that wasn't really there 25 years ago.

Q4 Do you feel that you have a good understanding of organisational learning theories?

I like to think I do, although there is always a book that comes out, isn't there, or a couple of books come out every summer that you think hmm. There's always new academic approaches to it, which is only right and proper. There is always new learning. While I was at [named authority] actually, I chaired the learning partnership – lifelong learning was the buzzphrase at the time – and I personally subscribe to that as a value of my own being. I like think that I have learned something new every day or learned something new every week and so on. So I am certainly open and receptive to new ideas to challenging ways of doing things differently and usually better, so the academic world spawns a lot of that sort of stuff. I am less persuaded by some of the what I call the 'evangelical' people that are around at the moment. There's a lot of emphasis in our business at the moment around Systems Thinking, and Systems is *the* solution. Anybody that ever says to me it's *the* solution or *the* panacea doesn't do it for me, I have to say. I'm more pragmatic. I firmly, passionately believe and all my experience tells me that it's not the system that gets something done, it's the people who work the system. We're not a manufacturing organisation, we're not a commodity provider, we're very complex organisationally, and most of our assets, apart from physical stuff, are our people, and brain power, energy, commitment, motivation – all the soft skills, as they used to be referred to, and therefore the exercise for me is around learning, constantly learning, how to get the best out of people to provide services and quality outcomes for citizens and so on.

a) What has been your major source of information on organisational learning?

Personally, I would say – I've touched on it – I did a Diploma in Management, I did Chartered Secretary stuff when I was very young. I then did Diploma in Management, here actually, in Preston many years ago. I then did an MBA and at the Diploma in Management level I was given a lot of theory stuff to absorb, which I really enjoyed. Didn't enjoy all the theories, didn't enjoy all the kind of volume stuff, but actually the thinking that you get exposed to at that level is very significant. MBA – it's just a different league, different world, that really opened my eyes personally to a lot of the what I call strategic management, strategic organisational issues, and a lot of American stuff, obviously, around leadership and management and learning curve stuff. Then that's been reinforced by the exposure that you get in this kind of role to – I did the local government leadership centre for example last year, and I also did a programme called Vital Vision, which is a BT sponsored one which twins with universities in the States to expose people to these different regimes, different ways of thinking, and challenging existing perceptions and preconceptions and so on. So there's lots of reinforcement along my journey. Within the role itself here, I get exposed through trade journals, I've got the Harvard Business Review, for example, on my desk, which I've just subscribed to because, again, when I get a bit of time, a bit of quality time, reviewing somebody else's thinking around this kind of stuff can actually be – not life-changing, that's too dramatic for me – but it certainly can shake you up a bit and shake you out of thinking that you know all the answers yourself because you just get into that sort of pattern of doing things and so it comes back to the exposure to any learning that's around and anything that's conference-wise, course-wise, book-wise, magazine-wise, or, as I say, through the trade magazines. Occasionally you bump up against – I do a lot work with the business community in this kind of role, as you might expect, and there's several people that have genuinely and sincerely inspired me in terms of their ability to understand what drives our business and their ability or willingness to allow me to ask dumb questions about drives their business. It's a bit like when you go abroad and have that Pidgin English conversation with people from a different country. If they are prepared to engage and they are prepared to understand what you understand but also to help you to understand it better, and vice versa, you get a much better experience out of it. There's been people in [named council] and people here particularly who have been absolutely fantastic in terms of broadening my knowledge and horizons of how organisations can actually work in a different way. What the kind of... it's overblown, the distinction between the private sector, the public sector and that's shifted a lot on the public sector side in the last 15 years. And if you look at it as organisations that are there to do things and to achieve certain things, targets and so on, forget the profit motive, it is actually about people, it is about the systems, it is about relationships and it is about how things get done and how you learn about how you can improve along the way. So those common denominators are also helpful in terms of learning.

b) What do these terms mean to you?

135 Organisation learning to me – there will be a better academic definition, obviously Graham, that you'll have covered in some of your materials – to me it means haven a systematic, a systemic approach to making sure that learning is embodied through everything the organisation actually does. I like using very simple analogies on stuff like this; it's like the lettering that goes through a stick of rock. You've got to be able to see learning, progressive management approaches and so on, and the systems that underpin that, through the whole organisation. It's the systemic nature of that which is the issue. There's always learning in organisations, there's always good people, 140 there's always people whose performance needs challenging and improving, there's always ways that things can be improved. If you have a systemic approach to those kind of issues then I think that's more in the territory of organisational learning. And having a positive culture that reinforces those kind of things, that provides visible examples of it, tangible examples of it, and it is visible through the whole organisation, from myself in this organisation right the way down to front line counter staff, that there should be something that somebody like you 145 coming to visit can touch and feel about is this a learning organisation, is this an organisation that responds positively, that values people and all those kinds of things that come with it.

Q5 Do you want your council to be a “learning organisation”?

150 Yeah, I absolutely do. I'd want any organisation that I've ever been part of, but certainly lead, to have exactly that kind of... whether we call it, the badge, it's a bit like Investors in People, Investors in People to me is about the process that you go through, the systemic nature of it, it's not about flashing the badge and having the flag waving at the top of the building, it is that touch, that smell. I've said this to a number of people, let me use a different example just for a minute: when you tour schools, as we'll have done in [previous named authority], as you do here as an education authority, I genuinely believe, you walk into a school and you know whether it's a good 155 school or not. You just...you can touch it, you can feel it, sometimes you can smell it, taste it. There it's about discipline, it's about how the kids relate to you, it's about how the admin staff receive you, it's about how the head teacher is either there at the doorstep or waiting for you to be taken in, the size of the office...all those kinds of messages. And this organisation is no different from that, from a visiting point of view, and when I get visitors, a bit like you, that come along and see the organisation for the first time I often ask “how were you treated at the front, were you received properly?” All the kind of what you might call basic things, but they are actually very good indicators of the health of the organisation and how self-aware the organisation is, how the organisation is of customers, visitors, citizens, of the reputation management, which is a very important issue for me in this kind of role, as you would expect, and how people perceive my organisation in terms of whether it's competent, whether 160 it's effective, whether it's human, whether it's courteous, whether it's efficient as well as effective in terms of what it does. You just have thousands of examples of that as you just, as a visitor, come in and walk round and just absorb the atmosphere and the environment of the place, that will give you lots of messages, and people who are switched on to it, like you doing this kind of project, spot things that people who have been here for a while, like me, just start to screen out, because the perception is all important. So, yes, to answer your question, definitely.

170 **Q6 Do you think you are one?**

175 Hmm, I thought that might be coming. I'd like to think that we are, but if I'm absolutely honest about it, I think I lack the evidence base to be able to point to all the different factors that go to make up a learning organisation to be able to say “yes”. If it's a black or white yes or no, I couldn't definitely say yes. I have to say I couldn't say no, it would be somewhere in between. I think it's a journey, a learning organisation, because you're only as good...it's a bit like the football manager isn't it? You're only as good as your last season.

a) What has been put in place to make it more of a learning organisation?

180 I mentioned organisational development earlier on, that's the kind of approach and philosophy I've tried to push into the organisation. So we've done a lot around promoting internal communication, more cross-organisational communication, more communication externally as well, to be fair. We've overhauled the appraisal and performance review process, I've overhauled the performance management process, I could go on and on here. I've changed a lot of people and I have actively brought in people, particularly at senior posts – the kind of posts I would get exposed to – that understand citizens, understand customers, understand communities, understand ... 185 there's a peculiar dynamic about two-tier areas which I ought to just mention here, Graham, because you and I are more familiar with single tier...Two tier areas, and I had not worked in one until I came to [named authority], are somehow...they have a rarefied approach to what they do and how they do it, because they are not directly connected to customers on as regular a basis as I would like, because we don't have housing, we don't have leisure, education through schools is done differently these days and the big services that we do, they have a big impact on people obviously, but they tend to be less direct than some of the engagement you would have in Calderdale for example, around benefits or around Council Tax payments and so on. So the transactional side...the feedback from the transactional side is a bit further removed and that frustrates me because it can, and in this organisation definitely did, create a culture of ivory towers, slightly remote, we know best, we'll strategise and produce strategies and we'll consult on them and will implement what we think is right because we're professional people, we know best. All of which doesn't sit well with me. So the...to answer your question a 190 different way, there was very little learning in the organisation when I arrived, there was a lot of management development, there was a lot of courses, a lot of seminars, communication was very poor, very silo-based, in style terms, very command and control, in terms of its leadership style and its cultures, very internally-focused, wasn't good on partnerships, lot of tensions with district councils...I could go on. So what I've done is tried to take a leadership style that promotes partnership, that promotes customer issues, that promotes meritocracy in terms of promotion and reward and recognition. A very good example that we've just changed...sorry, we've just gone 200 through equal pay reviews here which has been quite painful as you might imagine. Some of the staff, a significant proportion of staff, have reacted very negatively to the fact that we've changed the basis of promotion.

205 So, here it was time served, and surprise, surprise, we've had very little turnover and we've had a lot of people who've worked here forever. And I've pushed for meritocracy and for promotion based on what you do and what you achieve and the contribution you make, not for the amount of time that you have worked here. Now that, I'm overstating it slightly, but you get the point, the currency here was loyalty and loyalty was by time served rather than by difference made and that doesn't sit well with me. So we've changed that and, as I said before, brought in senior management people that understand that, get it and promote it within the organisation, and build systems and processes and manage systems and processes with that objective in mind and that's part of the systemic approach to learning organisation stuff that you were asking about before. And then we've done other things – the peer reviews, we've brought in people to give us feedback on customer issues, customer experience issues...blahdyblah.

215 Council Structures and Culture

Q7 Does your council have a clear idea of what it wants to be in, say, ten years' time?

220 That's a very, very good question. If you'd asked me ten years ago, I'd have got that wrong. I would have said we had and in [previous named authority] I think there was at least the germ of a sense of where the organisation might go. But what changes, of course, is things beyond the organisation's control. So asking that question now is incredibly relevant as an issue. I've got a sense of where the organisation's going to be in ten years' time and, more importantly, what it's going to look like, but if I shared that with everybody in a very open, transparent kind of way it would frighten the pants of most people, because we will, in my view, employ less people, we will run less services, will have a different – a very different – departmental organisational structure, terms and conditions will have changed – again – but we will be more partnership orientated, both in terms of commissioning and provider, the kind of modern language. I actually think that something's got to change on the democratic side as well. I think the cost base that we're sat on, both in service management staff-wise, but also on the democratic overhead...something's got to give on that. You might want to touch on this on the modernisation issue per se, but the kind of system that we have democratically has its antecedence obviously in Victorian England. Well, places have changed, communications have changed, infrastructure's changed, the ability to get things done for casework for constituents has changed enormously and I ask myself, and occasionally in private conversations, I ask whether we need as many elected members and elected members do what they do, and I think this was ducked absolutely, fundamentally by the Labour administration when modernisation came in. The right step was taken towards executive cabinet-type arrangements, in my view, but then they ducked the really big one, which is "what do you do with everybody else?" and came up with the notion of scrutiny as the solution. Well, if scrutiny was the answer, then what was the question? I have to say. I am not persuaded by that bit of it at all. But I do think that cabinet government works better than the old committee system, in my opinion. I know there is a difference of opinion emerging again on that issue at the moment but I do think that was the right move. So in ten years' time I think we will see more of those kind of...whether they're legislative changes or they're driven by finance at the moment which is clearly literally the issue of the day...Citizen expectations have changed enormously as well. So those things that we do and the ways in which we do them more and more citizen empowerment, citizen engagement, community engagement sets us challenges about how we do things and the ways in which real people expect us to do things, rather than the "we know best, this is how we've always done it" kind of thing. So there'll be a lot of ongoing changes around that, in my view. But I think also, the whole coalition agenda at the moment is very interesting, to see how that's going to actually settle and play itself out, because that will have a big, big impact, obviously, on what my organisation will appear in ten years' time, would look like in terms of the model of government that is likely to emerge over that period and I would expect it to be different than the one that was here ten years ago.

Q8 Do you/your senior management team/senior members put aside enough time to reflect on what you are doing (rather than the details of how you are doing it)?

250 Yeah, it's a very, very good question again and that's a very good barometer of a learning organisation isn't it? The answer is no, to be truthful. We do some of that. I should explain a contextual point here. The administration ... we have four-yearly elections, so it's all-out every four years, and you'll know this by checking up, but Labour lost last June and the Conservatives came in. The Conservative administration had to form itself quite quickly, with a big majority and none of them had ever run the administration before, so they'd been out for 32 years, which is a long time. So they've had to do a lot of internal organisation and reflection and development, and we haven't yet, if I'm truthful, developed as systemic an approach to that question you raised as perhaps we ought to have. I do a lot of it with the Leader on a personal basis; he does some of it through feedback with his Cabinet on an informal basis; we have a Cabinet/ELT event on a six-weekly basis. We try to keep that strategic and taking stock and planning what's ahead because the decision-making comes through Cabinet formally, obviously, but inevitably that strays a little onto the business side and the issues of the moment - so at the moment its all about budget. So the reflections that healthy organisations have, in terms of giving themselves the breathing space that you referred to, typically through awaydays or events away from phones and computers these days, we don't do enough of that, to be fair. I do a lot of it with ELT – sorry, jargon, Executive Leadership Team, which is the management team for the organisation – and through what you might call the extended leadership team, which is all the directors...we have a structure – an exec director, director and then variously heads of service or assistant directors...and that's typically the top two dozen or so managers in the organisation. There's a regular programme of those and – good example – since I've arrived we've extended that to the top 120 people, so all the heads of service, senior kind of people. We have a regular programme – there's one coming up in a couple of week's time – and they're interactive, all the management ones, all the managerial ones are interactive two-way that typically

have an input from me or from an external speaker and then we'll break into groups and people will have an opportunity to reflect, comment on, feed back – all those kinds of things. So, that side of it works pretty well, but between the whole council and the top management structure, it's a little bit clunky and undeveloped around that.

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a) What do you need to do?

I think we need a more systemic approach to the Cabinet/ELT dynamics that allow for that breathing space, allow... as a model for example, in some of the organisations I've worked in, at the start of the budget process, which would now be the end of June rather than the start of October, which is what we used to do... I think a good way of doing it would be to have a 24 hour slot, midday to midday, away from the organisation, where you start with the 'this is the state of play as is'; 'these are the budgetary pressures'; 'this is the position as we see it', that's shared by the politicians in terms of their recognising that picture or not and then overlaying their priorities on it in terms of what they see and what they want to see for the next period, and then break up into huddles in terms of sharing intelligence but also perceptions about where we actually are, where we need to be, and so you get more coherence, in my view, to the decision-making that emerges from that sort of stock-taking session, particularly around budget because of the impact it has obviously both now and on an ongoing basis. And we don't do that as systematically as we might do. I like to think that between myself and the Leader, the Director of Resources, that we kind of get good proxies for it, but I think if you are a back-bench member here, you'd feel completely disconnected from that process, if I'm absolutely honest about it, and that's something we've got to push more on, to get the learning organisational dynamic to that. So that would be a good example.

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Q9 What would you say were the top three ways in which you and your staff receive information on new ways of delivering services?

Top three? Conferences. Trade mags, second. Third would be networking, for me. I think it's very important in my role to be well networked, not for the sake of it, obviously, but to be open to those kind of things, a bit like the spider's web – things come backwards and forwards on the web. Obviously the internet is good from that kind of view, but I'm still old-fashioned enough to rely on people that I know and people I trust giving me good information about what works, what doesn't and what they are trying, what they are learning and I think that's much more valuable, for example, than consultancy. I get a trail of consultants coming to see me on a regular basis trying to sell me stuff or trying to pass intelligence on to me about things that they've discovered. It doesn't really do it for me. Occasionally you get the odd nugget, a little gem that emerges, but most of it, if you're well networked and you've got a good information flows and Audit Commission reviews sometimes come up with this kind of stuff, government announcements obviously do, it's... I think for me, the most important one, the most valuable one is learning from what other places have done and knowing and evaluating whether it's worked for them, how it's worked for them and therefore whether it would work for me. I don't like being sold to I suppose is what I'm really saying.

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Q10 What is your council's attitude towards risk-taking?

Yeah, it's a good question, again. I would say, genuinely and generally, this organisation when I arrived two years ago was risk averse. Completely risk averse, across everything it did. Legal held the power, finance held the power, services would be kind of counterposed, services would pass the buck to the centre for the centre to either say yea or nay, and I'm very passionate about...the finance function should allow me, it should allow the L, the Cabinet, to do what they want to do and the money should follow, provided it's legal. The legal side...I've long been frustrated around this. A former colleague of ours was not particularly good at this. There's people in the legal profession who can tell you 1001 reasons why you couldn't do something, and I always want the one reason why I could, or how I can do something rather than...I can read the textbooks myself, I know enough about local government law to know broadly what's right and what's not and what you can and what you can't do. The premium should be on, to move to the question, should be on not saying 'no', should be saying 'how', to be able to move towards getting something done or achieving something. And that moves you inevitably, obviously, to managing risk. Assessing, managing, evaluating and designing out, mitigating as far as you can do, risk, and that's a million miles from risk aversion, which is where we were. So, were not completely risk-assessing everything, but we are much better at it, both systemically but also culturally, which is as important.

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Q11 Do you encourage staff to experiment with new ways of working/delivering services?

Yeah, within reason. To give the organisational response, we do a lot of flexible working and a lot of trying to strip away the bureaucracy, the hierarchical stuff that has grown in this organisation, as in many others, to empower staff and managers to ... and sometimes, bizarrely, I have to literally give permission to people even though, to do something different, because they've always done it this way. And you have to kind of stop and say "I give you permission, you are now allowed to do it a different way". So we're working our way through that system, is again the honest reflection. It's a big organisation, as you'll know, and it takes a long time to work those kind of things through. We've just begun a process – I should have touched on this a bit earlier – just begun a process of employee engagement as a systemic management approach through the organisation and that's a very simple, very straightforward, disciplined way of working that encourages exactly that approach to people suggesting for themselves ways ... and I passionately believe that people who do the job, day-to-day, will know both where the blockages are, where the system gets in the way, and normally can come up with half a dozen good examples, not always deliverable, but good examples of ways that their service or the way they do their job can actually be improved. What we've got to do is get more and more of that out and allow some free experimentation, I suppose, around ways in which that can actually be brought to work. So one of the things I want to develop across the organisation is much more project-based work that ... interdisciplinary, so it kind of works across the silos that still broadly exist and get people to realise that people elsewhere in the organisation doing similar kinds of jobs do it a

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different way. So, if they do it a different way, why do we continue to do it this way we've always done it? And that opens up wider issues again around management development and around coaching and around other soft-skills approaches to issues.

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a) If people do experiment with new ways of working, how are the results fed back into the council system for analysis?

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We have an improvement group set up in the organisation – you'll like this, just as a cultural message – it was called a Transformation Team when I arrived: It wasn't a team and it didn't do any transformation. So it's now an improvement group, and the improvement group is a central resource and it's commissioned, so there's a work programme element to it which is driven by me but also obviously owned by directorates and departments and so on. Their role is to go in and work with, to support and encourage, not to do, but to work and encourage and support others to come up with the right solutions and different ways of looking at stuff internally. A bit like internal consultancy, in a kind of way. But in addition to that, we've got a graduate and an apprenticeship programme – two different ones there that overlap – the girl who brought my drink in earlier is a modern apprentice and I think they are fantastic ways of bringing talent, energy, freshness into the organisation, and giving them visibility and giving them latitude to be able to suggest things that...when I joined the organisation, you conformed and that was the system, that was the regime. In a sense that's how you got on – by keeping your nose clean, not challenging too directly and too openly. That's changed and we needed to change, so I encourage people to feed back...I have a blog commentary running in the organisation, so people are open to that, and we get some bizarre comments, but we allow them because we've got to promote and open communication culture, in my view, and if you start sieving them at that level, then it's a dangerous, slippery slope. So there's lots of practical ways of trying to encourage it. I suppose my frustration, on reflection, based on your question, would be that we don't yet systematise that enough, again it's not systemic enough across the whole organisation to really pass that litmus test of does it fit the learning organisation profile.

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Q12 When was the last time your internal organisational boundaries were changed? What prompted that change?

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In terms of departments or people? Departments... I have a passion about...I don't change departmental structures – unless I have to. My organisation and personal philosophy says that the more you do that, all it does is sap a lot of energy and expose a lot of vested interest in keeping *status quo* or reducing the fear of change. And the NHS is a fantastic example of how not to do it, because their organisational response to change is "let's change structures". People out there, receiving services or in need of services, they are well down the food chain and all they do is change over how it looks rather than what it does and how it does it, and I just don't think that works. So, I would actually, almost actively, reject a suggestion about changing the organisational structure: what I do is change organisational systems and change – definitely – organisational people if they're not ... if they don't understand, are not on the right wavelength, they're not on the right page, they're not corporate players, they're not customer-focused etc. And I've done that in the organisation. Most of the top table people have actually come in in the past two years.

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Q13 Do you use secondments (or similar) to share knowledge/expertise within the council or with other organisations?

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We do within the council. There's both secondments and shadowing around, but it's not as high profile, again, as I would like it. I've offered myself up, for example, to shadowing, and there's only been three people that have taken me up on that. The shadowing just literally being a pre-discussion, a day, typically, and then a feedback discussion. And that says a lot about the organisation, doesn't it? In terms of the preparedness to do that kind of stuff. So it's another one where we need to push more on it. We've stood off from that while we're going through the equal pay stuff because the climate just isn't right, hasn't been right for the past 12 months on that, but it is one I'm very keen on. Secondments – we've got a secondee from Government Office in running our equivalent of Total Place within the organisation, which is very powerful, very powerful. But again the true answer is we don't do enough of that. So we don't pass learning and import learning from other organisations as much or as readily or openly as I would like us to.

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Q14 Can you give an example of a change you have tried to implement but where you were not totally successful? What was the impetus for that change? What were the barriers to making it?

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There's been a lot of different examples, so if I generalise rather than give you the specifics around a case – the barriers, because that's really the purpose of it – broadly around equal pay. We're still in the kind of tail-end of this, but there's been some fantastic cultural messages and issues that we've encountered: vested interest; denial; communication flaws, so typically middle-managers, front-line supervisor people withholding information, mis-translating, misrepresenting information; blaming the middle of the organisation; not owning the problem as it's passed through the organisation – so a them and us kind of issue that you get a lot of, particularly in big organisations; the centre versus the service dynamics; the denial by individual staff members, as you'll appreciate in equal pay there are some winners, there are some losers and my objective in the design of this was that most people stay the same and that is the fact of the matter, but the perception in the organisation is dominated by the people who've lost. And there are people who've lost relatively significant amounts of money. And anybody who loses any money is clearly a bad position to be in but we have to be realistic about the whole point of the exercise is that some people have to gain and some people have to lose. Again, the kind of reactions from individual members of staff in some cases – there are genuine, really genuine ones where I've lots of sympathy, lots of empathy – but there are others who kind of demonstrate what I would say is the kind of, the world owes them a

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410 living, rather than them being accountable and recognising that there's a currency for what they do and how they
do it these days by comparison with when they joined the organisation, or the last time they changed their job in
the organisation. And that, as a message, is a really interesting one for the whole organisation as well as for the
individual. And I get frustrated by that, without a shadow of doubt, because my barometer – I'll give you another
415 example actually on that basis in a minute – my barometer of that is the difference that we all make to citizens
and communities in [named county] and there's a currency, a financial part to that, which is how they perceive the
value for money of it. And all the stuff that's going to be around, around the consultation the coalition is going to
do on what people think is wastage and what isn't, what they value in terms of public good and value for money of
services versus others that they don't, will open up absolutely tons and tons and tons of that. I'm not sure that's
420 entirely the right thing to do and it will be very interesting to see what the answers that come back are, and more
importantly what the Government does about it. But inevitably there'll be stuff around that. But another interesting
one is, we're now going through equal pay as the senior managers of the organisation, and there was a lot of
resentment built up in the staff base that we did the staff first. But there's a simple reality to that, which is there's
33,000 of them and there's... because not all members of staff that we employ will go through equal pay because
425 of the schools issue... but there's broadly a couple of hundred managers – 150 or so – and there's 33,000 other
bodies, so which would you do first? And we've done the staff first. And therefore their belief is, amongst the staff,
particularly among the losers, is that we won't actually change anything on the management side; it's all about
penalising staff – them and us again. And the brief that we've now given – because we're using external people to
do the evaluation, as you would expect – is that nobody... we might get one or two people gaining, we might get
430 one or two people losing – but whatever the financial effect of this, the game is salaries will stay as they are,
because in the present climate there's no way that managers can get pay rises – it's just nonsense. If my pay is
going to be reduced by the coalition government then it would be nice if they actually told me and explained to me
why that should be the case, rather than a kind of blanket view that says that all Chief Execs are overpaid, fat-cat
type people. I think one or two may be, I'll leave you to conclude whether I'm in that category.

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Specific Modernisation Initiatives

The Beacon Council scheme:

440 **Q15 What involvement have you had with the Beacon Council Scheme?**

Lots is the short answer. I did stuff in [named authority], as you'll recall. I did stuff in [named authority], I did stuff
in [named authority] about Beacon Councils, but most recently here in the last round of Beaconry, as I still regard
it – you'll remember [named officer], [He] had this phrase called Beaconry, which I thought was fantastic – we
445 entered...you were able to enter for a maximum of three in the last round... we entered three and we won all
three. And I have to say I take a lot of pride in that, in terms of what it says about the organisation and the
individuals that were part of the bids and so on. I think there's a lot in there. But I also take the view, to link it to
your main thesis, that it wasn't so much about us being able to demonstrate how good we are, it's about how it
exposes us to a network which is about learning. So, the very first thing I said with the group of managers that –
because I'd got three groups of managers to develop the bid for the award and so on - it's don't think this is about
450 the badge again, it's great if we get the recognition, but this is about the learning, this is about us being able to
find out whether we are as good as we think we are, and if we are, not only get the confirmation, which is great,
but pick up the bits that will allow us to get even better. That's the driver that I've always taken to Beaconry.

455 **Q16 What did involvement in the scheme teach you about your home organisation?**

Yeah, it's all part of that really. That we're not as good as we like to think we are, all the time, and that we can
always get better. I haven't used this phrase in this discussion, but it underpins – like the stick of rock stuff again –
continuous improvement. I'm ruthless about continuous improvement. There's always ways we can improve,
always ways we can learn.

460 **Q17 What did you learn from other beacons? Were any changes in working practices adopted as a direct
result of involvement in the beacon scheme?**

Yeah, there's stuff...if I separate out...I've brought a lot of stuff from [named authority] that was Beacon and good
practice stuff, largely around economic development and regen, which I did a lot of in the [named region], and
develop relationships that underpin that. So, for example, last night there was somebody in from [named
465 authority] who happened to be down in [named location], so I introduced them to our economic development
people and they're going up to Sunderland for a learning day with an elected member to expose themselves to
how [named authority] do it, because I know how it's done, because it's programmed in me, but I need to be able
to pass that on to other people and get them to be open to the new ways, or best ways, of doing things as we
know them. Again, on a more systemic basis, we have learning days and learning exchange days around
470 Beacons, the Beacon dissemination stuff, so there's lots of examples around that our last three Beacon awards,
where we've both shared experience, good experience, with other places, but also I've had people come back in
and say "I was on a learning day yesterday and picked up X and Y". And those kind of things are good and
valuable. Might not always come off, but just being open to them is a start, isn't it?

475 **Q18 Did you try to implement a change but were not totally successful, and if so what were the barriers to
change?**

I couldn't answer that personally, and I would need to a bit of research to be fair, which I've not done for this.
There are, but I couldn't evidence it.

480 I think that's a very service-specific question.

Q19 Do you think the scheme was an effective way of spreading good practice?

485 Generally, I would say yes, because it promoted positive learning rather than the inspection regime's...it's back to the carrot and stick issue...rather than the negative impact that Best Value occasionally had, or that inspections can leave organisations and individuals damaged if they're not sensitively applied and so on, so absolutely from that point of view.

Best Value:

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Q20 Did the Best Value framework bring out information about your organisation of which you were unaware?

495 Yeah, I do. For me, the background was that I'd done CCT in a range of organisations and then I did Best Value in [named authority] principally, but also in [named authority] as well, I suppose. In [first named authority], as you'll remember, I led the Best Value regime and the Best Value review process, and I learned a lot from it, in terms of [first named authority] as an organisation, and also to a degree as a place. But the way that we did the reviews there...we tried, genuinely tried, to give no hiding place to why there would be a justification for the ways things were done. So it was literally taking a fresh approach to the whole thing and the fantastic example – and I won't name the individual because you'll remember him – but on one review around highways, for instance, I asked the first question in the review process, which was "why do we do this – highway maintenance?" And the answer nearly knocked me off my chair, because I think naively that highway maintenance is about being able to speed up the ability to get from A to B, in a car typically, on highways, and it's not. The answer that the engineer person gave was that it's to preserve the value of the asset, which is what he'd been taught at engineering school. And there is a technical thing about that, obviously, you want highways generally to be in good condition, but the whole phraseology, the whole regime that he had in his head about why we do what we do and the relative priority of it was just lost. And that developed into a "why do we do bridges?" – we do bridges to preserve the value of the bridge, not to help people get across a divide. So that was an interesting reflection. So yes, they're examples of ways in which I certainly found a lot of things that you wouldn't have been able to uncover without having that systematic approach to it in that kind of way. That's not to say that all Best Value was good.

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I'm concerned about the time actually. I don't know if you are.

I am actually, I've got people waiting.

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[Agree to go through the remaining questions quickly, running some questions together]

Q21 Was the information available from other authorities of use in making comparisons with your own authority?

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Sometimes. I think it was overdone; it became a bureaucracy and an industry rather than a networking exchange of relevant information, because the unit costing basis of it became a joke. So, fantastic example, sickness absence: sickness absence is defined and assessed completely differently from organisation to organisation. So when you've got this coming through as a turnover kind of issue in Best Value reviews, you're comparing apples with bananas, so why bother? And then the whole unit costing, the average cost of X or Y, the cost per head and so on, just became discredited.

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Q22 Was the information available from other authorities of use to you in bringing about improvements in service delivery? Not asked.

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Q23 What were the main drawbacks to Best Value?

Bureaucracy. Bureaucracy and...they tried to make it too process driven rather than outcome driven.

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Comprehensive Performance/Area Assessment:

Q24 Which aspects (if any) of the CPA/CAA have helped your organisation to learn about itself?

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Q25 Which aspects (if any) of the CPA/CAA have helped your organisation to learn about what other councils are doing?

Q26 Have you implemented examples of good practice from elsewhere that have been brought to your attention through the CPA/CAA?

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The best bit of both processes, if we roll them together, was, for me, the self-assessment. So I did CPA in [named authority] and [named authority], and [first named authority], at the time, I was in on a kind of fixing regime, because it was very down and needed sorting and the self-assessment process gave me a lot of leverage within

550 the organisation to do stuff that needed sorting. Externally, no, to be honest, not much, not much. I think the league tabling became, again, discredited, in my opinion and the star system and the ranking of the star system was so inconsistent...I mean I can only speak authoritatively within the organisations that I've been part of, but there were marks awarded – usually higher marks, I have to say, occasionally lower ones – that were just not comparable across the whole system. So when they appeared in the league table, you would see X authority is four star, and you've been in there and no it ain't, then it says something about the regime, doesn't it?

555 **Q27 I was going to ask you which aspects (if any) of the CPA/CAA have you found to be least useful. Can I put that answer in for that question?**
Yes.

560 **Other Local Government Modernisation Initiatives**

Q28 Do you believe that any other initiatives introduced as part of Local Government Modernisation have helped local authorities to learn from each other?

565 I think Peer Review, which we've touched on, but maybe not in the depth that we ought to. Peer Review has been great and I think the more Peer Review that is done within the local government family – and I'm a great believer in the local government family, I think it's got a lot of assets to commend it. And the self-help side of that. So some of the stuff you've seen around how to support failing organisations should come from within the family rather than through direct government intervention, and I think there's some fantastic material around how that can be done, how it should be done.

570 **Or hindered learning taking place?**

575 Yeah. Trying to overlay political aspirations into what are effectively service and management issues in organisations. There are failings of governance, but you don't sort the failings in governance out by bringing in people who don't really know what goes on in a place unless they've worked there before, or lived there before or been in similar communities. And the local government family as a regime is fantastic, but the differences in the North and the South, the difference between urban and rural, etc, etc...unless people have been around a long time and know those things, they'd be bringing preconceptions to a situation that might not actually be helpful in the interventional sense.

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Finally

585 **Q29 Are there any questions you were expecting to be asked but which I haven't asked? Anything you want to add?**

No thank you, I've gone on a bit. Hopefully it's some useful stuff.

INTERVIEWEE F

Date: 14 June 2010

Setting the scene

5 **Q1 When did you enter local government?**

1972 – no, '75, I left school in '72.

Q2 What position did you occupy in May 1997?

10 I think I was Deputy Chief Exec, or Director of Leisure. It was around about that time I was appointed. I think I might have been appointed Chief Exec, I think I was Chief Exec designate. I think my predecessor, {named officer}, didn't leave until the June. He saw the General Election through and I took up office August time.

Organisational learning

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Q3 Have you heard of the terms “organisational learning” or “the learning organisation”?

Yes.

a) Do you think interest in organisational learning within local government has grown in recent years?

20 I think the answer is probably yes, but whether it would describe itself in those terms I am less sure on. What I think I mean by that is local government was essentially a stable organisation – or a series of stable organisations – for a hundred years, notwithstanding the fact that there had been constant change: we no longer run the bus company; we no longer supply gas and water and so forth. There has always been change but it seemed somehow to be described by people of a previous generation to be more stable and predictable. My period in
25 senior office has been characterised by, I would suggest, massive change, and the organisations have learned how to handle change more effectively. Some of that has been provided by the external environment, the professional development organisations that exist, but some has been intuitive learning from within the organisation: we tried that and it didn't work; we tried that and it did work; how do we share the things that did work better? Whether it is
30 institutionalised in the organisation in the formal terms I don't know, but I think organisations of local government are now more alert to having to be learning organisations because we can't continue to get things wrong and leave them unattended. So yes, but not maybe in the organisationally secure way that question implies.

Q4 Do you feel that you have a good understanding of organisational learning theories?

35 No, because if I say yes to that, every subsequent question will prove the very opposite, so I would say I was an absolute novice, I won't even claim gifted amateur.

a) What do these terms mean to you?

40 I think, probably, it is the ability to avoid making the same significant mistake more than half a dozen times. It is the ability to recognise that which works and to be the kind of organisation where it is OK for people to feel comfortable about suggesting 'that didn't work' and 'that did work'. So it learns instinctively and intuitively and by the systems it puts in place, and it empowers the people in the organisation to say 'it's OK, that didn't work, let's try something different'. So it's a confident organisation which doesn't beat itself, and individuals in it, up for getting something wrong, but learning how to do things right as a result of that. Less academic an explanation than practical.

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b) What has been your major source of information on organisational learning?

50 On a personal level, the things that I have tried that have worked, and the things that I have tried that haven't worked. On an organisational level it would be the professional advice I get from within the organisation – because we have a fairly elaborate HR set of systems and processes, and the personal supervision that people get here is quite tight. So the systems are learning all the time from things that work and don't work. So, my personal experience and the ability of organised systems to say 'don't do this because we've tried it several times and it doesn't work'. I'd also say that as a council delivering public services, the experiences of elected members are probably the most powerful driver. The reason I say that is...the management team of this council, up until
55 about a month ago, I was the only one who lived in the borough, and it is my belief that nobody gets closer to communities than elected members. So, we may have a view about how a system works as officers, the only thing that really matters is: does it make a fig's worth of difference for Mr and Mrs Smith in Acacia Avenue? And we don't find that out, we get told the consequences of the way we operate as an organisation by elected members. So the biggest driver of change is by elected members. The role that officers play in that is to try to systematise the feedback they get from elected members, so we're not knee-jerking all over the place, that we're
60 not changing systems for individual clients or customers, that we learn enough lessons about patterns to change the pattern of our behaviour to serve customers better. And so elected members tell me more about the effectiveness of this organisation than the organisation does itself. I don't think, as a Chief Exec, I'm in a special position, but I am in a non-partisan position, because there is a tolerance here of my role, whilst I am accountable for everything, I don't get beaten up for everything that goes wrong. So members feel that they can tell me what

65 they see that works and what they see that doesn't work. As part of a learning process, they are an absolutely
vital part of it – and this has been a council which has been very heavily politically led for as far back in history as
anybody can remember. Really powerful, significant political leaders who are forceful and dynamic and so there's
never been a real question – other than in the period of government intervention – where this has been an officer-
70 led council, and so politics drives an awful lot of what we do, to a greater extent than is the case in many other
local authorities.

Q5 Do you want your council to be a “learning organisation”?

No, I think that's an absolutely rubbish concept. The very idea that we should learn from mistakes and try and
better...it would interfere with my golf and snoozes in the afternoon. Yes, of course one has to aspire to be a
75 learning organisation and something as big and diverse as a local authority...it wouldn't be true to say that there is
a single culture in an organisation like this, there will be places which are more able and open to trying things, to
learning from them, to institutionalise learning, to make the gathering of information and evidence-based decision
making – there are parts that do that better, and there are some parts where it will always be a struggle. And
80 that's partly the culture of the organisation and it's partly the nature of the legislative framework. So, for example,
there are parts of what we do where we have almost complete freedom over how we do it – the community
association networks: you don't have to have these things, they're a [named council] invention. There will be
something like them in other parts of the country, but we can do what we like with those. The nature of our
relationship with the community and voluntary sector is largely down to how we want to do it. But the nature of the
85 relationship with schools is almost entirely directed by central government, and I can't help but be fascinated by
the coalition government's statement that the new approach to Academies will give schools freedom from local
authority control. What cobblers. No school has been controlled by local authorities...ten – fifteen years. Free-
standing, self-governing, autonomous institutions, centrally directed. And the nature of our relationship with
schools is very different to the myth that is created about local government controlling them. So, my contention
90 would be an organisation called 'the council' – which, after all, is sixty elected members, it's not this building, it's
not me, it's not the staff, it's the sixty – when people say “what does the council think?”, “what does the council
want?”, the answer is almost invariably a complex one. So in terms of learning, there are bits that are good at
learning, they do institutionalise it, it is instinctive to them and there are parts where, for a range of different
reasons, they are more followers than leaders of local services and opinion.

Q6 I was going to ask if you think you are one. Is it safe to say you think 'in parts'?

The answer is in parts, because our performance management systems should, in theory, provide learning; our
complaints system should provide learning. And it does – in places. There are parts of the organisation where I
only have to ask once for something to look and feel different – and it does. And usually those are the sort of
places where people say 'well funny you should say that, we were just about to...' and there are places where I
100 virtually have to threaten to put a head on a pole somewhere before it happens. That could be, but I don't believe
it is, about personal authority, I think it is about the capacity of organisations to find the right thing to do, and then
do it. It does feel, in local government, that we conveniently cluster a number of local services under the banner of
a local authority, but the difference between a tightly centrally controlled thing like education and community
services and support systems are incredibly different. So it's a loose clustering of things, and therefore the
105 cultures and the learning abilities of each are different.

a) Have you put anything in place to make the organisation more likely to learn?

I fine-tuned things that were already, to a degree, in existence. Personal supervision of staff is a big thing here, so
the performance management stuff...most staff, most of the time get at least a couple of formal structured
110 sessions, adjudged against competencies, in a year. And so the learning out of that is institutionalised. We are
running 360 degree feedback for the senior management of the council. So we have built in systems and
processes which, in theory at least, help us to learn. But we have softer systems: there are four employee
networks within the council, and these are where...this is an incredibly multi-cultural organisation, it is like the
115 United Nations and it is very much the richer for that. So we have a black and minority ethnic workers' group; we
have a disabled employees' group; we have a gay and lesbian and transgender workers' group, we have a range
of different facilities and I have taken the view that, as long as it doesn't take much council time, if people want to
collectivise, because they believe there is something in their interest so to do, I allow and encourage it and I
attend the meetings. They are part of the learning system because – an example of a change, there was a
120 perception that black workers were leaving this organisation at a greater rate than white workers, and this had
become quite engrained in the psyche of the black workers' network so we did some objective research about
that and actually found that not only was it not the case, it was actually slightly the opposite. So that enabled us to
change the way we go about equality impact assessments, the way we track exit interviews. An entirely false
assumption enabled us to put right an urban myth and change the systems for making sure we can track why
125 people leave the organisation more effectively. So the systems we have in place, formal and informal, at least in
theory, contribute something to being able to learn about who we are and how we deliver services.

b) What have been the major problems in becoming one?

I don't know that they're major, because self-evidently the question “well don't you want to learn from your
mistakes or from good practice elsewhere?” it would take a strange person to say “no, actually I want to carry on
130 being shit” – so that doesn't happen. But if you actually empower people at different levels to voice ideas and
concerns, if you actually put money into – modest amounts – employee networks where a white manager isn't
going to necessarily know what the black workers are talking about when they have tea and sandwiches once
every three months in a committee room with the door closed – that can be a bit threatening to some people. If

135 you feel that you may have a case to answer, then it sometimes takes a bit of bravery on some people's part, but
because of the opening comment – “so you're against information and knowledge” – most people just accept it.
So there aren't major problems. You can always do more, you can always spend more, but I think we're now in an
era in which spending to be a learning organisation isn't where we're at. This has got to be something that is
140 instinctive and becomes the day job. Wisdom and knowledge about what is required and possible is not somehow
magically embedded in the most senior staff, so I don't know if there is anywhere else in this building where an
individual officer has got their own toilet, I have, and that's nice, and I've got all the facilities I need, great staff, but
there wasn't an envelope in this room when I started with infinite wisdom in it, and so, very often it's the curious
person on the front desk or somebody who sits quietly at the back that's got an insight, and we as an organisation
have got to be prepared to hear it from people who we might not have given credit to before. So, there's a threat
145 to seniority from being a learning organisation, people need to accept that it's their job, not always to have the
answer, but to go and find it, and somebody quite junior might have that.

Council Structures and Culture

Q7 Does your council have a clear idea of what it wants to be in, say, ten years' time?

150 Yeah, I would. We have very good partnership arrangements and the question is asked very, very often in
different ways. And most people in the organisation and in our partner agencies, would refer you to the council's
community strategy, they would point out the same difficulties that this borough faces. If you ask the Chief
Superintendent of Police, he's very likely to tell you that the biggest problem isn't resources for the police, it's the
inequality of health outcomes between East and West in the Borough – there's a nine year difference. That there
155 is housing in this borough which, irrespective of your income, you would consider it a privilege and an honour to
live in it, because it's just fantastic, but you would also find parts of this borough which would make you weep, So
I would suggest there is a collective understanding of the challenges facing the borough and therefore what we
are seeking to achieve as a collective public service. Is that going to be the case in every office and every door
you open – no, but would the generality of the answer be the same from those people at middle to senior rank, I
160 would say yes. Which is more to do with living here and knowing your community than, necessarily, that we have
written it down in the sustainable community strategy. It's a combination of both, the strategy's fine, the few words
that sum it up, but instinctively people care about this place and there is, although it's a creation of 1973-74 local
government reorganisation, there is a place called [name], it exists, as opposed to some of the other metropolitan
districts that grew. On the way out I'll show you why there's a place called [name], and it's the list of Mayors in the
165 borough, and you'll see for yourself why people think there is a place called [name]. It's been around an awful
long time.

Q8 Do you/your senior management team/senior members put aside enough time to reflect on what you are doing (rather than the details of how you are doing it)?

170 When I was appointed here – an all-party appointment panel, there was a job description that runs to half a dozen
pages with 30 or 40 things on it, I haven't looked at it since the day I started because that's not what it's about –
the single biggest mission that all three parties agreed that I needed to bring about was a rebalancing of the
organisation from what members had seen as a brutal period in which they were marginalised through
175 government intervention – government tanks were everywhere – that there was a style of managerial leadership
which distanced them from their communities, to the extent I've had a conversation with the Mayor this lunchtime,
we've got an open day from social services and the Mayor and I were walking round and he described a set of
circumstances where he was given jobs to do by the Chief Executive and told, if he didn't do them, the man from
the ministry would come and have a word with him. And so the biggest brief that I was given was rebalance the
180 organisation to one in which we would recognise normal local government practice. It's a mission I'm on with and
some people would comment we've made some progress on, but I actually think, because of a whole range of
different circumstances, we still don't put enough time aside from senior people – member and officer – to do the
'what have we learned from that?' exercise. Instead of beating each other up about whose fault it was, what
lessons have we learned? Rather than the individual mistake, what trend or pattern does that tell us, that we know
185 will replicate itself in another field if we don't tackle it? We don't put enough time into that, but it is curious in this
place that, because of the history, this place seems to be used to either very strong or very weak Chief
Executives. And so, when I arrived I was able to be clear and strong in a way that, in [previous authority], I wasn't,
so, there is still a “well if the Chief thinks we should do that, we should do that”. Now I tread incredibly carefully
with that kind of process, but the one area that I haven't been able to make a lot of progress is “the Chief thinks
190 we should spend more time together”, because they just won't make the time available – ‘they’ being largely the
Cabinet. And I haven't made as much progress as I wanted to on cross-party working, because the history of this
place has been of brutal politics. Whoever is in command is in command, and that's accepted by the opposition. I
said at my interview that if I was successful, I would work for the whole council, not just because it seems like the
sort of thing you say at an interview, but actually because that's what the law says, and, actually, because good
195 ideas tend to come from all sorts of strange places. And everyone said “yes, that's the right sort of thing”, they
made the mistake of voting for me thinking I'd forget it, well, I don't and I keep banging on about it. So, as a
learning organisation, or as an organisation that might aspire to be one, we don't put enough time aside to
genuinely learn, and you learn most effectively in this environment by not telling people what you think, but
200 listening to what they think. I have two ears and one mouth and I try to use them in that proportion. I encourage
politicians to do the same and I am unsuccessful in that regard. But I also haven't managed to bring the learning
of the opposition in to play. And they will continue to be a work in progress because I believe I have a mandate for
them because I said it at interview. So no, we don't. We do it incidentally rather than in a studious, planned way at

that managerial and political interface. Within the managerial structures of the organisation it is more organised but it's not systematic at the place where it would make the most difference.

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Q9 What would you say were the top three ways in which you and your staff receive information on new ways of delivering services?

I've got to give you two answers because, as a Chief Exec, I'm in a unique position. I get electronic alerts from all of the organisations who pride themselves on knowing what good looks like. So, once a week I get an e-mail from the Director General of SOLACE, I get one from the Audit Commission, I get one from the Leadership Centre because I put a bit of time into supporting the Leadership Centre so they share all sorts of stuff with me. And so my learning approach is...how I get to hear about new things...and because I get out a lot – I'm allowed to play a significant role in the region – I have lots of sources of information. The staff generally, we have up until now supported actively people going out and learning from other people. There will almost always be people crossing each other on the motorway or on the railway station visiting other authorities and learning. The Leader of the Council and I, about two months ago, went down to Warwick District Council. There's a snobbery in local government around principal authorities and districts, and it's stupid because there are really good small organisations and really good large organisations and a lot of crap in between. So Warwick District Council is a pretty small organisation, the Leader and I spent a day down there looking at how they work on benefits and how they applied the lean systems to changing the way that they operated. And so from the top of the office all the way through we encourage people to go out and listen. I suspect we perhaps will be doing a bit less of that because it's quite expensive in the opportunity cost of losing people for a day, but we will try to make sure that we don't lose it completely because it is a good way of learning, particularly for politicians. If you choose the right visit and you plan it well you can get a lot out of a relatively short time. The staff of the organisation itself – same mixed response: those who are professionally active in their professions, so if they are in professional careers, they will be hearing from their peers, they'll be attending conferences, they'll be speaking at conferences, they'll be listening in the queue at the bar, they'll be doing all the things that soft networks provide, as well as reading all the stuff that the learning organisations – IDeA, RIEP and various others – provide. We've been a big participant in the [named region] RIEP. I chaired it up until relatively recently and made sure that we got full benefit out of it. So we try to send people out and learn, try to make use of the professional networks and we have a fairly significant HR function that is developing competence-based management systems, and so people will hear about what we're trying to do. I do roadshows periodically – two or three a year; two or three events, two or three times a year – and tell people what's happening and ask for their views, they can e-mail any questions they want to in, and we have a leadership forum of the top 60 or so managers that meets more regularly, so we have sharing exercises. They used to be chalk and talk but I've changed them into workshop-type things where I do a State of the Nation and then we have practical exercises where people are actively encouraged to put their knowledge on the table and share it and say what doesn't work. We try not to beat people up for taking a dissident view. We don't necessarily empower dissident behaviour, but dissident views, constructively presented, are encouraged. I don't know whether that goes close to answering the question.

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Q10 What is your council's attitude towards risk-taking?

On the surface of it, I would have said perfect. And that is because, in pretty well every inspection of the last generation, we've scored four on risk management systems. We have absolutely outstanding systems which, if applied consistently and according to the manual, would be great. But we've just got over a massive cock-up, well, we're just coming out of a massive cock-up that happened before I started, where everybody forgot to keep proper records on ERDF funding and we ended up having to send £2½ million back to Europe, which is something we could have avoided. And everybody's now being all a bit self-critical, well, we've got these perfect risk management systems, why didn't they tell us that nobody, ten years' ago – seven, eight, up until 2006 – was keeping proper records that would be demanded of us in order to get this grant. So, our attitude to risk is governed by a very strict risk management system. One of the products of having had government intervention is you have to have a strategy and a plan for everything. And I can imagine there would have been a period here where every bloody cupboard you opened had somebody from KPMG inside it saying "you haven't got a 'whatever' plan". And when I arrived, my diagnosis of the organisation was that it was overly planned. There was a procedure for everything. That may have satisfied Her Majesty's Government of the day and of the year with the particular problems, but it didn't empower anybody to do anything. So I have been progressively winding down some of these systems, That said, we do still do risk management really well: we rarely cock-up a capital project; we make better use of external grant than most organisations; we're a pilot for the Homes and Communities Agency; we have pulled more external funding in because our risk-management systems and our project management systems are really good. We have a reputation of being an organisation that can, you know, if we say we're going to do it, we do it, and that's not just throwing Chinese-style volumes of labour at something so it has to work, it is carefully planned and we know where things will go wrong and we put plans in place to mitigate them. And for that reason, Homes & Communities Agency, Government Office, the Regional Development Agency have proportionately given us much more than any other council in the [region]. We'll see how that plays out in the future. So risk is something that we do well, but it is mechanistic and the systems change all the time, which keeps people guessing, but that might indicate that we're a learning organisation.

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Q11 Do you encourage staff to experiment with new ways of working/delivering services?

Yes and no. People...the staff generally are coming out of a period in which, in order to get through Government intervention, you just had to do it. Somebody prescribed what right looked like, often KPMG or Government Office, and the attitude has been reported to me as "we don't care what you think, JFDI" and that got rid of the tanks. Part of my brief is to say "fine, we are rehabilitated, now let's design the kind of organisation we need to be

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in the future”, which is one that respects your view a bit more than we have in the past. Moving from a complete command and control organisation to a more liberated one in which risk, small-scale, calculated, assessed risk is allowed is quite difficult. Loosening off completely would not be a smart idea, given that the risk management systems that we’ve got for the big ticket projects have actually paid dividends. So the small-scale changes, the day-to-day changes that make a difference to people’s lives, we’ve got to find the balance between keeping the best of good state planning, but empowering people who actually know what they are doing to do it more flexibly. We’re on a journey.

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a) How are the results fed back into the council system for analysis?

I couldn’t point you to a piece of paper: it is more cultural than organised. Part of the reason for that is, my original diagnosis of the council was that it was over-systematised, there was a procedure for everything. When we introduce something new I try to insist that we scrap two of something else. Even on that basis it would be a thousand years before we’re back to a blank sheet. So we haven’t got the systematised learning processes: they are more cultural, they are more about the authority to try. But we are absolutely rigorous about money, and because that drives so much of what we do, and about risk and about freedom...when I arrived the council had overspent in the last two years – not by...millions, but not vast millions, and last year at the second revenue monitor we looked like we were going to overspend by £6million. We’ve just done the close-down and we underspent by a million. 1.143 – which has secured my performance bonus for next year, if I choose to take it. The reason I am absolutely rigorous about money is because it is the single biggest cause of tension between members and officers. If managers don’t manage the money, if they don’t keep on top of it, then elected members are constantly having to talk about cuts. They are constantly having to talk about remedial actions, they are constantly having to choose between irreconcilable unpleasantnesses. And the nature of the organisation becomes one of blame and one of sadness that we can’t do what we said we were going to do because we overspent. In order to give me the freedom to improve the member/officer relationship – I diagnosed that there were two or three things that absolutely had to be right – I had to model what sensible local government looked like, which involves officers talking to members of all political parties, actively going out and seeking to engage them. And it also involved keeping the money under control. And whilst it seems quite punitive, it actually provides much bigger benefits. If the administration can claim, actually we’re on top of the money, it removes a target for the opposition to aim at, and therefore they can be more relaxed with each other. I think far too often, officers don’t understand that they are the cause of some of the political difference that makes it then difficult for them to do their job because members are always squabbling. It has been suggested to me that I was a terrible appointment to this post because I have got on top of the money and therefore removed a problem for the opposition. It is one or two opposition members who I get on particularly well with who have said that. I consider that to be a mark in my favour.

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Q12 When was the last time your internal organisational boundaries were changed?

It’s a constantly moving feast now because we’ve taken the decision that, with one exception, we’re not going to fill particularly senior posts as they fall vacant. I changed the structure 18 months ago – and it has settled down now only in the last few months – when I took out £1million of senior management. It was a political mistake...it was a timing mistake I made...I was asked for my diagnosis by the three party leaders after being here six months and I said that we don’t lack for senior managers, they’re everywhere, and that my plan was to progressively reorganise as these posts fell vacant – maybe we’d encourage one or two. And the members, as was their right, said “well that’s very interesting, we thought that too, let’s not wait for them to leave, let’s just do it”. So I got an imperative...not the last budget, the one we’ve just put together, but the one before – take a million out. So that required removing almost an entire tier – it didn’t quite work out that way, but almost an entire tier. So that’s the single biggest set of changes that I’ve made. I inherited five directorates and I’ve kept five directorates so far. I don’t have a deputy Chief Exec, I don’t have an Assistant Chief Exec. There’s me and [named Personal Assistant], the popular view here is that the reality is that [she] has been the Chief Executive for the last 15 years, she just allows people to sit in the nice office. I don’t have a Chief Exec’s department or a policy unit or anything like that. I have five directors. The drift will be to come down, but my tactic has been to say “I need the senior managers to manage the change”. We will collapse the organisation down as we do fewer and fewer things, and that’s when I’ll take the managers out. I’m not going to take the managers out and then expect more junior managers to manage the change that they’re not sensibly fit for. And that is an understood thing with the senior managers of the council; they understand that there will be fewer of them around. But the last, very last, specific change, we deleted a [named post], because we appointed an absolute prat and when he left I just thought “well, lets not take that chance again”. So, taken posts out in an organised and systematic way in the last year or so, and we are now seeking to take out posts and reorganise on an ongoing basis as we scale down the organisation.

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What prompted those changes? Was it purely financial?

I still take the view, even though I’ve taken 13 senior posts out, that we’re not short of managers. Now that may just be an experience of [previous authority], which is – probably not the belief of elected members – but by comparison is a relatively lean organisation. This is a more generously provided for organisation and there is a consequence of that, or an outcome of that, and that is there are people who can go hunter-gathering. If I didn’t have a good team of regeneration people, we wouldn’t have pulled more RDA money in than most places. If we didn’t have really good housing staff, who work as part of the regeneration directorate, we wouldn’t have had proportionately – and I don’t exaggerate – four times as much as any other met in the [region], of Homes and Communities Agency funding for affordable housing. So, there’s a very clear understanding that you get what you

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pay for and we will take some of these posts out, but partly because there isn't going to be the money to be gathered. Now, if we keep the staff they'll be doing more creative things with less, but it's a trade-off. So it is going to be largely financially driven, They existed to do the hunter-gathering and then to deliver the projects. If the money isn't there, the logic is almost inescapable. I think there would be a preparedness in the organisation to grow it again if that changed – or to grow it discrete areas if that's what's necessary. There is a very considerable flexibility in the organisation, it's constantly changing shape – has done for 20 years – in a way that I don't remember [previous authority] being that flexible at all. It would be hard to take the organisation...harder to take [previous authority] in a different direction than here. I could get six people in a room here and we agree and we're off.

Q13 Do you use secondments (or similar) to share knowledge/expertise within the council or with other organisations?

Yes, to a larger extent than I've been used to in the past. We have sent people out and we have had people in. I've had a director-level person from Government Office in. Our head of housing seconded to CLG and if you like the Government's policies on Gypsies and Travellers, then it's down to me allowing [named officer] to go and work for CLG, if you don't then it's nothing to do with me at all. So we've let people in and out, we make big use of graduate level placements – to varying degrees of success. We have...we'll send people out to talk on all sorts of stuff and we have people in, we're big users of the apprenticeship scheme. So, we'll take people throughout the hierarchical system and across it, so we've got people from a range of different services going out and coming back, hopefully, with expertise. So we are...because we are bigger...I mean, the only direct comparison, the only two organisations I've run is [previous authority] and [current authority], but anecdotally from other authorities, because we seem to have a lot of people, we can afford to lose the odd one for a six month period. And we can take a chance on bringing people in who might be a gamble, but because there are enough people to surround them, we can take that chance. So, for example, we're going to give a major project to somebody from Bradford University's Chevening Programme – this is the Foreign Office programme. Have you come across [named person] at [named university]? I don't know which school he is in in [named university], but he did a lot of work on elections. He was a good friend of [named officer] and I became a contact. Well, since I came down here, he's followed me down here with "will you come and do talks?" and "will you have some of our students?" and I'm taking a guy who was just at the age of about 40, he was deputy head of research for [named company]. He's a Romanian, worked for [named company] in Sweden, Denmark, Norway, wherever [named company] lives, he's made enough money to now dedicate the rest of his life to trying to improve government. And so he signed on for the most junior level of Civil Service in Romania, they sent him to do an MSc at [named university] and he is coming here for six months to do a major project for us. Now, we can afford to take the chance because there are enough people around who will learn from the completely different approaches that he will bring and we've got people who've gone off and done bits of work at University, so yes, we try to make use of external placements and send people out as well.

It can be bad because you find that people get an opportunity that they wouldn't otherwise have had and they never come back. Doesn't happen often, but it's a risk you take.

Q14 Can you give an example of a change you have tried to implement but where you were not totally successful? What was the impetus for that change? What were the barriers to making it?

I'll describe one that I think the jury's still out on. [Named authority] was probably the first authority in the country 25 years or so ago to decentralise. There were something like 17 neighbourhood offices, they were everywhere. And the prevailing view of a very left wing Labour administration at the time was that absolutely every service of the council could be dealt with and run by neighbourhood committees. So there would be...involving councillors, but the proletariat would decide the level of social care that was needed on their patch. Needless to say, that ran into some difficulties and has left both positive and negative lessons with the council. Some of the negatives are, they went and built 17 neighbourhood offices that it's now really quite difficult to close. Some of the positives were, actually we found that there were things that could be done at local community level, where local activists could actually help shape the service. And since that period, that was one of the factors that helped the Government intervene – there have been two phases of intervention here. It was when they intended to stick a 'for sale' sign on the front of the Town Hall that everybody...ooh, maybe this has gone a bit too far. The positive that came out of that is actually, you need to engage with communities and you can get something out of it. Despite the fact that we were the first – Tower Hamlets came way, way after here – and despite the fact that there has always been an extensive system of community associations and neighbourhood management of some sort or another, we've still got an incredibly low level of satisfaction amongst the public about how much influence they can bring to bear.

INTERVIEW INTERRUPTED

You were talking about decentralisation as an example of change...

Yes, so the learning point, the question was about what's worked well or hadn't worked well – I'm giving you an example of one where the jury's out. We have reinvented, because of our history, our approach to Neighbourhood Management. We are in the process of installing a completely new system because the vehicle that had preceded it had become discredited. They were known as Local Neighbourhood Partnerships – LNPs – for which I am sure at one stage there was popular support, but they had progressively degraded and it needed to be reinvented. So we've excitingly called it the Neighbourhood Management Model and we've got all partners' support for this model and it is going live as we speak. We've appointed neighbourhood managers who are on secondment from each of the major organisations – we've not brought anybody new in. The "what may have gone wrong" is that it is

410 predicated on hard support, people and staff, from each of the partner organisations. And I don't know whether it's
happening elsewhere in the country, but the Strategic Health Authority here have decided to reorganise health
provision and something called transforming community services is a national policy which is forcing the PCTs to
divest themselves of their provider functions. They have to go either to a not-for-profit organisation or transferred
415 into the acute trust, or the local authority. Very much the preferred option that they don't stay within the NHS. And
our whole neighbourhood management model was predicated over a year on having a number of partners
contributing a particular amount of money and resource. That now looks to be about to evaporate in the first
weeks of putting this into place. And the learning from that for me is that we were too reliant on a particular
organisational form, a structure of major state institutions, and we might find that that's a painful and expensive
420 lesson. Now you have to make certain assumptions at any point in time in the evolution of systems, and that it can
change, but I think we've probably placed such reliance on a new Chief Constable devolving almost all policing
except serious and organised crime and counter-terror, to the local police unit, and a PCT which was very localist
and worked very well with us, continuing. If it hasn't happened in Yorkshire yet, it won't be far behind, because
they are now clustering certain PCT functions on populations of a million rather than roughly a quarter of a million.
425 And so our learning is we didn't resilience-test what would happen if there was a change in a significant
component. Now this is still rescuable, but we've put a lot of eggs in this basket and I'm concerned that we could
have got this wrong. And we're smart enough to have done this better. The second learning point from this is that
we have launched it without true all-party support. It goes some way towards what the Lib Dems wanted, but not
far enough, and it goes some way, in a slightly different direction, to what Labour wanted, but not far enough. And
430 in the end it went through with the two opposition parties abstaining and the administration putting it through. And
I don't think that's a sufficient – I mean, it's mathematically sufficient – but I don't think in ownership terms it is
sufficient to see it fly, because not enough people will say "that's what we wanted". So the learning lesson is that I
was breathtakingly naive about what might be achieved on a cross-party basis in a place that's got brutal political
history that doesn't do compromise very well. So, reliance on a particular organisational form which was stupid, I
435 now know it was never likely to be consistent throughout the life of this thing. But it is still the right direction to go
for certain services, so we're going to try and make it work.

Specific Modernisation Initiatives

440 The Beacon Council scheme:

Q15 What involvement have you had with the Beacon Council Scheme?

445 A range of them – I've signed off bids that ultimately were commended but not winners. I've signed off bids that
were winners. I've stood on the platform at a posh dinner in London and cheered "it was us what done it". So I've
seen a range of different things. I've then been part of the dissemination of learning practices that we have done
well on and I've also attended personally and sent people to events where I think other people have got
something that we can learn from. So I have been benevolent with my great knowledge to others and I have been
prepared to learn from other people as well. And I've declined to be a judge.

450 Q16 What did involvement in the scheme teach you about your home organisation?

Both here and in [previous authority] have been proud of some things that they wanted to do but considered the
process of bidding to be a burden. Neither here nor in [previous authority] did we give anybody the time to
prepare the bid and that that was part of their job. We dumped it on people in addition to what they were
455 supposed to do, and therefore it became a burden and a chore. I think it's possible that we could have won more
had we organised the proposition of finding out what we were good at, finding out what the judges wanted –
playing the game as it were – and then empowering and freeing people to do the proposal and then to
disseminate the knowledge further. We just lumped it on people on top of the day job. This place, because of its
tight approach to project management, does recognise that if you drop a significant job onto somebody it doesn't
460 get done as well as if you assess what they need to do that job properly. And it's not always about getting more
people and spending more public money, it's about how you organise it and almost sometimes literally just giving
people the freedom to do it differently. So the learning lesson is: if you're going to do it, do it seriously, and make
it possible for people to enjoy the process rather than consider it a burden. I think you learn more when you enjoy
doing what you are doing. That would be the first, most significant thing.

465 Q17 What did you learn from other beacons? Were any changes in working practices adopted as a direct result of involvement in the beacon scheme?

Well, this place changed its approach to benefits administration. I can't remember who won something in the
benefits field, but we have changed our approach here to benefits work. There was some work that was incidental
470 to some bid around how you organise front of house. We've got a fairly elaborate first stop shop downstairs which
– did you come in that way? – which commonly is regarded as working really well. I've done stuff on the front
desk and, coincidentally, sitting with an experienced hand, she had gone and done it elsewhere, so we'd sent
somebody out to another authority – I think it was another [regional] one who'd done it first, it might have been
[named authority]. I can't remember – but front line staff had actually gone and seen how to do this meeting the
public malarkey before they'd actually been asked to do it here. So, I've visited a couple of places in the last
475 decade and I've participated in inward visits. So, front of house stuff, customer service desk, benefits – I'm trying
to think of a [previous authority] example. We got one for health partnerships, or was it education? We got one of
each...I can't remember which one it was, on an incoming visit, people coming to learn what we did, I got into a
conversation with somebody who interested me and I arranged for other people to go out. Now, I can't remember

480 what aspect that was. It wasn't safeguarding children, but there was...it was something in young people's, it might have been young people's health, I think dentistry rings a bell, but I can't remember why that rings a bell. So, I think on balance we got things out of it, but not nearly as much as we might have done. And my lesson was, we made it a burden – go and see if you can win an award as well as doing the day job. And that wasn't the best way to learn because people were grudging, they had a backlog of work, because they had been doing this...OK, if you were lucky you found the person who'd done most work and you took them to London for a posh dinner – if anything can be posh when there's 800 people served the same thing in 35 minutes – but I don't think we learned and go the most out of it.

Q18 Did you try to implement a change but were not totally successful, and if so what were the barriers to change?

490 No, I have to say I wasn't close enough to the detail to give you...no I can't think

Q19 Do you think the scheme was an effective way of spreading good practice?

495 I think it was a great idea, and it was a great idea because it wasn't based on league tables and, whilst you had to evidence that you were good, so you had to put some statistical information in, it wasn't you could only get a beacon award if you were in the top four of anything. So it enabled good things to be recognised other than that which was on the inspection schedule or in the KPIs. I don't think the IDeA handled it as well, or supported learning as well as they might have done, and the reason I say that is, we won two – I think the third one, we won LSP of the year, so three in the end I think in [previous authority] and I think they won one or two here even during intervention – and the dissemination stuff, every time we were doing it in [previous authority], it seemed to be re-learned, that the IDeA weren't able to turn up and say "here's what works", "Don't do a national conference, because they don't work, do a whatever". We didn't seem to get that, they came in, said: "well how do you plan to disseminate your knowledge?" Well, this had been done a hundred times by the time we did one, I'm guessing, making the numbers up, but a few times. By then one would have thought that there would have been certain evidences for things that worked, but we didn't seem to get any of that. So I don't think the IDeA supported the "this is how you share". The only way that you...the main way that you tended to learn from Beacon Councils was actually a conference was organised, or a workshop or something, there weren't soft networks of stuff, so I don't think the dissemination of knowledge was as effectively done by IDeA as might have made the maximum benefit.

510 Are we still on the first page? I'll have to say less. The gang at the tribunal will be back in a minute.

I'm getting towards the end.

Best Value:

515 **Q20 Did the Best Value framework bring out information about your organisation of which you were unaware?**

520 All in all, I think inspection and league tables, of which Best Value was a part, was a good thing for local government, because I think we had no idea what success looked like and there was no effective benchmarking in local government before this absolutely draconian system was invented. And I think CPA had the prospect of doing away with the worst and potentially building on some good things, but of course that was quite short-lived. So I believe in inspection, I believe in if you don't compare yourself then...well, I can only guess, because all of my senior management life has been in some form of regulated system. So how did authorities get a reputation for being good 25 years ago, 30 years ago, when there was little comparison? I don't know. I would imagine based on the size of the reputation of the political leadership of that council, I would guess. So there were famous figures like Sir Jack Layden and people like that. I've no idea whether Jack Layden's authority was any good at anything, and there'll have been personalities around the country who were famous, so you knew of that council, I guess, but whether they were any better at benefits administration – which to me is actually really quite important, serving a very disadvantaged community, it's actually bloody important that by Friday at five o'clock, everybody who's in the queue to have their benefits dealt with that week gets it done, because kids go hungry over the weekend if you don't. That's really important. I don't know what existed beforehand, so I think the performance regime was a good thing. The extent to which London tried to micro-manage communities and local authorities was stupid and has contributed a not insignificant amount to the alienation of the public and low voter turnout. Why would you vote for your local councillor? What the bloody hell difference can they make? And I think the performance regime and centralisation, the driving from London of "we know what's best" has had lots of unintended consequences. Best Value was a clumsy attempt to do away with what the preceding Government had done. So Compulsory Competitive Tendering...in those days the Trades Unions still had some pull with the Labour Party, and so they extracted a promise out of the Labour Party in opposition to scrap CCT. They had to come up with something else. The Blair Project was never going to trust anybody, so it came up with a tight regime in which, the theory of which, you could only continue to do what you were doing if you demonstrated Best Value. In theory, why would you object to that? We're in the business of creating public value, we're not in the business of employing people, and public value is derived from only taking enough money off people so that they don't...with the threat of going to prison...so that they don't rebel. If you get that threshold just right and then you give it back to them in a way that they find acceptable, you're creating a public value. But you don't have a right to do that, to employ people to do it, you have a responsibility to make sure it's done, so the idea wasn't flawed, but I think it lost something in the micro-management that went with it. So a legal duty to do, to only continue to do yourself what you can prove you are doing well had to come with some element of benchmarking, it just got absolutely, bonkersly obsessive and got in the way. But management information, knowing how good you are,

comparing what you are doing to other people, and actually relating that to what people say about your services is important. You couldn't run any large organisation without knowing how you perform. Best Value – good idea.

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Q21 Was the information available from other authorities of use in making comparisons with your own authority?

Yes it was, yes it was. There was an element of civic pride in it, as well as management performance, performance management. You needed to know you were doing better than the crowd next door. That was actually important, but knowing how you compared was vital. Your opinion of yourself is really quite interesting, but not all that relevant really.

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Q22 Was the information available from other authorities of use to you in bringing about improvements in service delivery?

Yes, if you accept that the standard set centrally...so the range of services...and if you accept the definition set by political advisers and academics and various other people who influenced the standard set...if they were right, if you accept that that was right, then of course they were. Comparison encourages competition, and without the profit motive, and therefore success or failure, survive or fail, you need another proxy for the commercial obviousness of money. And so comparison is important.

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Q23 What were the main drawbacks to Best Value?

It just became oppressively managed, micro-managed. It became, as part of the whole inspection regime, a game. It was possible to create impressions without falsifying any figures...I think the number of places where figures were falsified would have been very, very small, but we became expert game players, we knew how to play the rules and we knew potentially nine months before a key indicator was to be crunched, that that particular quarter was very important for that particular indicator, so you made bloody sure that that particular quarter, it was right. What I am not persuaded that it did was drive up, universally, all standards in a broadly equal way. So there were authorities who just became expert in playing the game. And that's because 'the boss' became the inspection system, rather than the local elected members. Local elected members didn't feel, here or anywhere else that I've heard, that it was their inspection system, that it was their system that their constituents...administered by them. It was something they tolerated rather than supported. And I think that's a...if it's not a universal, it's a common theme.

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Comprehensive Performance/Area Assessment:

Q24 Which aspects (if any) of the CPA/CAA have helped your organisation to learn about itself?

I think the consistency of CPA, that it stayed broadly consistent for a few years enabled you...you learned how the machine worked, but you also...you did also know how your own organisation worked. Because although individual indicators were dropped and new ones were put in in their place, it was broadly the same for most of its life. And one of the things, certainly throughout the Labour years, was the constant tinkering with local government, particularly with the education system, and I think there is something to be said for, rightly or wrongly, picking your standard and then leave it alone: let people try to do it. So, the consistency helped, because you were broadly measuring the same thing over a number of years. The downside of it was it was never completely owned, it was never an individual authority's system: it was always a system that somebody imposed upon you and therefore as soon as it was no longer required, I would imagine in most authorities it decayed fairly quickly. It certainly had to change to become CAA and with CAA it was about red and green flags – basic level of performance and red and green flags. So in CAA, public relations departments had more say in whether you got a green flag or a red flag than...because if you managed the media well, and didn't draw too much attention to the things you weren't doing quite so well, the red flag stuff wasn't as obvious to the Audit Commission to spot. And then if you just relentlessly kept banging on about 'we're really good at atomic physics' then you won a green flag for atomic physics, if you could produce some basic evidence to support it. So spin became more obvious in green and red flags than it was in a predecessor system. But I'm a fan of comparison, but I am a bigger fan of local decision making and local autonomy. It would have been perfectly possible for Government to have specified some key components for performance management systems and require that they be checked by the Audit Commission rather than to oppressively try and manage everything by an individual indicator. I just wearied throughout the whole process of meeting inspectors and civil servants who've said "well, ministers think". So what? First get elected in [named employing authorities], Bradford, Birmingham, you name it – then your opinion matters a bit more. I don't do sycophancy, but I do genuinely believe...there's something about local communities that was lost in all of this process.

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Q25 Which aspects (if any) of the CPA/CAA have helped your organisation to learn about what other councils are doing?

I think the fact that there were one or two organisations who were consistently appearing at the top of a number of league tables...so [named authority] here, [previous authority]...appeared at or near the top of a number of league tables, but some organisations consistently appeared at the top or near the top in *many* of the tables. And one can't help but wonder "how is that possible?" So, for me as Chief Exec, it enabled me to identify those places that were seen to be, generally speaking, over a period of time, good at many things, and therefore to talk to those people and say "what is it about you that is good?" There was an inevitable, I believe, conclusion that it was possible to draw from that experience and that is a synergy between good political leadership and good managers. The most important of which has always been good political leadership, because good political

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leadership will sack poor management. Poor political leadership won't know what good management looks like and therefore poor managers will be able to continue and you get the spiral – in some cases quite rapid, but in others really quite big, slow circles down. So the most important thing, wherever you found consistent good performance there would have been a good working relationship between members and officers in which they challenged each other constructively and were able to work out what was best for their communities, and by far and away the most important thing is good political leadership. So for me, that's what was the biggest benefit: to be able to know what good looked like in terms of the managerial/political interface.

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Q26 Have you implemented examples of good practice from elsewhere that have been brought to your attention through the CPA/CAA?

My [previous authority] experience was, there are some things that you have to get all party buy-in, and you need to include everybody. The other is, you need to put sufficient time aside for there to be a good understanding between members and officers about what you are doing, and so the thing that I learned in [previous authority], but I also was told by successful Chief Execs elsewhere, is you need to have time for conversations with elected members where you aren't actually making today's pressing decision; that you learn the shorthand that inevitably human beings use in language. So, one doesn't need to take offence if the Leader says "you're bloody crap, you are" because that's something they've said from school, and it applies to everything from your choice of smoky bacon or cheese and onion to your personal performance which is threatening to your career. So you learn the language that everybody uses, you learn how to read what really is important and how to dismiss what isn't. You also learn which elected member and which officer can be ignored, because basically they're tossers. And you work out how the ones who have real wisdom can be supported – member and officer. So, time. The best performing places, talking to other people and my own experience has been you need to have that member/officer thing sorted out. What is it we're trying to achieve?: having the confidence not to knee-jerk all over the place; that the next edition of the local newspaper really is not all that important; that our trust in each other is more important than responding to a headline. If you put enough time into that, you can make a difference.

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Q27 Which aspects (if any) of the CPA/CAA have you found to be least useful?

I think publishing league tables in the belief that public opinion would drive performance improvement and accountability. It has been my experience that the public are not motivated strongly by performance league tables. The activists for and against might be, but the public won't be. Best example: run-up to the '97 general election – education, education, education. We had The [named] School. We had at one stage I think it was 11 satellite broadcasting trucks in the Town Hall car park and on the roof of Netto. Relentlessly in the public eye from '96 through '97. I organised the first survey of public opinion in late '97, after Blunkett had threatened to take education control off us, after we'd been on the news night after night after night. I said to people what's the most important thing to you? Education came fifth. Behind feeling safe and having the National Health Service look after me when I'm poorly. Every time that survey has been done in metropolitan Britain, education comes out somewhere down the list. Usually half way or less. When it was done in Hull, which was widely regarded as the poorest place on the planet, everybody had high levels of satisfaction with education. So publishing league tables, naming and shaming, I don't think, genuinely, shaped positive reactions from local government. But the ability to know you that were better or worse than somebody else...it sounds like I'm making a case for knowing it but not publishing it. If you know it, I suppose you'd publish it. But the obsessive promulgation of 'good/bad', when we all knew damn well that Camden, for example, who came out four star since every year...I think Camden were the only one with four star every year – you talk to Steve Bundred who was then Chief Exec and then went off to be Chief Exec of the Audit Commission – he would freely admit that they were just good at the machine. They were good at many things, but they were also good at the machine. And when on Radio 4 he was contrasted with the then Chief Exec of Hull, he said I can't tell you that were better than Hull at everything we do, of course we're not. I don't know Hull, but there'll be things...So the obsessive publication of league tables with the belief that the public would somehow own them and beat up the poor performers just didn't ever prove to be the case. So it's not an argument for secrecy, it was just an argument for recognising it isn't necessarily the case.

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Other Local Government Modernisation Initiatives

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Q28 Do you believe that any other initiatives introduced as part of Local Government Modernisation have helped local authorities to learn from each other?

Now, if you hadn't put 'learn' on the end of the question...My favourite political initiative of all time is the introduction of Cabinet government. And the reason I think that was the case was because [previous authority] had – you will have heard me say this many times – 88 different member decision-making bodies. Here I think they were well into treble figures. Committees, sub-committees, working parties, joint working parties, business management committees – you name them. Nobody had a bloody clue who made decisions: the public didn't know and the council didn't know, and the staff didn't know. And everybody spent more time second-guessing what the next member body might do with some initiative. It became absolutely clear when the system of Cabinet government was put in place who made the decisions. They were made, by comparison with the past, lightning fast and were clearly accountable. It had an unintended consequence, and the unintended consequence was Paul Hoey, who wrote the legislation, didn't give quite as much time to the scrutiny function as he gave to the Cabinet system for decision-making. We made decision-making much more efficient. It gave a relatively few elected members the ability to get control of a council that had just been a wild thing that was going all over the place, in most councils. So it was the single best piece of local government legislation of the last 100 years, let

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690 alone the Labour...But its unintended consequences have been, now, well understood: disenfranchisement of the
back benchers, front line members, however you want to call them, and a de-skilling of most of the officer cadre,
because where you had 88 different member bodies, the chief officers couldn't go to all of these so you had large
numbers of officers who got to meet elected members and understood actually who ran the show, why elected
members opinions were important – because they kicked you about a bit in committee if you didn't demonstrate
mindfulness of what they said. We've now got a relative handful of people who ever make presentations to
elected members and so that group of people in the swathe below Chief Officer have little exposure to politics,
and that's a real downside. On balance, if we could wind the clock back and have the opportunity to not do it, or
do it knowing what the consequences would be, I'd still put it in every day. Now, I'm a Chief Exec, and that helps
me keep control of an authority; I couldn't have brought a rapidly overspending organisation back under control if I
hadn't had absolute rigid control of the organisation and know that I had political backing for what I did. I didn't
have to get 60 members to agree: I had to get one, two. So the system is more efficient, it has unintended
consequences, as every change does. You finished the question with "should it demonstrate that it is learning?":
we've learned how to be really quick at making decisions; and brave; and how to be informed – what information
do we need to make a fully informed, Wednesbury-principled judgement. So I think we have learned, we've
learned how to do things completely differently. It is such a shift from every back bench member could de-rail a
proposition if they wanted to, to almost no one can de-rail a proposition. I think that's a good thing.

705 **Or hindered learning taking place?**

705 Yeah, I think I'd probably say the approach that OFSTED took, from Woodhead onwards, to demonising local
government and putting the teaching profession on such a pedestal that, even though teachers are now more
accountable than they were in the past, they are still virtually untouchable, So the approach of OFSTED to driving
up standards by inspection and by blaming local government when it didn't work, I think was counter-productive. I
think if we'd devised a win-win approach where a school could only succeed if it worked collaboratively with other
schools, if it could demonstrate it was taking its least able as well as its most able, and that it worked well with its
local authority. If there had been a win-win for parents, children, for teaching professions and local
authorities...but the OFSTED system designed a win-lose system in which you scared the teaching profession
and you pushed local authorities away from offering support to offering challenge more so than support. And I
don't think it was a winning formula and I don't think what emerged has driven performance in schools nearly as
quickly as it should have done, given that the funding into schools has doubled in that time period, roughly. We
haven't seen anything like a proportionate increase in performance and I don't think there's any other part of the
public sector that would have been allowed to get away with that. It just isn't good enough, and that's, I think, the
saddest failure of the Labour period – school's performance. Its models of central direction and inspection and
naming and shaming just didn't work.

725 **Finally**

725 **Q29 Are there any questions you were expecting to be asked but which I haven't asked or anything you
want to add by way of winding up?**

730 I suppose, but I can't go through all the questions again and answer it...You see, that's what worked and what
didn't work. Maybe what, well if that didn't work, what might have been done to mitigate it, or to help improve it,
and I suppose the general answer is I don't think an obsessive, micro-managing government would have taken
too kindly to any variations on a theme, it just didn't. So insofar as OFSTED didn't manage to get a synergistic
approach to win-win between schools and local authorities, central government never seemed to try to find a win-
win between itself and ourselves in local government. It exercised a parental approach in which it knew best and
almost everybody was a villain. The reality of life is that there are some villains, but not everybody's a villain and
they didn't find a way of integrating this governmental system – it's entirely artificial that some things are funded
locally in part and some mostly from national government and we call one local government. It's a small island: I
think we should have one vertically integrated governmental system and call it local government. Almost
everything's done at local level and defence and one or two other things may be at national level. The
Government of the era failed to find the partnership between central and local government and constantly
exercised division when, actually, identifying with us what success looked like, and partnership, would have been
a much better approach. Here endeth the lesson.

INTERVIEWEE G

Date: 14 July 2010

Setting the scene

5 **Q1 When did you enter local government?**

Beginning of 1989.

Q2 What position did you occupy in May 1997?

10 I was head of Housing at [named] MBC.

Organisational learning

Q3 Have you heard of the terms “organisational learning” or “the learning organisation”?

15 Yes

a) Do you think interest in organisational learning within local government has grown in recent years?

Yes

20 **b) Why do you think this is the case?**

Because I think local government has become much more in touch with management techniques and far less about professions and far more about holistically managed organisations. That's probably still a process that's going on, but that's the shift that has been taking place.

25 **Q4 Do you feel that you have a good understanding of organisational learning theories?**

Yes

a) What do these terms mean to you?

30 I think it's about having a whole process – what I would call a strategic planning process – where you set strategy; you have business plans in place or service plans in place to deliver that strategy; you have performance management systems; you have feedback loops to learn from that. You pick out innovations and excellence and you look to replicate the lessons from that – not necessarily exact replication because it might not be replicable – but you look to replicate the learning from those sorts of things in other parts of the organisation. There's two parts to the learning process: one is about learning from things that go well and reinforcing those things and looking to spread those messages across the organisation; the other is learning from things...quite often, particularly in systems thinking in my view, you learn more from things going wrong than you do from things going right and the ability to actually deconstruct a problem and learn the key lessons from that and for the organisation to grow and develop and move on as a result of that experience. That's my thinking around organisational learning.

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b) What has been your major source of information on organisational learning?

45 I did an MBA, I've done further management development and I think I have always been a person who intuitively thinks systemically and wants to learn from the things that are happening around me and improve. I want to continually drive forward the things that we do. Throughout my career that's been a key way that I have worked. Not because somebody told me that's what I should be doing, because I think that's the way to secure outcomes for people, that's what I've always been driven by.

Q5 Do you want your council to be a “learning organisation”?

50 Very much so, yes.

Q6 Do you think you are one?

Partially. Moving in the right direction but only partially at the moment.

a) What has been put in place to make it so?

55 Much better performance framework – planning and performance framework. A more corporate approach to tackling the organisation's issues, so: not doing everything in silos, and being much more coherent as an organisation. A lot of personal coaching of senior staff and others about the importance of securing outcomes for people, rather than being an inward looking organisation. Understanding who our customers are, the difference between customers and citizens etc. How we can collectively secure public value with citizens and I think all of those things are part of creating a dynamic with the organisation constantly wanting to learn and improve the way it does things. And I'd include not just service outcomes but the productivity/efficiency agenda in that as well, which is now becoming increasingly important for obvious reasons

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b) What is stopping you fully being a learning organisation?

Organisational culture. We're making good progress but you don't change the culture of an organisation of 20,000 people in a couple of years. It takes years and, in a way, it isn't about un-freezing what we did before, changing and re-freezing, it is about creating an organisation that's very much more in tune with its environment. One of my friends, but who does a lot of organisation development in the public sector uses a term 'the three As': Acuity, Agility and Alignment and I think that sums up for me the type of organisation we're trying to be, but changing the culture across a diverse and complex place like [named place] takes years and we're making good progress. We're not there yet and we need to keep working on it. It's really, really important, but those three As – Acuity, Agility and Alignment – epitomises in three words the learning organisation that we're trying to be.

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Council Structures and Culture

Q7 Does your council have a clear idea of what it wants to be in, say, ten years' time?

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For me to answer the question "does the council as a whole...?", I'd say the answer to that is no. Do I? Yes, and we're working with members to shape that vision of the type of organisation we want to be. We're working on design principles at the moment...we've made a lot of progress with the politicians over the last few weeks and we've got a strong measure of agreement but they're not quite finalised yet. That's talking about our relationship with citizens, about service delivery, about our commissioning, about our efficiency and effectiveness, but at the core of that is working with citizens to help them secure their own well being, rather than being paternalistic and doing things to people. It's about shifting that relationship between the council and citizens, or if you like, if you take our community leadership role, trying to create a step-change in that relationship between the citizen and the state at a local level, which, even without the cuts we're facing, we think it's time to move on from where we are and one my policy colleagues, Stan Kidd, who is a great bloke, once summed it up to me and said "we've got to tackle the heady mix of neo-liberal economics and public sector paternalism". We haven't got time to deconstruct that now, but in a way that does sum up what the challenge is.

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Q8 Do you/your senior management team/senior members put aside enough time to reflect on what you are doing (rather than the details of how you are doing it)?

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Yes. I think we've put a huge amount of time in over the last six months. I've got the whole of the corporate management team on a leadership development programme at [named place] Business School that's involved the action learning sets and the themes for the work we do are about looking at the key issues in the council, whether that's on strategic leadership, marketing, systems thinking – all of those issues – and we've done a 12 week in-depth process of deconstructing what the council does as a whole and rethinking the council's role and the way in which we are going to organise the council and we're currently, as I said, engaged in talking through all of that with politicians and making real progress. So, I think I can say categorically yes to that.

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Q9 What would you say were the top three ways in which you and your staff receive information on new ways of delivering services?

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Through trying things out ourselves. A good example of that is that we were a pilot for Total Place, and we did that with our public sector partners.

Through engagement with other organisations, either within the public sector or within the private sector.

And I think also, increasingly this is really important, by debating the issues that are happening in [named place] in a much more systemic way and learning about what's really going on. We do things like after action reviews and things like that when things have happened to really learn the lessons from those – it's a system thinking technique. We're not there yet, but we are developing our approach to systems thinking. Total Place was one of those things. So I think there are a range of different avenues that we pick up information from – professional journals and stuff as well – but I think those things are the most important.

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Q10 What is your council's attitude towards risk-taking?

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We're prepared to take risks, if it means that we can advance a key agenda. But what we will do, is that we will calculate the risk and we'll come up with a mitigation strategy for it. If I give you an example: just across the square here, scaffoldings coming off a brand new building which is a headquarters for [named company] and a new 220-bed hotel. It's a £50million scheme. That wasn't going to happen because of the credit crunch and no banks would fund the scheme even though it was 100% let and, two years before, every bank in the world would have funded it. We stepped in as a commercial funder. No other council in [named county] is doing that. We secured a thousand jobs on the back of that and sent a very strong message to the construction and development industry that [named council] knows how to make things happen. We did a huge amount of due diligence before we actually signed the contracts, but we provided 25% of the commercial funding for that scheme, otherwise the scheme wouldn't have happened. That was a pro-active council having a clear objective of regenerating the city centre and taking risks to make it happen, but calculating those risks and managing them as much as we possibly could and then weighing up whether it was the right thing to do, It was and we did it and we've got most of the money back now and the building is up and the jobs are secure. So that's just an example of what I mean by that. It's not just ticking a box, it's actively doing things.

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Q11 Do you encourage staff to experiment with new ways of working/delivering services?

Yes, and we want to do that even more so. Two of the key skills that we need in the organisation are enterprise and innovation. That doesn't mean inventing new ways to do everything, but quite often it will be taking something

135 from one field and applying it in a completely different field, and the lessons from that. But we want people to be really creative about how they do the job, and that means flatter structures, more empowered people able to act and taking away the fear if something goes wrong because, even if something does go tits up then we can learn a great deal from it and often it might spark off other creative thought processes as well. It's a key part of being a learning organisation.

140 **a) Is there a way of feeding results back into the council system for analysis?**

Yes, and we're looking to make that...there is, there's all sorts of avenues because of team briefings and stuff like that we have...we're looking to make that a more coherent way for people to feed things back in, including ideas and stuff and how we can support people to go and do that. So we're actually working on that at the moment. We're looking to have a system in place by September that doesn't stop anything happening in the mean time, but makes it a much more coherent process to capture the learning and support people when they need support, when they're off experimenting and doing things. What we also want to do is to influence the areas that people go off experimenting. We don't want a scattergun approach where everybody goes in completely different directions and there's a balance to be struck between giving people their head and keeping the organisation focused on the things we need to focus on as well. Not necessarily the way we do it, and that's where people being able to experiment comes into it, but we don't want somebody going away and spending huge amounts of time on something that simply isn't a priority, if that makes sense.

150 **Q12 When was the last time your internal organisational boundaries were changed? What prompted that change?**

155 I'm just doing it at the moment. I'm doing a fine tune...I inherited a new structure, or was going through a structure change which I fine tuned four years ago and I'm just doing a fine tune at the moment to take some...to cut our cloth according to our means now, I'm not doing a radical rethink because there's too much changing. I suspect that the amount of change we'll go through in the next two to three years – in two to three years' time we will need to reshape properly the senior management arrangements of the council. And, of course, if we have an executive mayor model that may well be without a Chief Executive, so my parting shot will be to get things in place for the organisation to function properly afterwards. Let me be clear though, for the record, structural change does not...is not the thing, this is about culture change and good business systems and it's about having great people who are empowered to do the things that they need to do. On occasions a bad structure can prevent things from happening, but people who constantly restructure are doing it because they're looking for a way to creatively avoid the leadership tasks they should be applying themselves to, in my view.

160 **Q13 Do you use secondments (or similar) to share knowledge/expertise within the council or with other organisations?**

170 Yes. Yes it does, to deploy resources more flexibly and, going beyond that, I think we're rapidly moving to a situation where people get much more generic contracts of employment with the council so we can deploy our resources much more flexibly and the public sector organisation of the future, I think – successful public sector organisations – will demand that.

175 **Q14 Can you give an example of a change you have tried to implement but where you were not totally successful? What was the impetus for that change? What were the barriers to making it?**

Not asked due to time constraints

180 **Specific Modernisation Initiatives**

The Beacon Council scheme:

185 **Q15 What involvement have you had with the Beacon Council Scheme?**

I've been involved in [named authority] with the Beacon Council Award for engagement of older people in planning of services. That was a very, very positive experience. Some great lessons for the rest of the organisation to learn about how we engage people in shaping and designing services and then really raising satisfaction levels as a result of that. I was involved in a Beacon Council award on construction partnering when I was at [previous authority] – directly involved in that, where we'd won a series of national awards and things like that as well on something I was leading on. I've been involved on the periphery of a few other Beacon Council things but my main involvement's been in those two areas.

190 **Q16 What did involvement in the scheme teach you about your home organisation?**

195 Both my experiences were on behalf of my home organisation and, yes, you always learn from those experiences and, as I said earlier, you can pick up lessons that you can replicate in other places, it doesn't have to be directly in just that service and you have to wait until you move organisations and then try to do the same somewhere else. I think, on the one hand, going through the process is important and the dialogue that you have with others afterwards – which is part of the Beacon award, to share good practice and stuff – is all very good. There's an element of gong chasing with some of these things – Beacon Councils is perhaps one of the better, but some of the things...you know, there's loads of awards and stuff like that, to people who go after awards. That doesn't necessarily mean it's a learning organisation or a really effective organisation. There's some more substantial things that we need to be doing.

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205 **Q17 What did you learn from other beacons? Were any changes in working practices adopted as a direct result of involvement in the beacon scheme?**

Absolutely, yes. In construction partnering for example we learned a lot from Sheffield who were doing a lot of work at the time. In terms of the engagement with older people, obviously I was here as Chief Executive, I participated in the process, I didn't do a lot of the work with other councils and stuff, so it's a slightly different experience. But certainly in construction partnering we learned a huge amount from other places as well, although I think [previous authority] at the time were probably the leading authority in the country on construction partnering.

210
215 **Q18 Are you aware of any attempts to implement a change that were not totally successful, and if so what were the barriers to change?**

No, I'm not close enough to the detail.

Q19 Do you think the scheme was an effective way of spreading good practice?

220 Yes, I think it is, but it's in a very crowded market place and if it were in a less crowded market place – with awards and things like that – then I think it would be even more effective. And it's probably more effective in a post inspection overload era as well, because one of the big problems for me is that the inspection regime that the public sector has been subject to forces you into a reductionism, where you break everything down to its component parts, you apply a variable and the idea is that a year down the line improvement pops out of the sausage machine. But in dealing with deep-seated, wicked issues, in complex places like [named place] the world simply isn't like that and there's a huge amount of irrelevance to the whole inspection regime that we faced, in my view, in terms of adding public value and I think in the absence of all of that, the Beacon Scheme would have shone – bit of a pun there – but a lot brighter.

230 **Best Value:**

Q20 Did the Best Value framework bring out information about your organisation of which you were unaware?

235 Absolutely. It was fascinating and some massive improvements came from that process when it was done...when it was applied properly and really systemically, deconstructing the way we did things and challenged what was actually going on. If I give you an example of that, we applied the Best Value framework to housing maintenance in [previous authority] and that's what we won the Beacon award for because we applied construction partnering as part of it, and we ended up...50% of the cost of responsive repairs in housing was materials, labour and plant and 50% was the bureaucracy feeding into it – about inspections and reception services and the whole bureaucracy behind it. We took 80% of the bureaucracy costs out and enabled us to achieve much better improvement for the tenant at much reduced cost and a more consistent, reliable service and we empowered the front line operatives – rather than disempower them, which is what the process was doing before – to delight tenants. And we did that in a partnering framework between the public and private sectors and we learned a massive amount from it. It was hugely rewarding and it made a profound difference to the organisation, but particularly for customers.

240
245 **Q21 Was the information available from other authorities of use in making comparisons with your own authority?**

250 Yes, and there was some very good networking going on, particularly in housing circles. There was a housing quality network that had been set up at the time of housing compulsory competitive tendering. That was a really good source of information, and various other bodies...could have been better, but some of it was very good. And we picked up quite a lot of good information from other places as well.

255 **Q22 Was the information available from other authorities of use to you in bringing about improvements in service delivery?**

And challenge, yes

Q23 What were the main drawbacks to Best Value?

260 Well, I think that the idea that you needed external challenge to generate improvement. Because, if you look over a short period of time with external challenge on a function in a big organisation, and that's the stimulus for change, once that stimulus is taken away, which inevitably after a short period of time it will be, why won't the culture just slip back into where it was previously? If you're going to achieve systemic change you actually need the challenge from within. That could be assisted by external expertise, but the role of the, for example, head of service, or whatever the key leadership role is in that function, needs to be to champion the cause of the customer, not to defend the status quo. And if your organisational culture doesn't enable that, and doesn't require that to happen, then you don't get that lasting change. You get box-ticking and then people slip back into the way they used to be. And that was the big drawback for me: this mistaken view – and this is the whole thing with inspection as well – this mistaken view that if you inspect something to death you get improvement because of it and you don't – you get people getting very good at managing inspections. It can become an industry in itself. That sounded a bit cynical didn't it?

275 **Comprehensive Performance/Area Assessment:**

Q24 Which aspects (if any) of the CPA/CAA have helped your organisation to learn about itself?

280 No. It was a catastrophic waste of time and effort and actually CPA made [named] Council worse because [named council] managed to con the Audit Commission into making us a good council in the first round of CPA and then rested on its laurels for years – maintaining a status of 'good', where actually the organisation was completely dysfunctional. Any inspection regime that purports to get under the skin of an organisation and work out what's really going on and then doesn't is fraught with danger. CAA was just a mess, CPA was a disaster for [named] Council. It worked for [previous] Council, where I was Deputy Chief Exec – I went in just after the first CPA assessment – only insofar as it terrified the members into thinking if they weren't prepared to change, then the organisation would be taken off them. We went in as a new management team and we had the room to really get stuck in and sort the organisation out. Overall CPA and CAA as a means of driving improvement is the wrong thing to do in my view.

290 **Q25 Which aspects (if any) of the CPA/CAA have helped your organisation to learn about what other councils are doing?**

Not in a way that we couldn't have done anyway. Obviously because there were reports out there and stuff, it could help us signpost...it was a signpost to where we could go and ask questions. But there's other means, much cheaper means of achieving that. I just think the whole process was utterly flawed.

295 **Q26 Have you implemented examples of good practice from elsewhere that have been brought to your attention through the CPA/CAA?**

300 Yes, again because things have been signposted to us. A good example is we had a real problem with Supporting People and we've learned...we've sorted that, it's now one of our strengths, but we learned from other people. By CPA/CAA – it would have been CPA at the time – we picked up those authorities that were doing well in particular things we had real weaknesses. But again, if there's a good intelligence network within local government – and I'd argue that's what the Local Government Association should be for – then you can do that in any case. And there'll be some other things as well.

305 **Q27 Which aspects (if any) of the CPA/CAA have you found to be least useful?**

The idea that you can get an inspector to cover the whole of [named county] and get proper understanding of the complexity of those places and how they work is just a joke quite frankly and that's how it proved to be.

Other Local Government Modernisation Initiatives

310 **Q28 Do you believe that any other initiatives introduced as part of Local Government Modernisation have helped local authorities to learn from each other?**

315 Total Place was fantastic, and we were very active participants in that. That was the best. I think that's the main example I'd give. One of the big problems with the last Labour Government, and I was up front in talking to a number of ministers and senior civil servants throughout the period, was that they got into top-down, directive style of government and initiative overload and that's completely the wrong way to achieve sustained improvement and it also consumed a huge amount of resources and built up bureaucracies all over the place. That isn't to say they didn't do some very good things and the outcomes for the public are better than they were in 1997. It might start going in the wrong direction again as resources are withdrawn now, but for the amount of investment that went in in the Blair years, the outcomes, the improvement in outcomes, were not sufficient and a large part of that isn't down to the delivery organisations on the ground, it's the whole framework that we operated within, and it was stifling, quite frankly, with initiative overload.

Or hindered learning taking place?

325 The initiative overload, the suffocating inspection regime and actually the lack of trust in the central-local relationship that meant that anything that they couldn't evidence from an inspection couldn't possibly be happening. That's just ridiculous, quite frankly, and that's the wrong basis for a relationship between the localities and the centre.

INTERVIEWEE H

Date: 10 August 2010

Setting the scene

5 **Q1 When did you enter local government?**

About 30 years ago.

Q2 What position did you occupy in May 1997?

10 I think that I was then newly appointed as a Director of Education in [named region].

Organisational learning

15 **Q3 Have you heard of the terms “organisational learning” or “the learning organisation”?**

Absolutely.

a) Would you agree that interest in organisational learning within local government has grown in recent years?

20 Yes, I think there has been a significant growth in interest, particularly in the last 10 years.

b) Why do you think this is the case?

I think because there has been a much stronger focus on performance management and a performance culture, if you like, in the organisation and on the notion of continuous improvement in service delivery.

25 **Q4 Do you feel that you have a good understanding of organisational learning theories?**

Yes, a fair one, absolutely, yes.

a) What do these terms mean to you?

30 I think, for me, it is an organisation that has both the culture and the processes to continuously review and improve its practices and to share good practice in a way which produces a consistent standard and quality of service delivery. And that's as true, therefore, for any individual member of staff as it is for teams or whole services. So in a way it's part of the kind of instinctive body language, if you like, of the organisation, that it constantly seeks to learn from itself, learn from others, it searches out best practice wherever it can find it, to try to emulate that or to adapt it to its own needs and circumstances.

35 **b) What has been your major source of information on organisational learning?**

40 Difficult to know which is the main one, because there's been a number of issues there. I've been involved, for example more recently, in regional improvement partnerships: I was the principal advisor to the Yorkshire & Humber Improvement Partnership; I've been involved in improvement initiatives at national level as well as regional level. Obviously I will have looked at the work of the improvement agencies of local government like IDeA, and I will have read some of the theory around organisation learning and organisational improvement, both public and private sector.

Q5 Do you want your council to be a “learning organisation”?

45 Yes, we aspire to that quite overtly in fact, and with a renewed energy and focus at the moment, with a particular emphasis now on the issue of creativity and innovation in looking at new ways to do things. So there's a kind of shift of emphasis going on currently, both here and perhaps more widely, because of change in circumstances, where it's not simply about continuously improving what you do in its own terms: it's actually looking at potentially quite radically different ways of doing things which may be untried and untested, and genuinely innovative.

50 **Q6 Do you think you are a learning organisation?**

55 I think it's becoming one because that's part of a wider organisational culture change we're in the process of delivering. You've got to remember also that the organisation itself is relatively new, because it's a new unitary county, it's only a year or so old, and it was an amalgamation of six different previous organisations who were all at different points, if you like, on that kind of learning curve. So, for all kinds of reasons we're working on that as a high priority but I don't think we would yet say that we are consistently effective as a learning organisation, but we aspire to that and we have a clear plan of action to get to that point as soon as we can.

a) What has been put in place to make it so?

60 I think very much the notion of engaging staff in reflective thinking about their professional practice, looking at, identifying good practice within the organisation and outside it, and finding ways to share that so that there's a consistent approach to that. So, learning from one another, learning from others, putting a higher premium on taking the time to be less immediately task-focused and more reflective about what it is that actually makes for

65 good performance. And also a major new emphasis and investment in training and development for staff at all levels.

b) What have been the major problems in becoming one?

70 I think the issue that we've been wrestling with is that under the performance regime, particularly of the previous government, there were some contradictory messages, if you like, about these kinds of processes because I think that, whilst there was a heavy emphasis on improving performance and continuous improvement, there was implicit in all of that the notion that you weren't allowed to fail at anything which I think actually inhibited innovation and creativity and sometimes meant that that learning was very narrowly focused or very narrowly channelled. And I think that there was also, in a very strongly performance-driven culture, there was a tendency for staff to simply play to the targets rather than look more deeply at the effectiveness of the practice of what they were doing professionally. And I think those things are still around, if you like, as a kind of learned response which we are trying to free people up from. We're trying to create a more permissive culture where it's OK to question these things, it's OK to take time out for reflective thinking, it's OK, actually, to try new things and to learn from failure – which is inevitable if you are doing something fairly bold and untested – and I think that that takes a little while for people to feel comfortable with because in the past I think there's been a fear of taking risk and I think were trying now to define risk differently and define an acceptable level of risk in terms of a more creative approach.

75 **To go off the script for a while, it's interesting that people learned the 'wrong' thing – it shows they can learn, but they learned to hit the targets irrespective of whether they were doing a good thing.**

80 Well that's right. I think there wasn't enough time actually spent thinking about "am I doing the right thing well?" It was simply "I must do this better" and I think there were times when, effectively, either customer needs had changed or other circumstances had changed, where you were doing the wrong thing well and simply trying to improve it, rather than saying "actually, is this what I should be doing in the first place?"

85 **Council Structures and Culture**

90 **Q7 Does your council have a clear idea of what it wants to be in, say, ten years' time?**

95 It's a very interesting question. I think in a way the answer is "no, not yet", because one, it's just emerged from the process of becoming a unitary council, so I don't think it had completely defined what that should look like afterwards, it had done it to some extent. But actually having done that, the world around it had changed so significantly – is changing so significantly – that the expectations on a local authority are changing very rapidly and I think, therefore, we are going through a process of redefining our roles, which is quite significant, and some of that driven by new government expectations, but also, I think, by our own sense that there is a fresh opportunity to look at that again ourselves in terms of the local culture here, what local people expect, what gives them customer satisfaction. So I think we're going through a conscious process of redefining the council's purpose and priorities in those terms. That is being set out in the context of a major programme of transformation which also has at its core a very different operating model to the one that's been here in the past. But we're only just in the process of articulating that and getting staff to understand it and respond to it. And we expect that to take probably the next two to three years to fully implement.

100 **Q8 Do you/your senior management team/senior members put aside enough time to reflect on what you are doing (rather than the details of how you are doing it)?**

105 I think that's particularly true now and I think that's partly driven by the necessity of the significant cuts in funding, but it's also driven by the fact that we are a new organisation that's trying to do something fresh, and I think it's also driven by a changing sense of expectations in our customers. So, there are a whole range of drivers that are pushing us in the same direction, and forcing us, I think, to ask ourselves much more fundamental questions about why am I here, do I need to do this at all, if I do it, in what way should it be done, actually, are there other functions that I should be spending more time and investment in, should I be divesting myself, or decommissioning certain activities or services? So, some pretty fundamental questions about the shape of the organisation, the way it operates, how it relates to other providers and other partners. All of that under intensive review at the moment, driven by a number of factors both positive and negative.

110 **Q9 What would you say were the top three ways in which you and your staff receive information on new ways of delivering services?**

115 I think the improvement agencies within the local government family, so bodies like the IDEa, regional improvement partnerships, and the leadership centre for local government probably are a dominant set of voices in that.

120 We also, I think, will be picking this up then from the world of academia, so where you've got institutions that are looking particularly at public sector development or public sector management, leadership development, we're picking up the latest thinking around some of that and consciously seeking that out, as it were.

125 And I think the third bit then is this notion of looking at best practice wherever it exists, both in the public sector and the private sector, to see what others are doing and how we can learn from and emulate that ourselves. So I think those are probably the three main sources.

130 **Q10 What is your council's attitude towards risk-taking?**

It's changing, I think is the short answer. I think this organisation, like many others as I hinted at earlier, was overly risk-averse because you weren't allowed to fail, because inspectors judged you in very particular ways and you learned to play to that test and actually I think it stifled innovation and creativity to a certain extent. And I think

135 that's changing now to the point where we're defining risk differently. There's a willingness to take managed risk
more readily and there's almost a definition of risk as a failure to grasp opportunity to do things differently. There's
a new concept of risk, in a sense, and I think we probably now will talk more even on our risk strategy and risk
140 register about risk and opportunity as two sides of the same coin and I think we look always now for the positives
in difficult situations. Yes, to manage the risk well, manage it down to an acceptable level, so I don't think we're
cavalier about that, but to recognise that in order to get the benefits that would come from a more bold or radical
approach, you need to take some calculated risks. That focus on extracting the opportunity from any situation that
145 may have threat in it is a much stronger element than it would have been even a few years ago.

Q11 Do you encourage staff to experiment with new ways of working/delivering services?

145 We're doing that very consciously as a key element of the culture change that underpins our transformation
programme over the next few years. We are looking at radically changing the way we operate and we're opening
that up to staff contributions on new ideas quite consciously. We have a major programme of staff engagement,
for example, which is all about encouraging and implementing their own creative thoughts at every level in the
organisation. That's now starting to bear fruit, already we've had literally hundreds of good ideas, many of which
150 we are in the process of implementing because they're relatively cheap to do. They may make small contributions
to bigger changes, but collectively they're showing themselves, perhaps more importantly, they're also giving staff
that positive reinforcement to do more, to think bigger, to accept change more readily.

a) Are the results fed back into the council system for analysis?

155 That's going on now very consciously as part of the transformation approach which is very much based around
that and about a mutually reinforcing process, an iterative process which continues then to encourage greater and
greater creativity and where the results then can be bigger or stronger in their impact. So you start with a lot of
small contributions but from that you're opening people and the organisation up to bolder thinking about some of
the bigger issues.

Q12 I've asked everybody else when was the last time you changed your internal organisational boundaries. I'm guessing that last year was the last time you changed.

160 We had a fairly big change obviously in the creation of the unitary and I think my inclination – and I've said this as
part of our transformation approach now – is not to engage in a major organisational restructuring because I think
they frequently distract you for several years, they don't always deliver everything that they intend and they will
have some unintended consequences. They also create unhelpful anxiety about job security - from the top down -
165 and there's enough around with funding cuts as it is, so what I've done deliberately with staff is to talk about 'I
want to change the way we work, not change the way we're structured'. Now in practice, significantly changing
the way we work will have some implications for structures so there will be some structural change going on, but it
falls more naturally out of actually what are we trying to do, where do decisions need to be made, how can I
support that more effectively? Rather than let's have a new structure, spend two years doing that and then see if
170 it's delivered what we expected. And I think staff have responded well to that, because what we're doing generally
is keeping working teams together. So yes, who they are working alongside, who they are accountable to may
change, but actually the team, as the intrinsic unit of delivery, remains solid and effective with experienced and
committed staff inside it who are clear what their purpose is, clear how they fit into the broader context and I think
175 that's allowing us to think about quite bold changes without literally chucking it all up in the air and disturbing
people. People are responding quite positively to that approach.

Q13 Do you use secondments (or similar) to share knowledge/expertise within the council or with other organisations?

180 Yes. Consciously as part of the learning process and part of our transformation process we have started to do
that more than in the past. So, for example, in putting together a very significant transformation programme over
the next few years we created a new post as Director of Transformation at a senior level and a programme
manager to actually then run the administration of that process - both of those filled by internal secondment. And
what we've done more widely around staff engagement is we created a number of people, drawn from staff at all
185 levels and all backgrounds, into roles that we described as change champions to create the points of leadership
to help other staff through these change processes and we're training and developing those staff. We'd originally
thought to probably start with about 35, 50 people in that role and grow that over time. The level of interest from
staff was so great that we've ended up with over a hundred volunteers in our first tranche and they've been
through their initial training and are now starting to have an impact on the organisation. So, we're very consciously
190 creating extra capacity, extra energy around this by finding the best people – often people with the right attitude
as well as the right skills and abilities – and consciously putting them into visible leadership roles around these
processes.

Q14 Can you give an example of a change you have tried to implement but where you were not totally successful? What was the impetus for that change? What were the barriers to making it?

195 Yes, I think probably one of the most interesting things we did as a new unitary was to introduce what we called
local joint committees. We've never been totally happy with the name, but the concept behind it, I think, was to
recognise that in taking a two-tier system of five districts and a county council and merging them together there
was a concern from some that we would lose our local knowledge, our local contact at the front end and become
a bit more strategic and remote than some were comfortable with. So the local joint committees were an attempt
200 to overcome that by giving our elected members direct contact with town and parish councillors who are still in the
system as another tier of local government and to bring them together around local issues and supporting local

community organisations. There were some who were sceptical about this, but it was an attempt to calm some of the fears about how a unitary would feel relative to the two tier system of the past. I think a year in we've just had a major review of local joint committees, the evidence is that actually they've been quite effective in their early roles, certainly to the point where everybody, including the sceptics, now has said these are worth keeping and that's been very positive. I think what they have not done as much as we would have liked is that they've not developed their role as fully as we think they could have done. It's been a cautious approach in the early stages while they were finding their feet and some, I think, are now saying 'well, this is as far as I want to go, this appears to work at a certain level, let's not take any risks with it, this is already a bit better than we expected'. Whereas actually the evidence is that these have huge potential to be part of some of the governance approach around community engagement and the so-called 'Big Society' and actually we're very eager now to develop them on from here. But it has been interesting that we've have quite a long debate, even though there's a general acceptance that they've worked reasonably well, sometimes not as fully consistently as we would have liked, it has been harder to persuade some people to take them on and develop them further, even though I think that was always the original intention. Now, we have got permission to do that and we are working with those who particularly are up for that first, to create a vanguard that others then will hopefully follow on later. But I think it was interesting for us how much resistance you get in the system to change and, actually, even when you create a successful change, you can get resistance to further change. It doesn't always automatically follow that because this has worked well people will be up for more: they may still need persuading to go on. There is an interesting tendency for people to become conservative again quite quickly. 'Well, OK, we had a bit of a push, we changed things, it seems to be working well, so let's fix it and not take any risks'. Well, no actually that was only ever a first stage, why don't we go on and see how far we can go with this? still needs a persuasive approach with some people.

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Specific Modernisation Initiatives

The Beacon Council scheme:

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Q15 What involvement have you had with the Beacon Council Scheme?

I don't think the previous organisations here – although the County Council in particular was highly rated in inspection and audit terms – I don't think it pursued Beacon status actively, didn't feel the need for that. I think it did acquire it in one or two areas but I don't think it was a strong motivator. I think generally my view is that Beacon status had some disbenefits in it because implicit was the notion that these were the best, leading others and showing them how to do it, and it created a certain sense of elitism, if you like, in the system. My view was that that sometimes was counter-productive, because my experience was that even organisations that might have been rated as less than a four star council actually did some things very well. Everybody in a sense therefore had something to trade, something to offer. Even four star councils had areas that they were not as good at and I was much happier in a process of learning from each other which recognised that each had something to contribute, each had something to learn, rather than the assumption that there was an elite cadre of beacon councils who did nothing wrong and their approach was perfect and you just copied it, which I think was more limited in its usefulness than actually searching out others who had something to offer, but also recognising you could contribute something in return in the areas of your own strengths.

245

So have you personally been involved?

I have been involved in beacon approaches and, as I say, I think they were rather limited in their effectiveness for the reasons I've just said. I think they had some purpose and some value, but I was always less happy that we weren't doing more in the way that I've described.

250

Q16 What did involvement in the scheme teach you about your home organisation?

I think the answer is probably yes, but only in limited ways. Because you would have been selective in picking your best area anyway and I think in a way perhaps you learn more by focusing on the things sometimes you don't do as well as you'd like. I think there was some benefit in the sense...working through how you then presented that to others in a way that was helpful to them. That did sometimes force you to reflect and look again at what you did in a particular way, so there was certainly some benefit. But again I wasn't as convinced that it wouldn't have been better to have concentrated on things that you still didn't do well.

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Q17 What did you learn from other beacons? Were any changes in working practices adopted as a direct result of involvement in the beacon scheme?

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Yes, I can think of several examples, perhaps significantly in my last authority as well as in my current one, we were looking very much at major improvements in customer services – call centres and face-to-face local delivery points for example, where you're running a range of services through a single front-facing part of the organisation – to try and get that ease of access for the customer and to make that very responsive and deal with most things on a single visit rather than forcing people to find their way, navigate their way around a large, complex organisation. So going and looking at those authorities that did that well certainly gave you a lot of practical tips, if you like, about ways to do that because there are techniques in there, if you like, there are systems which are eminently transferable around customer relationship management and the use of technology for example. They did sometimes give you therefore useful shortcuts to the learning, so they saved you time of the learning curve. You still need to learn how to do it for yourself, but actually you can do it faster and you can avoid mistakes that others have already made, you don't need to learn the hard way, always, on that basis. So there were those

benefits as well and I think that, interestingly perhaps, what they also sometimes did was show you that you were already doing some things very well, which was actually just as valuable because it gave you the confidence that your approach was the right approach and you hadn't missed anything of significance.

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Q18 Did you try to implement a change but were not totally successful, and if so what were the barriers to change?

I think it's always...I suspect we never did that, I think what we did on occasions was to say 'that's very interesting, but we're not sure we could make it work in our circumstances'. I think particularly, for example, because we've got a very large rural area to administer, so you'd look at things which you could see why they worked in an urban setting, but wouldn't necessarily be easily adaptable to the circumstances of a rural county. So there were those sorts of things which were interesting and we said: 'well that's fine. I can see why it works but it won't work for me even if I customised it'. So that was still valuable learning because it did help you understand why you had a particular and unique set of challenges and you may need, therefore, rather different solutions.

285

Q19 Do you think the scheme was an effective way of spreading good practice?

I think it had some value in the early stages but I think it outlived its usefulness by the end and I think it was right that we got into something that was much more about a more extensive process of shared learning based on that notion of trading that I talked about earlier – everyone has something to offer, everyone has something to learn from others on. I think that, in that sense, it was something that was valuable for a while when people needed to see good practice in that way. But as we all became more competent then I think actually we had a different kind of learning process with greater sharing in it – because we all had something more to offer, I think. And also I think we were all much more aware of our strengths and weaknesses because we'd been going through these processes for some years.

295

Best Value:

Q20 Did the Best Value framework bring out information about your organisation of which you were unaware?

Yes, I think the original concept of Best Value had some merit and it certainly helped you start to get at...looking at how you defined value for money, if you like. I think its limits though, was it tended to focus too much perhaps on cost and not enough on impact on people's quality of life. So it was kind of internally driven rather than driven around outcomes. It looked at inputs, sometimes their relationship to outputs, but not enough about outcomes for local people.

305

Q21 Was the information available from other authorities of use in making comparisons with your own authority?

I think as the volume of performance data grew, and the ability therefore to benchmark against it became more significant, that was and remains very valuable. I think again the issue for me, ironically, is that we never seemed to have cracked the issue of getting some benchmarking around unit costs, because for me, value for money is going to be this relationship between cost, quality and customer satisfaction. I think that we are now quite strong on performance measures, we are increasingly good at surveying customer satisfaction in a variety of ways but the unit cost stuff is still difficult. In other words, I can produce a high-quality service which my customers like, but actually, if I'm paying well over the odds to do that, that's not value for money. And actually I don't know sometimes what my relative costs are, so I get high marks for customer satisfaction, high marks for service quality but actually, if you are spending a shed load of money, that ought to be the case. The real trick is can I do that and still be as cheap as the best? I think there's a new focus now, quite rightly, on this missing dimension of the unit cost, so we've got all the components of the equation to work out whether were really delivering value for money.

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Q22 Was the information available from other authorities of use to you in bringing about improvements in service delivery?

Yes, it certainly allowed you to identify where your own performance was poor relative to others in your family, as it were, of other local authorities. I think over time that became a more sophisticated, almost surgical approach, where you could target specific areas in specific ways in order to shift them from one quartile to another. It's a bit like back to playing to the test, but actually quite significant in terms of 'well I may be poor at this but if everybody else is poor at it, the chances are it's just one of those difficult problems. I'm very good at these things so probably I don't need to worry about them'. It's the stuff in the middle that's probably more interesting – where I am appearing not to deliver relative to others around some of that middle-ranking performance that looks a bit like I'm coasting or I'm just not able to get a breakthrough in performance uplift? And where would I best target my energies to do that around some key services? How could I push them up into a new quartile of performance by doing a relatively targeted approach? So I think over time all that got much more sophisticated than just a general scattergun issue around the performance of the whole organisation.

335

Q23 What were the main drawbacks to Best Value?

I've touched on some of them. Until we got enough data in the benchmarking sets, it was very limited. I think that it's only in recent years that we've had that level of real comparison. I think also, of course, some of the indicators of performance were never very good indicators. They certainly didn't make a lot of sense often to local people.

340 They were managerial and inwardly-looking internal measures and I think that as we got into later approaches around area assessments and the comprehensive area review, you started to get into things about quality of life that resonated a lot more with the way local people judged these issues. I think we never succeeded in engaging most local people in a debate around performance indicators because it was just too obtuse for them.

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Comprehensive Performance/Area Assessment:

Q24 Which aspects (if any) of the CPA/CAA have helped your organisation to learn about itself?

350 I think the positives were that they did force you to have a look at whether, in terms of those deeper indicators of the quality of life of your local residents, you were actually doing as much as you could to improve those indicators. In other words, it wasn't about benchmarking you against other authorities, it was about benchmarking you against your own context. If, for example, you were in an area of significant deprivation were you able to demonstrate that you were tackling that effectively and keeping pace with developments elsewhere?...was actually quite useful. Were you doing as much as you could to lift the area that you administered was very positive. I think on the downside the issue is in the title – it was much more about assessment as an external inspection and audit process and not enough about improvement. So it assessed you and graded you and scored you, but actually often what I wanted – because I got increasingly good at doing that myself, from my own self-assessment and often the validation was, yes you've done this very well, you've got a good, accurate insight into your organisation, you know what needs clearing and you've got a plan for tackling it – what I then wanted was someone to say 'and this is how you can improve, this is where you can go to find the best examples, this is what you should be doing'. But the assessment stopped at that point. Nobody came along behind and helped me with improvement, which is actually what I wanted, because my assessment I became increasingly good at myself. Yes, the objective validation was fine, some challenge was useful – always want that – but I think there was still too much emphasis on the assessment and processes seemed to move away from help with improvement.

365

Q25 Which aspects (if any) of the CPA/CAA have helped your organisation to learn about what other councils are doing?

370 It always seemed that you had to ask the question. So where are the authorities that I should go and look at for the best practice in this area? It never seemed to come out and be volunteered or be an active part of the process. You had to consciously seek it and even then sometimes you didn't get a lot of help. The Audit Commission, for example, some years ago used to produce every year a handful of best practice guides – well researched, well written, based on case studies and would point you in the right directions. They were always worth reading. Those got lost it seems to me with this focus on assessment and therefore I thought we could have done a lot more to help learn from others around improvement. I think what was happening in the background was that local authorities were doing much more of that for each other through regional improvement partnerships and through their own improvement agencies. They increasingly became the place that you went to find the best practice, to get pointers to the right places and the right people.

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Q26 Have you implemented examples of good practice from elsewhere that have been brought to your attention through the CPA/CAA?

380

Interesting, I'd probably have to think about that. I mean the answer is probably yes, but although I have to say it's interesting that not much immediately springs to mind of great significance. It seems to me it was much more about getting the right scoring, which we all got better at, funnily enough.

385

Q27 Which aspects (if any) of the CPA/CAA have you found to be least useful?

390 Where do I start? I think although you said earlier, in a way, let's talk about CPA as a single process, my view was one of its weaknesses was that it was actually two parallel processes with quite different purposes that were knitted together to try and make it look like an integrated approach. The core assessment of the organisation was, I think, very much about inspectorates and the Audit Commission being able to say to government ministers "I can tell you if there's a likelihood of failure, or a failure happening in this service or in this council and therefore avoid a major problem or an embarrassment while you're the minister". I think it was very much in those terms of giving ministers that confidence that they weren't going to have a serious failure of child protection or whatever on their hands. I think actually that process failed in a number of cases to do that, even though that's what it was really set up to do and there are several celebrated examples of where inspectorates and others afterwards tried to justify why they seem to have missed those issues. Even including allegations that some councils deliberately hid the truth from them, which I think is quite an interesting argument. The Area Assessment which I think had a different approach which was about feedback to local people about how well their council was doing around quality of life issues in some ways was a lot more interesting and I think could have been developed even further. Its problem was that it was much more subjective in its judgement. It used fewer performance indicators, a lot more survey of opinion, which is always much more subjective. But even given that, I thought in some ways it was much more valid as a way into the real issues. Many of the performance indicators in the organisational assessment were very poor proxies for actually whether you were delivering the right things in the way that people wanted. I think for me there were all kinds of tensions between two very different processes with different purposes and different audiences trying to be married together in ways that never quite gelled and where each therefore had a fairly limited effect as a result of that. Now, I would have liked to have seen some of that developed further. I would have liked to have seen some of the organisational assessment slimmed down with a much greater emphasis on self-assessment and external challenge from within the local government family. That would have been, I think, a cheaper and more effective process. A much greater emphasis on shared learning than on simply assessing

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405

410 need. On the Area Assessment, I would have liked to have developed further this notion of how do we deal with
the subjectivity of public opinion and still make it valid as a driver of improvement. I think in a way it's a shame
that some of that has been abandoned just at the point where it was beginning to be useful. If I'm honest, I think
that whilst we may never have loved CPA, because of its imperfections, there is no doubt that its overall effect in
415 helping to ratchet up local government performance was very real. It focused us in a way that hadn't been done
before, and even though we kicked against it, and cavilled over it, and ultimately, I think, outgrew it to a large
extent, we all came to accept that we needed this strong performance culture, and we needed external challenge
and better frameworks for shared learning than we'd ever had before. And I still think we're perfecting those in
local government. I still think that we could do more to share best practice amongst ourselves in a way that the
assessment processes perhaps denigrated the importance of over time rather curiously.

420

Other Local Government Modernisation Initiatives

Q28 Do you believe that any other initiatives introduced as part of Local Government Modernisation have helped local authorities to learn from each other? Or hindered learning taking place?

425 I think one of the biggest difficulties for me of the government's approach in what was a very top-down feeling
approach at times, was they tended to fall into the trap of stumbling over good practice in one particular place and
assuming it was immediately replicable everywhere. So they had a tendency to say "this appears to work, I'm
desperate for solutions, this appears to work, let's make a template out of it and tell everybody to do it just like
430 that". Whereas I think the key word in local government is the word 'local': places are different; cultures are
different; history is different; the people are different in their expectations. If you don't work with that, with the grain
of that local word, then actually you can't often apply a solution from somewhere else without a huge degree of
customisation and I think the government sometimes, in terms of taking shortcuts, tried to impose things that
435 simply didn't fit with those circumstances. I think that the ability to devise, therefore, local solutions that fitted that
place is actually quite important. I could think of lots of examples where, had the government succeeded in its
initial attempts to say "well, we'll just do it like that, that's the template of the perfect solution or the perfect council
or the perfect service in this area" it would actually have killed the very things that made it work. When I was in
[named area], for example, we had enormous success in creating an integrated community safety service with
440 something like eight or nine different agencies involved, a growing staff team of over 150 in the end from police
and probation, and fire and rescue, local council and others, all working together under a single management with
a shared budget, reporting to a community safety partnership that was very active. We drove local crime levels
down significantly over several years. People came from the Home Office to say "how have you managed to do
this?" Now, our analysis and their understanding when they talked to us at the end of a couple of days with us
445 was that, in a way, it had been a product of a particular set of circumstances, a particular culture and a particular
network of relationships between key individuals without which this would never have worked. Yes, we did other
things well, but actually those were the keys. They had this tendency to say "well we'll take this all away now and
tell everybody that this is the way to do it". We said "but if they don't have that network of relationships, if they
don't have that degree of trust in the system, if they haven't been working on that already, this won't work,
because that's the bedrock". You can't artificially create that, it may just take time to develop or it may never be as
450 good as ours because that's just what works for us here. I think that was always the worry for me, that
government was always in a hurry, looking for shortcuts, looking for things that they thought would provide
consistent solutions and I think it's only now that there's been that willingness to recognise that actually, it's that
local adaptation to your local culture, your local style, your local preferences that actually makes the difference.
And only the local authority and its partners understand the place that they work in at that level. The government
can't do that from a distance and is better sometimes not trying to impose 'one size fits all' approaches.

455

Finally

Q29 Are there any questions you were expecting to be asked but which I haven't asked or anything else you would like to add?

460 I think perhaps just as a summary, I think the last ten years in particular it seems to me have been a very
significant journey for local government and there is no doubt that, generally, our practice is much better than it
was ten years ago. I think it's also more consistent than it was. Yes, you'll have some services that fail
occasionally, some authorities that are weak, but actually they are fewer in number, the spread of performance is
465 not as big, the number of failing authorities is smaller and I think, actually, the ability to turn them round effectively
has grown as well, because we understand those processes better and have better systems of support. I think it's
acknowledged in that sense now, by national government that local government is one of the best performing
sectors of public services and we will deliver most of what a government wants. But I think it is also probably
acknowledged that it is that local approach, that local flavour, that local knowledge and understanding that makes
470 the difference, because what we deliver are solutions that are right for our places, not national standardised
processes, which I think rarely work in practice.

INTERVIEWEE I

Date: 14 December 2010

Setting the scene

5 **Q1 When did you enter local government?**

1977

Q2 What position did you occupy in May 1997?

10 Chief Revenues and Benefits Officer – CRABO for short, not sure who I upset to get that title. At [named council] as a District in those days.

Organisational learning

15 **Q3 Have you heard of the terms “organisational learning” or “the learning organisation”?**

Yes

a) Do you think interest in organisational learning within local government has grown in recent years?

b) Why do you think this is the case?

20 I would say yes, I think there's needed to be because I think we've needed to be continually innovative and making sure we picked up best practice, probably forced by the various inspection regimes.

Q4 Do you feel that you have a good understanding of organisational learning theories?

25 I would say reasonable. Touched on it when I did my MBA a couple of years ago.

a) What do these terms mean to you?

To me it's about continuing the...developing the organisation so you've got staff that are up to speed in terms of best practice and the organisation is not set in a static state and is prepared to develop and adopt new, innovative ways, and different ways, of doing things. Thinking outside the box as the phrase goes.

30

b) What has been your major source of information on organisational learning?

Not asked see answer to first part of question.

Q5 Do you want your council to be a “learning organisation”?

35 Yes, I think it's become even more important now we've entered the times of austerity that every council should be a learning council and that includes [named council], and I think if any council doesn't take that opportunity they are going to be left behind and probably going to struggle to deliver services that the public of their area need.

40 **Q6 Do you think you are one?**

I think it's had to be, given it became a new Unitary in April 2009, so managers have taken on wider roles, particularly the corporate people. They've had to learn what were the County Council functions for the people that came from the District, and for the County people, learning the District functions.

45 **a) What have you put in place to make it a learning organisation?**

We've done some work with Professor Beverley Alimo-Metcalfe through the University of Bradford and her own professional management organisation, to do things like 360 degree feedback for all senior members of staff and rolling out development days that we do for all the senior managers where we've looked at things like DECATS – which is delivering efficiency in corporate and transactional services – a project we are doing with 4Ps, Public Partnerships as they call themselves, and lean thinking where we are doing some work with a company called Vanguard who are doing lean systems thinking. So we had quite recently a half-day session with all Heads of Service and above where they had the opportunity to talk with them and Beverley. So, Beverley was doing management then we moved to the next group and talked about lean and then the next group on DECATS.

50

55 **b) What have been the major problems in becoming a learning organisation?**

Some people don't want to learn. Some staff are set in their ways, don't want to move forward. And I guess the other one that's now coming on the horizon is finance. We're not necessarily going to be able do all the training that one would like, both in terms of providing the money for the training courses but also in terms of perhaps having that extra little bit of resource that helps out, if you know what I mean.

60

Council Structures and Culture

Q7 Does your council have a clear idea of what it wants to be in, say, ten years' time?

65 Yes – offering value for money services with [place name] the local authority on the map, and [place name] the place on the map. What I mean by that is, if you as a local authority are thinking about doing something and you think “well who’s good at doing this?” whether it be in adult services, children’s services or anything to do with the environment – “Ah, [named council], let’s have a word with [named council]”. And more importantly, putting [place name] the place, because – I’ll turn that one on its head you’re from a couple of hundred miles away, what do you know about [place name]? Do you know that if you walk down by the river it’s as nice as Cambridge, Oxford or probably even almost touching some parts of York? But do people, say, from your area, your part of the country, actually know that [place name] exists? They’ve probably heard the name, but do they know what [place name]’s got to offer? I will actually say to you, if you’ve got time while you’re in this neck of the woods, take the opportunity to go down by the embankment and you’ll probably be pleasantly surprised.

75 **Q8 Do you/your senior management team/senior members put aside enough time to reflect on what you are doing (rather than the details of how you are doing it)?**

I think probably the Mayor and I do. I’ve got a directly elected Mayor. I would say the Mayor and I do, because the Mayor and I...his office is literally the other side of that wall. He’ll walk in here half five or six o’clock one evening and we’ll just sit and have a real chat about what are the issues...nothing formal, just sitting and having a chat. And every couple of weeks we have a formal two or three hour slot where we actually sit down and focus on what are the real issues. He doesn’t wander in every night. I don’t wander in and see him every night, but it does give us that opportunity to focus on what the issues are.

Is it helpful to have just that one person to discuss matters with?

85 For this council it is. The reason I say that is that [named council] as the old District and now the new Unitary, because the Unitary is on the same boundary as the old District, has been hung since the 1980s and I would suggest will be as hung as ever following the elections next May. If you ever tried to get a policy steer previously you would ring up one group leader – “well I think that, but come back to me when you have spoken to the other three”, and you’d spend all day trying to get a steer or a consensus, whereas now I can just walk in there and say “this is the issue, what do you think?” Sometimes he’ll say “I’ll talk with colleagues”, but generally speaking he’ll give you a fairly clear steer there and then. He is my second mayor – the first Mayor was an independent, he is a Liberal Democrat Mayor so sometimes he wishes to consult other senior figures within his own party. Just so you are aware, they are the largest group on the council, but they do not have an overall majority.

The elected mayor scenario is not one I’ve investigated because there are so few of them. It’s just fortuitous that you happen to have one.

95 I think what I would say is that it is probably not that different to a leader that you would be used to, it’s just that, as opposed to the leader being selected by the ruling group, he is elected directly by the public. But in terms of powers, in fact he’s probably got in some respects less powers because he cannot get involved in any staffing matters. He’s deliberately, by law, excluded so that he – not him personally, but an elected mayor – cannot bring all their mates in.

100 **Q9 What would you say were the top three ways in which you and your staff receive information on new ways of delivering services?**

Networking
Inspection reports
Journals/flyers

105 When I say networking I mean going and meeting, in my case, other Chief Execs and they say we’re doing this and doing that. I’ll give you an example, I was recently...I still keep going with SOLACE in terms of the Action Learning Set that they start off when you first become a Chief Exec and one of the guys on our course is from Windsor & Maidenhead and he was telling us a reward scheme on recycling that he’s getting in...a bit like Nectar points but it’s not Nectar points...we’re going to see the company in the new year. It might not be right for [named council] but he says it’s right for Windsor & Maidenhead which is probably not that dissimilar to [named place]. Population-wise similar but we’re perhaps a bit more rural because we go quite a way north. So they would be my top three, in that order.

115 **Q10 What is your council’s attitude towards risk-taking?**

I would say reasonably risk-averse. They have always prided themselves – and the reason I can say always is because the members that I’ve got here now as a Unitary, apart from about two, are the old members from the District, the County members just...well, a lot of the County members in this area didn’t go forward, they did in Central...and they’ve always prided themselves on having strong governance, strong control and that very much relates to that strongly risk-averse...

Q11 Do you encourage staff to experiment with new ways of working/delivering services?

125 We have a staff suggestion scheme – a corporate staff suggestion scheme – where all ideas come up to myself, the Mayor and Deputy Mayor and they can have a financial reward. Ultimately up to £5,000 if it’s a good way...It’s up to managers to determine in terms of real low-level things, but there is the corporate...In terms of anything within a manager’s area our decision-making protocol requires any report to a decision-maker, whether it be the Mayor, a portfolio-holder or the Executive as a whole, has to cover legal, policy, risk and resource. So there is a specific section on risk in every report that goes before a decision-maker and it’s up to the officer to articulate what the risk is: the risk of not doing something, a risk of doing something etc. So that’s why I would say that risk is very much controlled but there’s not really any appetite to be completely...risk here there and everywhere.

Q12 When was the last time your internal organisational boundaries were changed? What prompted that change?

Are you talking about the management structure?

135 **Yes I am.**

I'm currently out to staff consultation on a senior management restructure.

Even though you are only 18 months old?

140 Yes. It's my first major restructure. In essence it's about two years because members set the original structure in August '08 in readiness for...so that people could be appointed. I'm taking out about £1.2 million at the senior level.

Q13 Do you use secondments (or similar) to share knowledge/expertise within the council or with other organisations?

145 It hasn't done thus far, no. I think it's been very much making sure...and touch wood we've had no major service delivery failures in the 20 months since we came into being.

Q14 Can you give an example of a change you have tried to implement but where you were not totally successful? What was the impetus for that change? What were the barriers to making it?

150 I suppose really, at corporate, high level, the best one is school reorganisation. We inherited from the former County Council a three-tier system of lower, middle and upper...so in other words up to the age of nine, nine to 13, 13 through to 18, with all senior schools having a sixth form, in other words for 16 -18 year-olds. Our results at Key Stage 2 which ordinarily fall at the end of the primary stage but here fall right in the middle of the four years of middle schools, are not good. In fact we're equal bottom of the league in our Department for Education comparator group, so that's...And [named place] is not a deprived area – we have areas of deprivation, but it's not a deprived area. So we said we would change to two tier on the back of Building Schools for the Future. We had a lovely programme signed off. We'd been the remit meeting, we were putting together the strategy for change, if I can remember all the titles, part one and part two and the Government pulled it. So we now have a very interesting situation where we've got an Academy in one part of town that is going to be 11 – 18, which means we've got to change the system in that area of town, and we've got one of the proposed Free Schools – a Free School that wants to be a school and not a school operated out of somebody's kitchen. When you read some of the proposals on Free Schools they are very small proposals. So, in terms of that I would say that the rug was pulled from underneath us.

Specific Modernisation Initiatives

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The Beacon Council scheme:

Q15 What involvement have you had with the Beacon Council Scheme?

170 We submitted a couple of applications in its very early years, which was probably ten years ago now I would think. Never got anywhere and, as a then District, thought well, we're not one of the favoured few, let's just pack up. We haven't got resources, as a District, hanging around, can do all this. So we just said, let everybody else do it.

Q16 What did involvement in the scheme teach you about your home organisation?

175 I guess it was probably more about spin than substance if I want to be brutally honest.

Q17 What did you learn from other beacons? Were any changes in working practices adopted as a direct result of involvement in the beacon scheme?

180 I couldn't say, hand on heart, no. I would say we didn't have a corporate decision to encourage it. I couldn't honestly say that nobody ever went, but there was no corporate directive to do it.

Q18 Did you try to implement a change but were not totally successful, and if so what were the barriers to change?

NOT ASKED, not relevant following answer to Q17

185 **Q19 Do you think the scheme was an effective way of spreading good practice?**

190 Not really. I think it was more about...I think we felt that we were probably as good as some of the other councils that were Beacon Status and it was probably...how can I put it?...[Named council] was probably almost bordering on arrogant at that time in terms of its management. I wasn't the Chief Exec, though I was a member of the senior team, and I just think we felt that from what we saw, what we observed, what we heard, that yeah, we were doing it – probably not the same – but just as good. Never a great fan of it is probably some good words for the tape.

Best Value:

195 **Q20 Did the Best Value framework bring out information about your organisation of which you were unaware?**

200 It told us how to play the game. We had our first inspection which was around parks and open spaces or parks and leisure, something like that and, if memory serves me right, we got something like a score of one – because it was one, two or three when it was originally scored – and little prospects for improving. And they did a neighbouring authority – I won't name them – and they got three and brilliant. And we compared us with them and

we were equally as good. In fact we got better, because we've got far more facilities, they've got one measly swimming pool that only opened in the summer and it was just really how can you spin things? Don't be honest, just spin things to the inspectors. And that case actually resulted in the then...whose name eludes me, the then Deputy Head of the Audit Commission actually coming down and trying to sort it out because we threatened judicial review over that because we had photos and everything else. We sent the Audit Commission these two photos – which one's one star, which one's three star? And they knew they'd got it wrong. To us, yes, to go back to your question, by God did we learn from it? You spin it, you...I was going to say suck up to the inspector, whatever, don't be honest, don't be truthful, just play the game. Why did we get 'good' as a District in terms of the CPA, why did we get 'excellent' on the second? We asked for a re-inspection on CPA to get 'excellent'. Why? Because we spent hours, not going round other councils, we went through the inspection reports – what have they produced? What documents are in vogue with the inspector? What do they really want to see? Particularly what we learned was that it was all around the performance indicators and we went hell for leather, we in about...you lose track of time...but I would say five or six years ago we proved that, in terms of the then national indicators, not the 198 now that we've got, the previous set, that we'd got more in the top two quartiles than any other District in the country. And we presented that evidence when they came and re-inspected us and we said 'there you are' and given that second CPA inspection was very heavily weighted in terms of marks, categories, towards performance, they had no option but to give us top marks. How did we get 'excellent'? Because of that, because we played the game. I can sit here and say 'I was a finance director of an excellent District Council' – fact. But that's how we did it.

I've got some questions specifically about CPA later on...I fully understand your answer to the question about what did you learn from the Best Value process and its very interesting, but it's not what I was getting at. I was wondering whether the process worked in the way it was supposed to in that you would carry out Best Value reviews and therefore you would have a better understanding of where your council stood on various services.

I don't think it did. And I'll give you a classic example. I think CIPFA – and I can say this because I'm a qualified member of CIPFA – CIPFA did their absolute damndest and did a brilliant job in trying to ensure that costs could be compared from authority to authority. And they did, they had the Best Value Accounting Code of Practice – great. But it still didn't stop people doing things differently. I remember on our car park review we had a great debate about something called asset rentals where the CIPFA code of practice said, if you own your car parks outright, which we do – no debt charges, no nothing, because we were debt free, so we had no debt on them at all – you charge them what is called an asset rental. It's a notional in-and-out, doesn't affect the Council Tax. We had great debates with other authorities: "but you're in the same situation, you haven't charged them an asset rental". "Well, we don't do that". And I do think that on any benchmarking...benchmarking to me is great if you are all feeding the information in at the same level. Our car park costs were actually way, way high compared to others that we were looking at but then when you drilled down it was...some weren't charging management overheads. So did Best Value drive improvement? No. Did CPA, and I appreciate you're coming on to CPA, did CPA drive improvement? I actually think CPA did, and there is a difference because I think Best Value was down to individual services, CPA was more body corporate and I do think that it did highlight...there might have been some unlucky people, because as Chief Exec I view myself as a football manager, I think that's probably how most Chief Execs view things – we see Sam Allardyce got sacked yesterday, the lad from Newcastle last week – that's what it's like, and I think CPA did drive that improvement. There might have been some that were wrong. There probably were some that didn't quite catch on to playing the game, but I can't believe that all those that were rated weak, poor or whatever the categories were, actually were wrong. I'm sure there must have been some in those categories and I'm sure that did lead to some improvement.

Q21 Was the information available from other authorities of use in making comparisons with your own authority?

We tried. We did all our Best Values around the Four Cs – compare, compete...what was it, I forget now...anyway, around the Four Cs, one of which was compare and we tried to get information where...A good one that was probably OK is when we did the review of Financial Services and the collection rate on Council Tax and Business Rates because, apart from them claiming over 100% which was obviously wrong, the CLG or whatever they were called in those days – probably the Office of the Deputy Prime Minister – were very prescriptive about how you calculated that indicator of percentage collected in-year, so we were able on that one to say, well this is where we are and why is X, Y, Z better than us in that regard?

Q22 Was the information available from other authorities of use to you in bringing about improvements in service delivery?

I think probably in some respects. Every review had a critical friend who we tried to be a person who had a specific knowledge, sometimes from another local authority. And again, going back to the financial services review, we engaged a guy called David Cattermole from CIPFA revs and bens service and David was able to say, well best practice elsewhere...have you thought about this? So I think there was some learning through that process. Some of the Best Value people we appointed...I remember on the accounting one, we employed somebody from another authority and it was a waste of time. It just depended on the...when Dave Cattermole did the Council Tax it was good because he did highlight...he was going around the country running workshops quite often as part of the subscription service that said this is current practice etc.

Q23 What were the main drawbacks to Best Value?

270 I'm not sure that it really drove service improvement. I think at the end of the day it all became very process driven.

275

Comprehensive Performance/Area Assessment:

Q24 Which aspects (if any) of the CPA/CAA have helped your organisation to learn about itself?

280 Well we've never really had a CAA assessment because they didn't score us last year because as a new Unitary they said it's not fair. In terms of CPA, I think what helped us learn was knowing what everyone else was doing. I'll give you a classic. One of our neighbours to the north is [named council] and [named council] was one of the first Districts to be done and they got 'excellent'. One or two of my staff who live there were a bit surprised but, hey ho, they got 'excellent' and that enabled us to read that report and say 'what are they doing to get excellent?' They've got a performance management system so we formalised ours, they'd got this document, this policy, a corporate plan. I think it's fair to say prior to CPA we did not have a corporate plan. It certainly drove us to have a corporate plan. So it was really knowing what documents are expected in best practice, if you take the Audit Commission as giving best practice, were needed in a local authority at that point in time.

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Q25 The next question was going to be about which aspects (if any) of the CPA/CAA have helped your organisation to learn about what other councils are doing, but we've already drifted into that.

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I think it's fair to say that I'm sure others read our report because certainly first time round on CPA we were one of the last Counties – if you remember they did it on County areas – and we were one of the last County areas to be done. So about 70-80% of the country had been done before us because as a District we weren't subject to that annual assessment, not like the then County Council.

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Q26 Have you implemented examples of good practice from elsewhere that have been brought to your attention through the CPA/CAA?

I would say we have, because we've got things like a corporate plan, we've got a very good, which even goes on today, performance management manual, I would say the origins of that were CPA. Things like our governance manual, which is in addition to our Constitution, but again, it's something we learned. What the inspectors like is nice flashy books. They'll never read them. "[Named council]'s got a governance manual and it tells you all about their medium term financial strategy, their capital investment strategy". "Yeah, we've read the first page, brilliant". So yes, it provided the foundations of how to deal with external inspections. Let me put it that way. I'm proud of working for a District that was initially rated good and then excellent, but I know how we got it. And I think were probably one of the better ones in the country. I wouldn't say we played the system, that's probably going a bit too far, but it's telling inspectors what they want.

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Q27 Which aspects (if any) of the CPA/CAA have you found to be least useful?

Giving them all the evidence. In other words, like giving them boxes and boxes and boxes of stuff that you knew they were never going to read but...The approach we adopted on the CPA inspections was...and I did this when we had a peer review, and I'd recommend this to anyone, and I particularly did this when we had a benefits inspection...is not to let items germinate in their mind overnight. Their mind, I mean the inspectors. My previous always saw the inspectors every night before they left the building, before they went to the hotel:

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"What sort of day have you had?"

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"Not bad, we couldn't quite understand XYZ."

"Right, so what are you looking for?"

"Well, we were looking for this"

"We've got that"

"Oh, have you?"

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"You'll have it 9 o'clock in the morning". Done.

And that's what it's about. We invited...do you remember the BFI, the Benefit Fraud Inspectorate? – we invited the Benefit Fraud Inspectorate in because we were so pleased with what we were doing on benefits and we became the only authority ever to get 'excellent' by the BFI after inviting them in. And that is what I did with the BFI inspectors, I sat them down – because I was the then Head of Finance – I sat them down every night and said:

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"What sort of day have you had?"

"Yeah, not sure about overpayments"

"What are you not sure about on overpayments?"

"Well, not sure you're actively recovering it"

"I can tell you we are and I'll give you the evidence in the morning"

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Right, they go out the door, Anne, who was my overpayment officer at the time, "Right, I want a paper nine o'clock in the morning, boomph. And it's that mindset. I'll tell you what happens, they go down to their hotel and over their pint:

"You know what, they're not very good at overpayment"

"No, no, I know that"

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And that's fixed. And once it's fixed in an inspector's mind it's the Devil's own job to get it out. You stop it before it gets fixed in their minds. And I recommend that to any Chief Exec whether it be peer review...We had a peer review last February on the basis of one year as a Unitary, through the IDeA, which actually the IDeA paid for. And every night I had the inspectors in here – no different – "what have you found today? What are your issues?"

340 We had one or two nights when we had a real difference of opinion, but I'll tell you, the following morning they knew I was right because they had a paper that said "there it is, there it is and there's your supporting evidence". So...they actually commented to me at the end, they said "we've never had that before". I said "you would if you'd come to [named council]". And I recommend that to every Chief Exec: don't let it germinate. They're there – their pint or their evening meal – "of course they're crap", boomph. So you can take that one back to Calderdale.

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Other Local Government Modernisation Initiatives

Q28 Do you believe that any other initiatives introduced as part of Local Government Modernisation have helped local authorities to learn from each other? Or hindered learning taking place?

350 I think what I would say is I've never been...I can understand the Cabinet model if you're taking that as part of the modernisation agenda...

Yes

355 And yes it does assist focused decision-making and yes, I can understand it. But I think the downside to that is you now have a number of elected members who question what their role is and are not able necessarily to develop an expertise whether it be in Arts, Leisure, Highways now Children's and Adults, whereas they could before and be part of the decision-making process. But I think it also – and I do feel strongly about this – I do think the same applies on the officer side. I by profession am a CIPFA qualified accountant and came up...my route to Chief Exec was up the finance route and ultimately Finance Director...but I learned my trade, as I call it, first of all dealing with sub committees then I was given, as I progressed up the food chain, in fact in 1997, one of the main committees – Amenities Committee – and then, if Cabinet hadn't come along, I would have ultimately got Policy Committee when I became the Section 151 Officer. How do I now train a person that's done like I have, because I cannot throw them straight in at Executive, but if you go to a sub committee, there's three or four members, fairly...not light-hearted but not the world and his wife looking at you, and if you make a bit of a gaffe, it ain't the end of the world, but you learn that interaction. Because, to me, the greatest skill needed of any senior local government officer is to deal with the members, because every member is different and how you deal with them both formally and informally...And I just question, and I've said it to some of my members here that have known both systems: how do you train that up-and-coming accountant that ultimately wants to be Finance Director? Because you haven't got sub-committees, committees and then ultimately as it was then, policy committee, and I do think that is a big...And it's not just accountants, it's any professional officer. A lot of what I know now as to how to deal with members, I learned in them early days of yes, making a few mistakes. But you learn by it. If you're prepared to say "well, I made that mistake, but I'll never do it again – ever" you'll learn by it. And I think that's a great...that is a weakness that's crept in by dint of having Cabinet-style local government.

Finally

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Q29 Are there any questions you were expecting to be asked but which I haven't asked?

380 No, I don't think so. It's almost refreshing, I would say, to not have too many targets, well more inspections, because I think inspections, whether it be Best Value, CPA, CAA, Use of Resources which was my baby from the day it was invented up to the day it was scrapped, just became box-loads of evidence and evidence and evidence, and it did distract from the day job. But, it's getting the balance right between that and, putting it bluntly, weeding out local authorities that are not performing. And I don't think as a sector we can allow any authority not to be performing – and when I say performing I mean not only in service delivery but in terms of poor governance. We've seen the Donnygates and all that and it does the sector no good when one of those arises. But I've enjoyed my thus far thirty-three-and-a-bit years in local government, so it ain't done me bad.

INTERVIEWEE J

Date: 24 March 2011

Setting the scene

5 **Q1 When did you enter local government?**

I first entered local government in 1983 when I joined the housing department in [named council].

Q2 What position did you occupy in May 1997?

10 In May 1997 I was...hang on a minute, let me get this right. Was I in [named council] at the time? I think I was. I was Director of Housing and Operational Services at [named council].

I understand you've been Chief Executive here for a year.

Just coming up to a year now, yes.

15 **Organisational learning**

Q3 Have you heard of the terms "organisational learning" or "the learning organisation"?

20 I must admit I wasn't familiar with the term until I read it in your paper, but I suspect that I've probably heard it described as other things.

25 **a) Thinking of it broadly as organisations learning and changing, rather than individuals, do you think there's more of that around in local government in recent years, more of a desire for organisations to learn new things?**

30 At the risk of answering the question in two slightly contradictory ways, I think there is a strong appetite for organisations to learn and to develop their capability to learn and to evolve as organisations. I think the prevalence of good practice enabling that to happen is nowhere near where it might be. I think there are a number of things that have happened over the last eight to ten years around local government that have made it quite difficult to institutionalise arrangements that can support what I would call consistent and coherent organisational learning. I think that's varied hugely from organisation to organisation and from network to network, but I think there have been some issues and difficulties that have perhaps impeded what I would describe as the capacity of organisations to develop a learning culture.

b) Why do you think there is this appetite for learning, what has been the main driver behind that?

35 I think there has been a genuine desire to try and improve organisational understanding and organisational interaction to improve performance and improve quality of delivery. I think there's been a genuine desire to do that. And of course that's been promoted through a number of formal and quasi-formal initiatives – going through the CAA, through to CPA, as drivers for organisational improvement – and they have helped at one level to foster that desire, but at the same time they have been significant drivers of difficulty because they have been, I think, seen as quite restrictive, competitive frameworks that have meant that people...organisations have become at some levels, very reactive to externally imposed criteria, rather than genuinely learning and evolving organisations based on internal drivers. I think where you've seen some examples of the best organisational learning and development have been in those places which perhaps have been less driven by some of those external frameworks. You can tell from the reaction that you get from different council leaders, some of whom to this day will still deny they have ever heard of the CAA – Richard Leese up the road would be one of them – there is a very, very significant divergence of view around that. So I think there's been...ironically, the competitive environment that the CAA created has been a spur to try and find ways of learning but it's also, strangely, been a disincentive to genuine organisational learning and development. So I think it's been a driver towards a lust for comparison around best practice; it's been less around how you can develop an organisational culture of change appropriate to a locality, if that's...if you follow my...

50 **Q4 Do you feel that you have a good understanding of organisational learning theories**
NOT ASKED, DUE TO ANSWER TO QUESTION 3

Q5 Do you want your council to be a "learning organisation"?

55 I think it's essential that it is and that we also take a lead in making sure that there is a learning culture within the public sector in the borough. It's incumbent on the local authority not only to enable learning and to be able to absorb and develop itself on the basis of that, but also I think it's really, really important – particularly in a time of such fundamental change around areas such as health and other services – I think it's really, really important that we take a leading role in embedding that learning culture across the local partnerships, across the place boards, across all of the partnerships that are essential to us to deliver key outcomes. In a sense, as we move towards a future that will be much more about the council as influencer, as an enabler and as a commissioner than as a direct provider, I think that aspect, that promotion of a learning culture, will become even more important.

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Q6 Do you think you are one?

No. Not sufficiently. And if I can...this might sound like inappropriate criticism of my predecessor, but it's not, I think there was just a different focus. I go back to what I was saying about the CAA, the organisation...I'll rephrase that, because I didn't inherit an organisation, I inherited a group of organisations that shared – sometimes, when it suited them – the same logo, often not...that had been assessed collectively as four star and improving strongly, which is a credit to them because the quality of the services that were being offered by the council, as judged under those CPA criteria, were excellent, and I give everyone credit for that because it was deserved. But had the organisation been focused on the delivery, on the development of its response to that national indicator set, had it been focused entirely around that quantification and that measurement of quality? Yes it had been. Had that meant that as a single organisation it had ceased to function and become a series of quite distinct, very, very high quality professional institutions? Yes it had. Had it ceased, therefore, to learn as an organisation? Yes, I think it had. And I think that's an issue that we're seeking to address now through a quite radical approach to transformation, not in any small sense generated by the need to make massive budget reductions. But I think we are trying to move back to a position where you can a) describe the council as an organisation, and b) embed learning within it, as being a part of how it takes itself forward.

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I was going to ask two follow up questions:

a) If yes, what has been put in place to make it so?

b) If not, what have been the major problems in becoming one?

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But I think you have covered those points and I am happy to put your answers in there.

Yes, we can come back to this if need be.

Council Structures and Culture

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Q7 Does your council have a clear idea of what it wants to be in, say, ten years' time?

I think it is developing a clear idea of where it wants to be in five or ten years' time. I think it has had a very clear vision about the council, what I am trying to do is to develop that as a component of a clear vision about what Stockport needs to be in five/ten years' time. I think there's often a sense in which the two things become confused or one becomes focused on at the expense of the other. So I think the vision of the council is very much based, for me, about what the quality of the place is and what the quality of life for people in the place needs to be and then defining what the role of the council is in delivering that. I think we are in a state, partly because of the need to adapt to the very, very different world of finance that we live in and partly in response to the quite clear shift that is emerging from government around the role of local government – I think we've still got some way to go to be very clear what that role looks like.

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Q8 Do you/your senior management team/senior members put aside enough time to reflect on what you are doing (rather than the details of how you are doing it)?

Do we create enough time? – I'd say we do, I don't think the issue, though, is about time, I think the issue is about quality, if I'm perfectly frank. And it's about the quality and focus of how we utilise that time. One of the things that I'm very keen on doing is to make sure that we are very, very clear about what the outcomes are that we are seeking to achieve from that developmental space, from that developmental time, and use those as a means of trying to drive focus. Because I think there is a danger in any organisation, so I'm not being particularly critical of this one but this is certainly true of here, that some of the time that has been spent on reflection, some of the time that has been spent on the forward look and development of strategy and policy has been very ruminative, it's not been particularly incisive and as a consequence I think...I suppose it's fair to say what I've inherited is a bit of a reluctance to get involved in that kind of woolly, fluffy, not getting the job done sort of stuff, and that has been an interesting experience for me because there's almost the need to rebuild the confidence in the organisation to think about itself and think about its purpose in a meaningful way, rather than getting really, really involved in the delivery of service, the delivery of tasks, the delivery of specific output. I think it's not a matter so much of time, you know we do our awaydays, we do our corporate leadership teams, we do our executive briefings and all the rest of it, I just think we don't use the time, or perhaps have not used the time as effectively or in as sharp a focus as we might need to do.

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Q9 What would you say were the top three ways in which you and your staff receive information on new ways of delivering services?

I think there's an important quasi-local context in all of this, because probably the most important and immediate network that we are involved with is AGMA and the combined authority. And so a lot of the work that goes on in terms of system development, service development, performance review and the rest of it, is done within that context. So learning from within other AGMA authorities, working on shared services, working on collaborative approaches, both around strategic and service delivery issues, that's probably the most immediate and important one, and one that dominates the horizon. There are clearly, I think, as far as officers are concerned here, there are a number of professional networks that people are engaged in. Personally, I'm not one for joining clubs. I keep getting told of by SOLACE for not joining them and all the rest of it but I can't see why I'd bother. But there are clearly a number of professional networks, whether it's around the RTP1, or the Chartered Institute of Housing, or whatever it might be, where people are looking to help improve. I think that's partly because of the very sectoral approach that there's been within the organisation, where there's almost been an assumption that individual professionals will seek, not to develop themselves, because I think the organisation is quite good at supporting

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135 people and parts of the organisation to develop, but the focus and the motivation has been almost from within that professional discipline, rather than from a corporate perspective. I suppose the other one that springs to mind, although I think we use it rather less than we have done in the past is the Local Government Association, where members have been quite enthusiastically involved and engaged in the past – perhaps slightly less so now – and I think that's...I don't know how far that is as a result of the LGA's issues and difficulties and positioning with the coalition government and all the rest of it, you don't need me to tell you about that, you know that better than I do. But I sense that that's less important than it once was.

Q10 What is your council's attitude towards risk-taking?

145 It's one of the things that we are...There's a degree of schizophrenia in any council about risk, I think it's fair to say. There are examples of things that have been done here where it's been quite clear that there has been, at some level, an appetite to take risk. The council has been quite bold in the formation of a whole series of different ventures, different companies, different structures that it established, all of which have carried a degree of commercial risk, but all of which are characterised by not wanting to really step out of the ring. And I think if I can characterise the way in which the organisation has traditionally dealt with it, it's been to avoid risk, rather than to manage it. I think we're now in a very different place. If we're going to move, as we are moving, towards rapid intensification of personalisation of services, then the nature of the risk that we take in terms of our transaction with our customers is going to be very different. If we're going to intervene in order to position the town to take advantage of the economic upturn, then we will take risk, as we have done by prudentially borrowing to buy [named building]. If you came on the train, it's the stuff that you walk through – that rather dismal bowling alley and all that crap. We bought that because, basically, we want to position ourselves to enable a developer to bring forward a high quality of development. I think when I suggested doing that, it was a bit of a shock to people, to be honest, that we could get involved in that commercial risk, if you like, to the extent that we have done in order to try and move forward that regeneration agenda. Having said that, once it was put before members - officers were more difficult to persuade - once it was put before members and they could see the business case for doing it, they were quite happy. And, of course, once my Treasurer got himself into the state where he could say "and we can manage the finances here on a self-financing basis" they were quite happy to move to that, and I think there is a sense in which we have become a little bit more confident about risk as a result of that. But, you know, as we move into the next two years, and downsizing by a further 30 per cent then the nature of the risk that we will have to take around service delivery, about management, about communication with customer and citizen, I think will be very different from that we have been used to in the past.

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Q11 Do you encourage staff to experiment with new ways of working/delivering services?

170 Yes, absolutely. The whole approach that we are taking towards the new financial horizon is to look to innovate so the three rules we've given people – one, we're not planning to cut 30% out of the budget, we're looking to plan as to how we can deploy the 70 per cent that will be available to us to the best effect, to deliver the best quality services that we can. Secondly, the way in which we don't want to have an endless debate about all the things that we're doing now that are so unimportant we won't be doing them in the future. Because there'll be some of those things, but the vast majority of the issues will be how can we continue to provide these outcomes at a significantly lower cost?, how do we need to innovate in order to do that? And there are some good examples of how we're already trying to do that around a number of areas of service where there are some quite radical approaches, turning on its head the traditional role of the local authority as being the rationer of scarce resource. I think it was Stephen Greenhalgh in London who said he spends 40 per cent of his budget determining...just deciding how he spends the other 60 per cent. And I think he's wrong actually, I think he spends more than 50 per cent of his budget deciding how the rest gets spent. And so what we're encouraging people to do is just to strip out all those assessment, appraisals, specification processes that basically get in the way of moving toward a coherent service. So, there's a very strong emphasis on innovation there. But the third piece of the message is: don't be afraid to fail. Because one of the ways in which we will learn is by trying things and finding out and understanding why they haven't worked. Because there's a real danger, it seems to me, in a lot of organisations – particularly public sector organisations – that, to paraphrase, you make the perfect the enemy of the good, and that we spend an awful lot of time thinking through and futuring and rationalising and designing an ideal outcome whereas in fact there are things that we can do in the shorter term, giving more power to managers to make decisions while being clear about how they are being held to account. We can do things quicker, if we are prepared to allow people to try things and work with them to understand why they didn't work as well as simply celebrate success. I think that's a quite significant shift in the culture for a lot of public sector organisations.

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a) I was going to ask is there a way of, when people have tried out a new way, of feeding back into the council to analyse what you can learn from it?

190 Well, that's one of things that we've done – without getting into boring structures – we've set up a transformation programme that effectively is trying to triangulate everything that we're trying to do across the council. So, just as an example, we're using the work we are doing around personalisation in adult social care as a design concept for how we deal with community development as one level, through participatory budgeting, how can we actually encourage communities to provide for themselves? I don't to get all glassy eyed about the Big Society – you'll have your own views about that – but are there ways that we can learn from the personalisation agenda, that everyone assumed is something that Terry and his boys in Adult Social Care did, and it wasn't really relevant to anybody else? Are there ways in which we can understand that technique, those appraisal mechanisms, that process of partnering with a customer, and apply it in different places? So we've got a team together to enable that to be shared. But the most important message to give to people is that failure is not a blame thing, and that's one thing that people really, really struggle with, and particularly struggle in an organisation which doesn't work

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effectively corporately, or doesn't work yet as effectively corporately as it needs to. So I think one of the most important messages that I've learned is that, if you want people to innovate, you have to give them the confidence that taking a risk that might not come off is not going to result in them having a rusty nail inserted up their jacksy. They've got to have the confidence that they have the confidence of the organisation, so they know how they are supported, they know how they are going to be appraised and assessed and they know what the parameters of the risk are that they are able to take.

210 Q12 When was the last time your internal organisational boundaries were changed? What prompted that change?

Well, we're doing it now, obviously. I think the last time it was done was probably about three or four years ago but it pre-dates me. But one thing I would say, I don't know if this is remotely pertinent to your research, but I think there's been an assumption in an awful lot of public sector organisations and local authorities are no exception, that restructuring and reorganisation is something you do on a periodic basis, so every three to five years we have a tinker or we might do something more fundamental. But the reality of the world we're moving into where the expectations of local government are changing, where the relationships are changing, where the financial platform is changing, reorganisation and modernisation in a genuine and dynamic sense is going to be permanent. At the risk of sounding vaguely Trotskyite I think we are in a permanent revolutionary phase around the development and evolution of...or permanent evolutionary phase, revolution might be too strong a word...for the way in which local authorities will act, the way in which they will organise, the way in which they will relate to their responsibilities. You know, one week we have the local government resource review, in all its horror, bouncing over the horizon, in the same week we get an invitation from CLG to declare which of our 368 statutory duties we want to give back, give up, modify or whatever. It is quite an interesting agenda at the moment I have to say but one which we just need to be very nimble-footed around, so I'm telling members quite clearly here that the structures we're putting in place from April 1st will have a life of no longer than 18 months, because we will need to reorganise again as we re-change the shape of the organisation, downsize the organisation and change its relationships over the next two years.

230 Q13 Do you use secondments (or similar) to share knowledge/expertise within the council or with other organisations?

Insufficiently. We do some of that, and we've done some of it very successfully. We do some of that through the work that we do as a collective of local authorities. So AGMA, just to give you an example, one of my roles within Greater Manchester is to manage the investment agenda for the ten authorities, so I'm responsible for the RGF bid, for the development of the North West Evergreen Fund and such like, and we're working at the moment with a team that is appraising individual projects in individual local authorities – private sector-driven projects – but the team comprises secondees from KPMG, Ernst & Young, BDO Stoy Heyward, King Sturge, DTZ, that we've brought together on a largely pro bono basis to create an expertise hub around which we're seeking to develop our property and development expertise as a series of local authorities. That's something that we're doing as a group of ten, so we are participating in that and we will learn from that and benefit from that. But I think as an individual organisation there's been a lot of secondment in and around, particularly in between Health and local government in the borough but I still think we don't utilise that enough.

245 Q14 Can you give an example of a change you have tried to implement but where you were not totally successful? What was the impetus for that change? What were the barriers to making it?

A change that wasn't totally successful – where does one begin? To give a relatively recent example – this is non-local government, does that matter?

No, I'm interested in what drives change and the barriers to change.

Prior to this role I was [named position] of the Homes and Communities Agency - joined it on the day that it was set up, along with Bob Kerslake. Effectively, what we were seeking to do was to create a single organisation out of either the whole of, or bits of, a number of other organisations. Effectively the HCA was an amalgam of all of English Partnerships, plus a sizeable chunk of the Housing Corporation, plus bits of CLG, plus bits of other agencies, with a series of responsibilities that had sat with local or regional partners and then brought into one place. So it was quite a complex challenge to try and create a single entity, a single organisation out of that, based around a series of regional structures. I don't think we got it right, and I don't think we got it right for a number of reasons. One, I think the scale of the challenge and the speed with which we tried to do it was over-ambitious. I don't think we were sufficiently clear about all of the outcomes that were important to the organisation. I think in some areas it was done with a degree of excellence: in other areas it wasn't. In my area it wasn't because I think we were unclear about what the important things were. So there was an attempt to accommodate everything that we did in a way that would provide security and continuity for external partners without actually thinking about what the internal dynamic of the organisation needed to be to sustain that level of activity. The fact that the bottom then fell out of the property and housing market at exactly the same time made life a little bit more interesting, particularly seeing as the bit of the business that I was running was effectively former EP. As you know, regeneration and property-based regeneration just about stopped completely across the whole of the country. So there were those external factors, but I think the internal drivers of failure were over-ambition, but fundamentally a lack of a sufficient, rigorous and firm determination of those things that were absolutely mission-critical to us. And as a result I think we gave some confusing messages to staff, many of whom were in institutional and geographic silos, because of course we had staff all over the country – in 30-odd different locations – I think we gave some confusing messages to them as to what we were seeking to do, what the level of devolution was that we were seeking to grant to them through regional structures and such like. It's that lack of absolute transparency and lack of sufficient rigour at the front-end about determining exactly what the

275 core business priorities were. And that's the big risk factor here, if the truth be told, because you will have
witnessed this in Calderdale I'm sure, and this is no criticism of members here or there, but getting members to
say that "these are the important things" so explicitly you're saying "so these aren't then?" And it's a very, very
difficult balance to strike, but I think if we are going to be successful, particularly in a time when local government
and the public sector in general is going to be under severe pressure, we do need to be much more candid about
what are the things that actually, fundamentally, we will do and what are the things that are fundamental, but we
will not do, and therefore will need to be delivered through different routes. And I think there is some need for
some candour about that debate, which at the moment I think is being lost in the machine a little bit.

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Specific Modernisation Initiatives

Can I start by asking some questions about the Beacon Council scheme?

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Rubbish. Complete waste of time. Absolute nonsense, waste of resource, sold under a false pretence. When I
was at [named authority] we wasted a lot of time in pursuit of the Beacon competition because it was felt to be an
important...it was sold to local authorities as being an important badge that would bring with it freedoms and
flexibilities and it never did. All you actually got was a responsibility to go out and preach to other people. I hated
it. Sorry, I'll tell you what I really think.

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Q15 What involvement have you had with the Beacon Council Scheme?

I rejoined [named authority] in 1999 so...I can't remember whether it was pre-1999 that the Beacon Scheme was
launched – I think it was around about then.

It was very early in the Labour Government...

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I'd very little involvement around Beacons while I was at [named authority]. When I came back to [named
authority] I was involved in the production of a number of bids, one of which was around urban regeneration. I
suppose, if I'm honest, I should have realised that the writing was on the wall when Manchester did not even get
shortlisted for Beacon Status for urban regeneration having just rebuilt its city centre following the IRA bomb,
having the run-up to staging the Commonwealth Games and all the rest of it. It was quite clear, because what
won were little schemes in little places, that effectively...and we checked back: had we got it completely wrong?
Had we simply failed to read the guidance? No, we hadn't, but we felt that the rules had changed. So I think there
was a lack of clarity about the process, I think there was a lack of clarity about what the outcome was that it would
bring for you, and I know that other colleagues who put forward Beacon bids around crime and disorder, around
offender management, were very, very, very disappointed with the whole process. Very similar feedback; they felt
it was unclear, and, above all else they felt that what it brought was a burden rather than a benefit.

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Q16 Did involvement in the scheme teach you about your home organisation?

As with any process of that sort, when effectively someone is coming in from the outside with an external
framework and external questions, one of the things I learned from it is that we knew more than we thought we
knew: we didn't organise they way in which we articulated to ourselves what we knew very well. So there was, I
suppose, a learning process for us about how...in communicating within the organisation and within the
partnership that this council sat at the centre of, there was a need for us to improve our communication about
what it was that was happening and what it was that was working. So, in that sense I think it was useful. And, in
fairness, sometimes the other external initiatives, such as the CAA or CPA had a similar effect.

310

315

Q17 Did you learn anything from other beacons?

No. I've always felt...Personally no. I went on three visits to other Beacon Councils as part of work within the
programme, early on in [named authority], so that would have been 1999 – 2000, and because the framework for
comparison, if you like, was artificial, what you wound up with was trying to teach apples from looking at pears
and what we found much more useful in terms of...I was responsible for housing, regeneration, planning and
those areas...what I found much more useful was working collaboratively with organisations which had similar
scale, similar scale of issues. Form me, at the same time as we had the emergence of the Beacon Council, we
were setting up something called the Core Cities Group, which was Manchester, Birmingham, Bristol, Leeds,
Sheffield, Liverpool, Newcastle – I think I've forgotten one, but I'll carry on – and they became much more useful
to us as being a mechanism for learning, if you like, because the issues around urban regeneration, the issues
around transport and infrastructure, the issues around economic development skills, the issues around
demographic change and such like, housing market renewal and such like, were much more common to us. So,
from my area of work it was much, much more relevant to work with a self-identified group of peer organisations
with similar issues and similar problems than it was by getting involved with more formulaic structures, if you like.

320

325

Were there any ideas that you tried to bring back from Beacon events?

Personally, no, I'm sure that other colleagues in [named authority] did, but I have to say the whole...the Leader
and the Chief Executive of the Council lost patience with Beacons after about a year and a half, and so there was
some participation subsequent to that, but it was below the radar screen.

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335

Q18 Did you try to implement a change but were not totally successful, and if so what were the barriers to change?

NOT ASKED, DUE TO PREVIOUS ANSWER

Q19 Do you think the scheme was an effective way of spreading good practice?

340 No, I don't think it was. I think the fundamental issue was the core cities point: If you try and treat local
government as something that is homogeneous and that therefore can learn from itself, then it's a little bit like
saying "if I want to improve the performance of my McLaren, I'll go and talk to the bloke who manufactures a
Skoda". Without wishing to sound arrogant, it's that degree of difference, and if you can enable and encourage a
345 more self-selective and informed networking arrangement then I think that would be...that has proved in my
experience a much more dynamic source of learning.

Best Value

350 **Q20 Did the Best Value framework bring out information about your organisation of which you were
unaware?**

It helped parts of organisations that were less aware of the relationship between cost and outcome to think about
themselves in a different way and in some instances learn and improve. Was it helpful in moving away from the
very, very raw focus on cost, which had driven by CCT? then it was. Did it become a rather over-complex,
355 convoluted pseudo-science? I think it did. And in global terms, did it help to drive improvements in efficiency and
quality on a systemic basis? I think the results were a bit patchy, to be honest. My experience was that, when it
was used well, the Best Value framework was beneficial. It could lend itself towards a rather formulaic application,
in which case it became a bit of a tick-box exercise.

360 **Q21 Was the information available from other authorities of use in making comparisons with your own
authority?**

The primary piece of learning was that it is almost impossible to make meaningful comparisons. I...displaying my
own prejudices here...I have a deep loathing of benchmarking. I think it's extremely difficult and I think that Best
Value tried hard, people did try hard to understand exactly what the differential cost drivers were and what the
365 differential drivers of outcome were in different places. And all it proved, I think, was that life is complicated and I
don't think we learned a great deal more than that, if the truth be told.

**Q22 Was the information available from other authorities of use to you in bringing about improvements in
service delivery?**

370 Undoubtedly it did in some instances, undoubtedly it did. The fact that some of that information unveiled the fact
that people were doing things in very different ways, and in some instances with very, very different cost to
outcome ratios, did help to drive reconsideration of the way things were being done in some places. I
suppose...this again might be a parochial view, an unduly sceptical view...what it also did, though, was to produce
375 a cottage industry of post-rationalisation. The number of meetings I sat in with people where I was being told that
there are very, very good reasons why we could not possibly, given our peculiar and unique circumstances,
achieve a similar outcome for the same investment that Calderdale are making in that particular service. And I
thought, well that's great and fascinating, and I really admire your intellectual erudition, but I have got no idea
whether or not, actually, some of the differences that are being alluded to here are pure defensiveness or are
380 actually a sensible response to a very, very different and difficult set of comparative data. And I think there was a
degree to which perhaps the potency, or the potential potency, of the Best Value framework was not realised as a
result of that. I think it became complicated to the point where it lent itself to that kind of interpretation, but that
might be a peculiarly distorted and cynical view.

385 **Q23 I was going to ask you about the main drawbacks to Best Value, but I think you have covered them,
unless there is anything more you wish to add.**

No, no I think I've paraded my prejudices.

Comprehensive Performance/Area Assessment

390 **Q24 Which aspects (if any) of the CPA/CAA have helped your organisation to learn about itself?**

The one area where I think the CPA was really, really helpful was around the focus, the increasing focus that was
carried into the CAA on use of resources and making the local authority think hard about, in real terms, the way in
which its assets were being deployed effectively. I think, at the heart of the CPA process, that was genuinely
395 useful. I think it was genuinely challenging and I think was useful. But that was where the real value was for me,
because where you had an external inspection team that were good – and I think there was an issue about the
variability of that, and the way in which the assessment peer review process was put together, I think was a bit
variable, to say the least – but where it was well conducted and conducted with a big of rigour, I think that the
focus around the core use of resource and value for money was useful. I think it was less useful around areas of
400 service performance, because what government struggled with, and what the Audit Commission struggled with,
was effectively aligning anything that could be described as a comprehensive performance assessment because
of the numbers of other things that were happening around and about in terms of the range of inspectorates; the
failure to properly align and effectively integrate significant numbers of those – particularly around children and
young people, education and the rest. But I think there was real value in that core focus on use of resources, and
405 I think if you talk to, certainly the Borough Treasurer here, he would say that the discipline that was embedded
through the CPA, going into the CAA use of resource assessment, has stood him in really good stead in terms of
the way in which he now manages the assets and the corporate assets of the council in a different way.

410 **Q25 Which aspects (if any) of the CPA/CAA have helped your organisation to learn about what other councils are doing?**

Again when it was done well, the peer review elements were useful. I think there was some genuine learning from that. The naked competitiveness of it, around the star ratings and such like I think was an inhibitor to learning, an inhibitor to genuine transfer of knowledge and...yes, put people into any league table and they just want to finish higher up than their neighbours. And the number of times that I heard from two star [Council 1] that [Council 2] might have four stars but it's still a shit place, you know, that sort of thing was not the most conducive way to have an open and learning dialogue with said good burghers of [Council 2].

420 **Q26 Have you implemented examples of good practice from elsewhere that have been brought to your attention through the CPA/CAA?**

I suppose that...and again, in the role that I was in, I was not close to the management of our engagement with our CPA inspections but the sense that I had was that it was that more generic assembly of input from peers working collaboratively at officer and member level that was impactful. I couldn't really point to any 'we learned from them to do something differently'. I don't think there was any direct transference of good practice in that regard.

425 **Q27 Which aspects (if any) of the CPA/CAA have you found to be least useful?**

I think its lack of comprehensiveness, if you like, the fact that it was an attempt to try and draw together into a single place a comprehensive assessment, but it could never do that because of the number of other assessments going on. The other thing that I think was unhelpful and certainly we railed against at the time was what I perceived as an inflexible approach from the Audit Commission in terms of their methodological application of criteria around particular processes. The particular one I'm thinking about is again going back to...all this was happening when I was at [named authority]...we were panned in the CPA on the basis that we didn't have an effective budget-setting process because the auditors refused to accept that a legitimate starting point for a budget-setting process was anything other than officers going away, looking at what all their needs were, compiling all of that into wish lists and then presenting members with a bill saying "and that's how much you need to put the Council Tax up by". That was their idea of a process. In [named authority] the process was slightly different, and it may well be in Calderdale. Members would say "by the way, boys, the Council Tax rise is zero, OK? Now, work backwards from that and tell us what you're going to do". And I think that is a perfectly legitimate and politically-driven process, to be perfectly honest, but the Audit Commission would not buy that you can plan a budget on that process. And we fought with them and fought with them and fought with them, but they were saying "no, a budget has got to be built from the bottom up, it's got to be needs-assessed, you've got to understand how that relates to an effective appraisal of needs within a local authority and then the variable is the money at the end of the day. We said "no the money's fixed, the application of it is variable", but that was a real, real frustration for us. A real frustration. Talk to [named person/position] before he retires, he will give you chapter...he'll buy you dinner on that one.

445

Other Local Government Modernisation Initiatives

450 **Q28 Do you believe that any other initiatives introduced as part of Local Government Modernisation have helped local authorities to learn from each other? Or hindered learning taking place?**

One of the things – and this links back to the worst aspects of the performance arrangements under the CPA and such like – one of the things that I think was a genuine barrier to learning was excessive targetry and the fact that people were being very, very reactive to an externally imposed set of criteria, conditions and performance indicators. I think what people learned were techniques for dealing with inspection rather than genuine mechanisms to drive consistent and systemic improvement. Part of that is because of the inherently competitive nature of some of the processes that were put in place, which I think were...a bit like schools and league tables, you get some perverse outcomes, as you well know, as a result of that. Personally, and I'm probably in a minority here, I liked the CAA. And I actually also – and this is where I show myself as a true masochist – quite liked the MAA as a mechanism for enabling I think a more open dialogue about how organisational culture and delivery may change. Because there was, although it was weak in its ultimate delivery, it was based upon the premise that if local and national organisations can learn together, then there could, at some stage, be a genuine transaction in terms of influence, resource and the rest. Now, very, very little came out of it. The freedoms and flexibilities are words that you spit rather than speak, but I think the principle that it was based upon, that there should be a genuine potential for a transaction based upon a shared set of outcomes, were probably more important in driving change than some of the ways in which, certainly some of the core cities did their business, than much of the other stuff. And I think it was partly because there was less of an external imposition to say "these are the benchmarks against which you will be measured", and more of an attempt to base a framework around a definition of the things that were important. And I think as culturally and organisationally developmental influences they were as good as anything, if truth be told. As good as anything that was managed national to local.

470

Finally

475 **Q29 Are there any questions you were expecting to be asked but which I haven't asked?**

No, but I think you've taken on a right old challenge with this though, mate, it's a big subject.

Went on to discuss PhD thesis in general and suggestions for future interview participants.

INTERVIEWEE K

Date: 29 March 2011

Setting the scene

5 **Q1 When did you enter local government?**
1979

10 **Q2 What position did you occupy in May 1997?**
I was Chief Exec of [named council]

Organisational learning

15 **Q3 Have you heard of the terms “organisational learning” or “the learning organisation”?**
I have my own interpretation of what it means, which you will tell me is either right or wrong.
I'm not interested in a “right” answer, only what your views are.

20 **a) Do you think interest in organisational learning within local government has grown in recent years?**
Yes.

b) Why do you think this is the case?

25 Because I think, slowly, we are recognising that we are an organisation which delivers services through people and actually if we improve the people who work within the organisation it improves the organisation, and actually there are lots of different ways of doing things and we should look at what others do to determine whether or not we can actually improve what we do. That alongside the fact that resources are getting thinner and thinner on an annual basis.

Q4 Do you feel that you have a good understanding of organisational learning theories?

30 Well, I have my own understanding of it, and it's very important, and it's because my view is that, actually, I can improve what we do for the people of [named area] by improving the people who work here and by improving the way in which we do things, some of which we will naturally evolve into, but a lot of which we will only get by learning and understanding alternative ways of doing things.

35 **a) So what does organisational learning mean to you?**

40 It means how, as an organisation, do we actually improve? How, as an organisation, do we actually understand alternative ways of doing things? And it's actually, as an organisation, how do we mature and get better in terms of what we do and how we do it. And it's being mature enough to recognise that there is more than one way of doing things and, actually, the way we do things may very well not be the best way of doing things, which in an organisation...you might come on to these things later...but in an organisation the size of this, it's very difficult for two reasons: one is we employ – if you take teachers out we employ over 20,000 people, if you include teachers we employ 42,000 people, so we're a massive employer – so actually it's quite challenging to do it in an organisation of that size, one, because of the scale, but also, the easiest way to run an organisation of 40,000 people is through bureaucracy and hierarchy. And actually, bureaucracy and hierarchy are often not the kind of organisations that really want to learn, because they just do the same...they do things the way in which they did them last year. And that's the challenge here.

b) What has been your major source of information on organisational learning?

50 I suppose, it's others, it's networking, it's knowing who's good at what they do and it's getting an understanding of what they do and what they do differently to what we do. And I think it's...so I would tend to do it that way more than any other way. There's other ways of doing it, but that's the way I would tend to do it.

Q5 Do you want your council to be a “learning organisation”?

55 Has to be. Has to be. With resources reducing at the scale at which they are, if we're not then...well, we won't die, because councils don't die, but we will be far less effective for the people who live in [named area].

Q6 Do you think you are one?

No. We're changing though.

60 **What have been the major problems in becoming one?**

Here it's just the sheer scale. It's scale in terms of the numbers of...It's what I was talking about before: it's scale, history, and probably more than anything, culture. This is a very bureaucratic and hierarchical culture which makes it difficult to change. But that is actually helped by the scale of cuts that we've got to go through, you're almost, like, on what we would describe as a burning platform: you've actually got to change, and you can see the

65 need to change. But actually, what that brings about...it's change that you would want to do anyway, where actually you've got the opportunity because of the problem that you face, that everybody who works in the place can see.

70 **Council Structures and Culture**

Q7 Does your council have a clear idea of what it wants to be in, say, ten years' time?

No.

75 **Q8 Do you/your senior management team/senior members put aside enough time to reflect on what you are doing (rather than the details of how you are doing it)?**

Yes, because the financial challenge demands that we do that, so yes.

a) How have you managed to achieve this?

80 If you mean how do we actually do it, then clearly we have regular management team sessions, which are very important. We have private sessions where the management team and the Cabinet of the organisation meet to discuss things. Each of the management team will meet with their Cabinet member on a probably at least a weekly basis. I'll meet with the Leader at least once if not twice a week. And a lot of that is about challenging the way in which we do things.

85

Q9 What would you say were the top three ways in which you and your staff receive information on new ways of delivering services?

The first one will be because we invite it in, because we recognise that there are lots of different ways of doing things. So when opportunities arise we will...somebody will come in and talk to us about what goes on elsewhere.

90

A lot of that can be informal. Somebody I know is the ex-Chief Executive of Leyland Trucks, who I've worked with in my former role, so he will come and talk to us, for example, about how to construct a much better employee engagement programme than the one we've got. So, that's hugely positive and you get that.

There are more formal routes...we have inspections, we have all that kind of thing, where there is a sort of diagnosis and recommendations will come out of it. Included in that will be the external auditor who will audit things, internal audit will audit things, so you get that kind of thing.

95

I think the other thing is that we're actually, as a group of people, we're actually all pretty good at networking. So you know lots of other people who work in the sector, or your sector, or your bit of the sector and as a consequence – back to the point I made before – you know who's good and who's not good; you know who's delivering and who's not delivering and if someone's delivering extraordinary results you think "hmm, that's interesting. I wonder how they're doing that". So you make the time and effort to try to get a better feel for it.

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Q10 What is your council's attitude towards risk-taking?

I think there are two kinds. I mean, we're pretty good at risk management in sort of managing, you know, the organisation from its major risks that it would face as an organisation. So, for example, we manage the council's pension fund, we have a very clear policy about the risks that we're prepared to take to earn returns. So that's thought through, considered, and there is a risk management strategy and that's in place for a lot of things. But, in other areas, we are prepared to take risks. If there is a way of doing things which we believe will deliver a much better result, then we're prepared to say "OK, let's go for it", and if it doesn't work then we're prepared to say "actually, it doesn't work". As long as it doesn't impact on service delivery or the council itself, there is nothing wrong with trying something and being prepared to say "well, actually we tried, but it doesn't quite work". Because sometimes you can be too careful and actually say "well, we're not going to set off until we've got everything in place" and by the time you do that it's too late. Sometimes you're better of saying "OK, we'll get going and if we find it's not working we'll just deviate and deviate until we..." There is an acceptance that to make progress we do need to take risks.

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Q11 Do you encourage staff to experiment with new ways of working/delivering services?

Yes.

a) How are the results fed back into the council system for analysis?

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Yes, you've always got a performance management process that operates within the council. We've got a raft of performance indicators that set our expectations about what performance is. Those are mostly output measures, so we would measure and monitor our performance against those. But also, if you have the right kind of culture, the individuals who are pursuing a different way of working, if it's not working, rather than cover up the fact that it's not working, should be in a position where they are able to come back and say "well, we tried this, it's not working". The harder bit is actually to try to get people to try to do new things, because the place is so rigid in its way of operating that, actually, to break out of that can be quite challenging, because the thinking...People haven't been encouraged to think here.

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Q12 When was the last time your internal organisational boundaries were changed?

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Between two and three years ago. There is restructure taking place now, but it's not on...It's not a, sort of, right, there's a restructure, but the restructure was two years ago, three years ago.

What prompted that change?

135 A new Chief Executive. My predecessor.

Q13 Do you use secondments (or similar) to share knowledge/expertise within the council or with other organisations?

Yes.

140 **Q14 Can you give an example of a change you have tried to implement but where you were not totally successful?**

145 I'm sure there are hundreds. The one that we're doing at the moment...I'll answer it slightly differently...the one that is hugely important to me at the moment is employee engagement, right. We employ twenty-odd thousand people and those people are all, largely, intelligent people who can be creative and actually have this huge, vastly untapped, potential that we need to get into. But actually this is an organisation that doesn't really want that. This is an organisation that, when those hugely creative, intelligent, people come in, we say "do that and then do that and then do that and then do that and then go home". And actually, we don't allow them to say "well actually, if we do it differently, I can actually achieve a lot more". So what we're doing is to change the culture of the organisation to one that does that. Now, that fails, and I have seen that fail, where managers pay lip service to the initiative. So, with me, they say it's a fantastic idea, and as soon as I go out of the room they say to their staff "well if you think we're going to do that, you've got another think coming, because I'm in charge and that's it". And actually, the one that springs to mind, probably because it's in my mind more than anything else, that's the one that fails. It can fail across the board, but I've seen it fail in parts because of that.

What is the impetus behind wanting improved employee engagement?

155 Probably me. But that isn't to say that I haven't found it easy to persuade my management team also to do it. Now, they're not all convinced and I don't know yet whether there are one or two who will also pay lip service because they think they're already doing it. It's a hugely challenging way of managing people.

160 **Specific Modernisation Initiatives**

The Beacon Council scheme:

Q15 What involvement have you had with the Beacon Council Scheme?

165 We did some when I was at [former named council], but not a lot.

Q16 What did involvement in the scheme teach you about your home organisation?

170 No. I actually thought the whole thing was, not pointless, but it was an initiative which...there were an awful lot better ways of doing what they were trying to do and it's like a lot of these things, it very quickly becomes a badge that everybody tries to get. At the end of the day you end up with way too many beacons, because how can you have as many beacons as we ended up with?

Q17 Did you learn anything from other beacons?

175 No. These things are very easy to...I've worked in a council where we would compete for awards and I've been involved in winning more than one award where the thing we won it for wasn't even up and running. Because if you fill in the form in the right way, answer the questions in the right kind of way, you can win something. And actually, it becomes a badge rather than...and the badge becomes more important than what you're doing. And I'm not really sure what being a beacon does for the people who live in the area. Because that's what you're there for.

Q18 Did you try to implement any changes that were not totally successful, and if so what were the barriers to change?

Not asked due to previous answers

185 **Q19 Do you think the scheme was an effective way of spreading good practice?**

190 It could have been, but I don't think it was, because I don't think these things are ever ruthless enough, or the inspection regime is good enough to find out what really is good practice and what isn't good practice. I actually think those organisations who are genuinely after...often what you find in an organisation, you might say, OK, in that organisation they are actually an organisation who are determined to get better, but often it's pockets, because you've got a damned good manager and a damned good manager who cares passionately about what they do, an actually even in the worst councils – and I worked at one of the worst in the country when I started at Liverpool. It was immeasurably better when I left, I hasten to add not because of what I did, but because of what a team of people did – but even in a crap council there were bits that were fantastic because of the commitment, determination of the manager to actually deliver a service to the people who live there. And it wasn't to become a Beacon Council, it was just a sort of pride in what he or she did. I think beacons, Beacon Council bits, look great on your CV.

Best Value

200 Christ, even worse.

Q20 Did the Best Value framework bring out information about your organisation of which you were unaware?

No.

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Q21 Was the information available from other authorities of use in making comparisons with your own authority?

No. Because it became...it was an imposition that became something that we all had to do and it was imposed on us and anything that's imposed on you, you don't tend to look for the value in quite the same way. Not very positive am I?

210

Q22 Was the information available from other authorities of use to you in bringing about improvements in service delivery?

No. It could be if it was done in the right kind of way. Probably before your time, when the Audit Commission was about auditing councils, so it was mainly the district audit service, it used to do, on an annual basis, what it called 'comparative studies'. So, everybody one year would all have their...or lots of councils would have audited...I don't know...the Direct Labour Organisation, and I'll come to this in a sec. At the time, this would be the late 80s, early 90s, they would say OK, this year the study is going to be on housing maintenance Direct Labour Organisations, so the workforce you had to repair and maintain people's council houses. And it did this audit and at the end of it they produced a guide, whatever you want to call it, on what worked well and what didn't work well, on what was good and what wasn't good in councils. It had a whole host of comparative data, from simple things like comparative bonus schemes to costs for individual bits, and that was hugely valuable, because you could actually say "here is, in one book, one reference point, an analysis of what goes on across the country and what's good and what isn't good". Some of it was referenced in terms of Hackney do something really well, or Bolton do something really well, and others were at the other end of the scale. But it actually had a whole host of stuff that was really valuable. Now, I don't think the Best Value regime did anything like that, which it could have done, because it could have done that. I think the Best Value regime felt like it was something imposed upon us. It was an alternative to tendering and as a consequence we saw it as being all right, we don't have to tender, we have to do this instead, and therefore it had the same kind of...organisations went through it with the same kind of lack of enthusiasm.

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Q23 What were the main drawbacks to Best Value?

I don't think anybody really collated it in a way that said "OK, here is something of value for everybody else". Because it's always easy, isn't it? If you want to defend what you do, you can give me some statistics from somewhere else and I'll...and if they're better than ours I'll explain why you can't compare them, and if they're worse than ours I'll say 'look how good we are'. Because it's very difficult to compare what we do with each other. Some things, it's dead easy. Like payroll, it's about paying people, so that is very simple to compare organisations. But then when you get into the front line services, which is where one would hope for real value on this, it's much more difficult because environments are very different, political influences are very different. And those become more difficult to compare.

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Comprehensive Performance/Area Assessment:

Q24 Which aspects (if any) of the CPA/CAA have helped your organisation to learn about itself?

Yes, I think if you did it as a peer review, where you had a group of people who came in because you wanted them to, and a group of people who worked in organisations which...and they were bright people who came in, people who worked in organisations that were genuinely good at what they did, then there was value to be had from that. CPA was ruined, though, in the formal sense, because it was a report that was published and the press got hold of the report and would publish all the crappy bits. So if you worked in an organisation where you got a four star CPA rating on the inspection, it would be on page 11. If you worked in an organisation where you got one star, it was on the front page. As a consequence of that, your whole issue was not about how can we learn, your whole issue was how can we make this report the best we can, because we know we want it on page 11 rather than page one. So, unfortunately, CPA was not a process about how do we learn, it was a process of inspection, it's how do we get through this and worry about it again in four years' time.

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Q25 Which aspects (if any) of the CPA/CAA have helped your organisation to learn about what other councils are doing?

No. No. I mean, that's a bit unfair, that's a bit harsh. If you were a one star in a particular service and somebody else was a four star, you might say "OK, we should go over there and see why they are good and why we are not good". But beyond that, no.

260

Q26 Have you implemented examples of good practice from elsewhere that have been brought to your attention through the CPA/CAA?

Have the first bit, but not the second bit. Because very little is new in life and I think as a learning organisation you need to look far and wide and I've seen stuff in private sector, I've seen stuff abroad, I've seen stuff abroad in the private sector that I've thought "that's good, maybe we should do that".

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Q27 Which aspects (if any) of the CPA/CAA have you found to be least useful?

I think it was the whole way in which it was reported. The fact that it was a big, public report I think would be the worst part.

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Other Local Government Modernisation Initiatives

275 **Q28 Do you believe that any other initiatives introduced as part of Local Government Modernisation have helped local authorities to learn from each other? Or hindered learning taking place?**

I think one of the things that didn't help, but this wasn't them, so this was one of the things that changed slightly but never got us back to where we were. Local government was great at actually learning from each other, and the thing that changed that was when we started to get more and more competition, both formal and informal. Because, once people started to go through a tender process, or people started to think about...either because they had to, or because they wanted to do, data became hugely valuable. So it became much more difficult to get from an organisation how efficient they are. I'll give you an example: it may well be that there's a council...you might have a council who get...and I'll use the same example...you might get a council who get a private company in to deliver their payroll service. Now before they did, I could say to them "well, actually, how many people do you pay? – 10,000 – how many payroll staff do you have? – 100". So I could very quickly work out, 10,000 divided by a hundred means they do 100 payrolls per week, or whatever it is. And I could also ask how much does it cost you per pay slip? And they could work it out for me, they'd tell me. But once competitive tendering came along, they wouldn't tell me that, because they were frightened to death that one day they might have to put it out to tender and they were frightened to death that actually that data was hugely valuable for anybody who might bid for what they did. So it turned a very open, positive world in terms of sharing information, to one whereby people were much more guarded with what they did and what they were prepared to show each other. I can still say "can we come and look at something?" and people love showing you what they do, in particular if they do it well. But actually, beyond that it became much more difficult. What you did get with Labour was, you did get the sense of we were taking away some of the competitive bits that are compulsory, which meant that people felt a little bit better about sharing it, but it never, ever went anywhere back to where it was in the early 80s.

295 I think the other thing that didn't help was the whole of the CPA thing – because it was all done publically, you didn't want to give anybody any information that could show that they were better than you. People became very, very guarded about what they do, it's no fun, you know, if your council gets one star, it's no fun being on the front page of the paper and being interviewed by the local television, because I've done it.

300 **Just to sidetrack a bit, the people who put those things in place would say that competition and public scrutiny were there for a reason – to drive improvement. I'm not saying they were right, but...**

No, I agree. There's nothing wrong with public scrutiny, I agree. I agree with that, but I think the challenge is...this is a completely different example, but...I think you're right with that, but I think where it gets difficult is that it's very easy for the public...a) I don't think the public are that interested, but actually, they will pick up a headline. So, take for example my pay. It's been on the telly again this morning because you've got a government who are decimating local government with cuts and people will feel it in the next few weeks as the financial year starts, so the government's defence is to say that Chief Executives are getting paid too much. That was what the Local Government Minister was saying this morning on the TV. We spend £1.4billion, he's saying I should take a 10 per cent cut. What difference is that going to make in £1.4billion? But, the public will agree because they'll be told how much I get paid, and I don't have a problem with anyone hearing what I get paid, because I get paid out of public money, so that's OK, but, to the average person I get paid a fortune, but they don't see that I'm responsible for 42,000 people spending 1.4 billion a year and, actually, my equivalent in the private sector...We're doing some work with BT at the moment, they're twice the size we are, in terms of employees, their Chief Executive gets paid two million a year. Now, I don't get paid a million a year, I can assure you. And I think that's the bit that...Scrutiny's fine if people understand it, but scrutiny is destroyed by spin. Because councils, if they get one star, will spin it and those want to make hay out of it will spin it as well. So I think it's...it's headline grabbing, vote grabbing.

Finally

320 **Q29 Are there any questions you were expecting to be asked but which I haven't asked or is there anything else you want to add?**

No. Hopefully I've been helpful and not unduly negative, but it's...I think the best of local government is fantastic, but I think the stuff that you're asking questions about is a fascinating subject, but I don't believe that we are encouraged to do that. I don't believe that we are encouraged as organisations to be learning organisations. I think we are encouraged to do everything...for us all to do the same thing in the same way. And actually, you know, the sort of freedoms...Labour gave us far more freedoms and the Tories are saying they'll do the same thing, ironically they then publish a whole series of legislation that says you have to do this, this and this, but that's what it's supposed to be about. I think the best of what we do is fantastic, but I think you get that by recruiting good people, by giving those people freedoms and opportunities to do things, and not being regimented to do things in a particular way. So I think what you're writing about is fantastically important, but I don't think any government could ever prescribe this as the way you've got to behave and get you there, because it's almost a...you might tell me I'm wrong, but I don't think it's a way of doing something which is tightly prescribed, it's about individuals and the behaviours of individuals, because you could have a wonderful learning organisation but with the wrong person it ain't going to learn anything, is it? But you can have a very prescriptive organisation but the right people, it can be transformed.

340 **What I'm looking at is 'learning to learn'...what allows learning. It's up to you what you learn, if you see what I mean, it's just as easy to learn the 'wrong' things, but I'm looking at what sort of structure and culture enables learning to take place.**

All right, well if you ask me that question I'd say it's...I think there are a handful of things. First of all it's freedom – far less prescription about the way we do things. Secondly, and most importantly for me, it's about capturing the enthusiasm and the imagination of the people who work for you in what I've continually described as employee engagement. It's about organisations being prepared to learn from others, from all over. You know, the way in which we will manage the people here, my mentor on that will be the ex-Chief Executive of a truck manufacturing company. At the end of the day we employ people – they do. So I can learn from them far more than from any other council, because no other council has done it that way. Councils do not see, typically, the people who work for them as being something that can actually...where everybody can add value to what they do. So, I think for the leadership of an organisation to be incredibly open-minded, be prepared to take risks – in the right kind of areas. I don't mean put the pension fund on the favourite in the 3 o'clock this afternoon – but be open-minded, take risks and get out there and find out what goes on. And be prepared to say "if there's a better way of doing things than we do it..." We've become incredibly defensive in terms of what we do. And it's like that crap...I'm talking about Chief Executives' salaries, a) because it will bother me because I'm a Chief Executive, and b) I'm more bothered today because I've seen it on the telly again today, even though the government got a piece of work commissioned which reported last week to say that the fixation on Chief Executives' pay is nonsense, they're still running it because they still think it works with the public. So, it's all of those things.

INTERVIEWEE L

Date: April 21st 2011

Setting the scene

5 **Q1 When did you enter local government?**

September 1972.

Q2 What position did you occupy in May 1997?

I was the Director of Social Services at [named council].

10 **How long have you been Chief Executive here?**

About eleven years now. It was June 2000.

Organisational learning

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Q3 Have you heard of the terms “organisational learning” or “the learning organisation”?

I don't know whether I would say I've heard of it, but I'd have a presumption as to what it meant: and it means an organisation that learns.

20 **a) Do you think interest in organisational learning within local government has grown in recent years?**

Going back to 1997, as I said I was Director of Social Services, and Social Services was always interested in organisational learning and learning from the best practice of others. There was an organisation around at the time called the Social Services Inspectorate and they did inspections and also practice reviews in a way that...I suppose that I'd describe as being a forerunner of some of the Best Value-type things that came along after. And it wasn't just inspection, it was about learning from others and getting best practice from organisation to organisation, and the organisation developing itself. I think that the Audit Commission at the time used to do something called Value for Money studies, which weren't quite as embracing as that, and so I was experienced in both of those things before the Labour Government came in with their modernising agenda and it did seem to me that some of the good things that had been happening before were picked up and broadened out in terms of local government. And the Improvement and Development Agency was created as well.

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Q4 Do you feel that you have a good understanding of organisational learning theories?

Yes. In terms of background, as well as management I am qualified in personnel management and one of the aspects of personnel management even back in the day when I did it was around organisational development and organisational learning. So, it is something that I'm familiar with and embrace.

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a) What does organisational learning mean to you?

To me it means learning from what other people do, so that you're not reinventing the wheel. It means learning from the things that have gone well in the organisation as well as the things that haven't gone so well. It means picking out the pockets of good practice in the organisation and spreading those round the organisation. It means having an organisation culture which is a positive one and reacts well to change, rather than a negative one that is driven by fear of mistakes. So, it's about culture, it's about the culture of the leadership team, it's about growing, those sorts of things.

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45 **b) What has been your major source of information on Organisational Learning?**

Well, I've been a senior manager in local government for 25 years, so I've undertaken a certain amount of development – management development, leadership development – during that period and I've also had practical, hands-on experience of organisational change, developing organisations throughout that period. And I've always made good use of the Improvement and Development Agency. I would say that, on average since I've been here, we've had a peer review or something like it probably every 18 months or so. We've had probably three organisation-wide peer reviews: two linked to CPA and one not. But we've also piloted some others as well. We've had a peer review of the LSP, we've had a peer review in terms of our property management, another one that isn't springing to mind at the moment. Also we did some stuff around connecting with communities, which was a joint thing between the LGA, the IDeA and government departments at the time, and also done connecting with communities more in terms of a practical community development exercise as well. Also, I bring in the IDeA for different things – to work with members, and our members have used the Leadership Academy. Also done things in terms of [named county]-wide things, so I've been involved in that as well, and also our members have been, so – development programmes, that sort of thing.

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60 **Q5 Do you want your council to be a “learning organisation”**

Yes. But I'm not bothered whether we have any badges or not.

Q6 Do you think you are one?

65 Yes, at the moment we are. My senior managers would say that, when they get out and about and go to other places to see what other places do and learn from what other places do, they come back and say, well, we're actually better than we thought, in many cases we're better than they are: it's just that we don't pursue the badges to publicise that.

a) What has been put in place to make it so?

70 I think probably the most important thing has been communication. Very hot on internal communication in particular, so we have a team briefing system; we have a monthly staff magazine; we have employee development and appraisal systems; we do 'message of the day'; we do staff briefings where any employee can come along and be briefed on a topic. I do that every month and I usually do it in three different places. So, very hot in terms of communication. Always try and keep people absolutely up to date, not only in terms of where we are, but also in terms of the thinking of the organisation. Getting people involved and engaged with that, so that every individual is encouraged to play their part in the organisation, because in that way we'll get the value of everybody's learning and development.

80 **Council Structures and Culture**

Q7 Does your council have a clear idea of what it wants to be in, say, ten years' time?

Not in five or ten years' time, no. It has a clear idea of where it wants to be in three, but not in five or ten.

85 **Q8 Do you/your senior management team/senior members put aside enough time to reflect on what you are doing (rather than the details of how you are doing it)? if yes – how have you managed to achieve this?**

90 I would say so, yes. We put a lot of time and effort into developing our three-year corporate plan and it goes through a very rigorous process which gives a combination of informal and formal and includes not only Executive members but non-Executive scrutiny as well. So it is a very robust process and it's something that we stick to, so whatever we say are the priorities, whatever we say are the things that we're going to do, then we do them. And I won't let people do other things instead.

95 **Q9 What would you say were the top three ways in which you and your staff receive information on new ways of delivering services?**

Well, one way has been through the Improvement and Development Agency, and that's a body that I have regularly brought in. For example, when we were struggling with the budget this year I brought in five...six peer members from the IDeA, one each for our political groups, and I think that that's probably a unique thing, but the relationship with the IDeA enabled that to happen.

100 Second is from our members and officers getting out and about and being involved in networks.

And thirdly, I think it's through policy development, whether it's from government or whether it's from people like APSE or the LGA.

Q10 What is your council's attitude towards risk-taking?

105 We're risk-averse, I would say, which is to do with our background. I don't know whether you've ever heard of 'Bobbygate'? You'll have heard of Mr Bobby. Have you heard of the Crinkly Bottom Theme Park? There were two. There was one successful one down in the south of England somewhere and then there was an unsuccessful one in Morecambe. What happened was, the development was done on a wing and a prayer – well, wishful thinking. So, when people were working out how many visitors you could get to Morecambe they worked out their costs and then worked out the number of visitors that would be required to pay for it. So it wasn't a well thought through venture. If it had stopped at that, it would have been something that was tried, didn't work, move on. The problem was that the organisation blamed Noel Edmonds for its failure and took Noel Edmonds to court and in doing so we lost about a £million on the park itself, we lost in court to Noel Edmonds, probably another £million and we had a local elector who complained to the District Auditor and there was a District Audit investigation which lasted for about five or six years. And one of the outcomes of that was that the two senior officers who were in charge of the Council at that time – so the Town Clerk and the Treasurer – were criticised in the Public Interest Reports and what became clear was that when the legal advice to challenge Noel Edmonds was obtained...the information provided was selective, so the organisation was clearly at fault, and as well as that there was a method of reporting to members which was either oral reports leading to decisions or reports being tabled, decisions taken and reports taken off members. So there were flaws in the decision-making system and we've been living with the consequences of that as a council ever since then. And every time we...When was that, the Bobby thing? That was probably early nineties, so a long time ago now, and now, if there is a venture that the council is even talking about, and even if it is something that we are not risking our own money in, and some member of the public doesn't think it's a good idea, then we get a letter to the paper saying 'this is another Bobbygate about to happen'. Our members are very, very cautious in terms of things like oral reports, in terms of things like the decisions that are taken – properly taken decisions – and as a result of that we follow the law in this council to the absolute letter. And I would say that we do so in a way that is probably a bit too risk averse, Examples are that, in lots of councils you will find that executive members or Cabinets will influence or get involved in decisions which are not actually executive decisions. Not in this council. There is a very clear black thick line that stops that sort of thing from happening. So, we're risk averse.

Q11 Do you encourage staff to experiment with new ways of working/delivering services?

I think that they would probably say no, because we are risk averse and also...do you know the political make-up of our council?

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No

It's very, very, complicated. We have a proportional representation Cabinet, which means that there are six political groups who are entitled to seats on the Cabinet. One of them doesn't take them up, nevertheless, we potentially have six different political groups on Cabinet. That's probably unique in this country, so, it makes it a complex decision-making one. It also means that, by its very nature, the political leadership is diluted, and so one of the things I do put a lot of effort into is making sure that we're still a politically led organisation. So that may mean that there are some things that are tightly controlled to make sure that they are politically decided, rather than giving staff, employees, an absolutely free hand. But I do encourage innovative thinking, it's just that there isn't always the discretion to experiment that goes with that. Does that make sense?

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Q12 When was the last time your internal organisational boundaries were changed?

Within the last 12 months.

What prompted that change?

Sat down with my immediate Director colleagues about 2-3 years ago and we said "well, what sort of organisation, or structure, do we think that we're going to need in two or three years' time and going forward after that?" So, it was about our best feel of what the organisation would need to manage itself in the future, two or three years hence. And that tends to be the sort of timescale that I work to both in terms of council priorities and also in terms of the organisation that we have to take us forward. We have all out elections, and our cycle is that we've got them in May this year so we'll have a new council for four years. So what I will want to do with the new council is, I'll want to test out with our new members, whoever they are, whether the priorities which have been identified by the lot that are here now, they're going to stick with, and if they are then I'll be comfortable that we've got the structure which will take that forward. If they want to do something which is fairly different, then I will want to have a re-look and see whether we need to change the way that we are organised to deliver the revised priorities. I've also got some ideas that I want to put in front of them as well in terms of taking forward the organisational developments that I see as being the next phase, so I'll be testing that out with them. So, I'm taking a view about national politics, likely resources and some of the opportunities that are around at the moment in terms of - whether it's shared services or whether it's our view of Big Society, because we're developing our own view of what Big Society means and how far do they want to take that in terms of their four year period.

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Q13 Do you use secondments (or similar) to share knowledge/expertise within the council or with other organisations?

No, we don't. I used to do a lot of it when I was in [previous named authority], but it was...there was more scope for it there. The council here...I mean, we have 950 employees, so quite a few of those are specialists rather than general project managers so there is less scope for it here. What it does mean is that, what we do instead, is that we've developed a way of working that's based on cross-service project teams so we get the different expertise and experience and development through doing things through project teams. We've got our own approach to project management called [name], which is [named authority] About Managing Projects.

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Q14 Can you give an example of a change you have tried to implement but where you were not totally successful?

Do you mean me personally or the council?

One that you've been involved enough with to give me some details. I'm interested in the impetus for change and the barriers to making it.

The one that I would pick out would be...Some organisations have created Leisure Trusts for their sports centres and that's something that, as an idea, we were pursuing for quite a while. The officers were pushing for it because it was one of those things where you could maintain a service level but take advantage of, I think it was reduced VAT and one or two other things. So it was a way of delivering the same service, possibly attracting alternative forms of investment, particularly capital investment, and reducing expenditure and that was really testing for the political side of the organisation. Over the past 10 or 11 years we've probably had about three goes at that.

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What were the major barriers that stopped it? Was it the politics?

It was the politics, but two aspects to it I suppose. One was that many members saw the creation of an independent Trust as being them relinquishing the control and they didn't want to do that. And it wasn't just Labour, that was Conservative as well. And then there were others who were more pragmatic who were saying "well, it will be the same service, we're still providing the service to the community, just...it means that we'll have to spend less on it which means that we've got more money for something else or we don't have to cut something else". So it was that sort of...those politics. So it wasn't really ideology, it was more about the mindset of 'we need to control things' as opposed to those who said "it doesn't matter who controls it, what matters is the service delivery". The political balance was very, very finely balanced. I think that at one point we went through three separate council meetings where a vote went one way then the other and then back again. And it went through Cabinet and Overview and Scrutiny, and I don't know how many meetings we had about it...Lots.

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Specific Modernisation Initiatives

The Beacon Council scheme:

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Q15 What involvement have you had with the Beacon Council Scheme?

I've been involved in it twice. Once was in the very first year and...at the time, the council I worked for – [named] Council – was very heavily dominated by Labour. I think it was...of the 63 members, 61 were Labour at the time. And there was a new Labour leader and he wanted to be seen as a modern council. So, first year of Beacon Council stuff was really important to him and the council and I put forward a bid from Social Services and we were actually successful. I think we were one of only four social services authorities that got the Beacon Council award in the first year. My involvement in it was that it was a really new thing for the council so I ended up writing the bid. I remember complaining to the Chief Executive saying I wasn't getting a lot of help and I was having to write it myself, and he said "well, that's probably why it's so good then, isn't it?" which wasn't the answer I was looking for. I was looking for more corporate support than I got. That was the first involvement. The most...this council here decided that it didn't want to pursue things like Beacon Council awards, it wanted to...or the Local Government Chronicle set of awards, or the MJ...it didn't want to do that. What it wanted to do was, it would go for something like Investors in People, because that's not just a badge, that gives you...develops the organisation in a particular way, or if our direct services needed a quality...whether it was a leisure one or whether it's a different one for civil groundworks that we get a contract...pursue those, but not the ones where you just get a badge, and we took the view that a Beacon Council award was a badge. So the only other time I've been involved in Beacon Council was through a [county]-wide initiative which was...this one here, (*brings trophy to table*) so that's fairly recent. I was the Chair of the County Community Cohesion Partnership so we put together a bid in terms of Community Cohesion. I didn't actually write that bid but I was involved in the presentations and chairing the group that led it.

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Q16 What did involvement in the scheme teach you about your home organisation?

I think in terms of the first one, I ended up with a much more detailed knowledge of that particular area of service and, because I ended up having to write the blinking thing, I ended up having a much broader understanding of the whole of [named] Council, in terms of the corporate side. Certainly in the first year of the Beacon Council stuff it was as much about the corporate as about the service-specific, so I did learn that. And at the time I thought the council wanted to be modern. It became clear to me later that they didn't. On the community cohesion one – what did I learn? – It was a valuable experience, I think, for the whole of local government in [named county] in that it helped to clarify our overall approach to community cohesion. That was really important, I thought it was really important at the time because, at the time, the community cohesion agenda nationally it seemed to me, was being made subservient to the anti-terrorism agenda. Now, I understand why the anti-terrorism agenda was really important...I forget the dates of things, but it was around the time of terrorism attacks, and that was really important and that was being led by the Home Office and there wasn't anybody, it seemed to me, any government department, taking the community cohesion side. So I thought it was really important for [named county] that local government took that one forward and the Beacon Council process really helped in terms of profile and shared learning across public services, not just local government.

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Q17 What did you learn from other beacons? Were any changes in working practices adopted as a direct result of involvement in the beacon scheme?

No.

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Have you been to any Beacon Council open days?

I haven't personally, some other Chief Officers have. I guess it's not how I learn.

Q18 Did you try to implement a change but were not totally successful, and if so what were the barriers to change?

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Not asked due to above answer

Q19 Do you think the scheme was an effective way of spreading good practice?

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I would, yes. I thought that it gave a profile for local government, a positive profile for local government which was really good and just because I learn in a different way – I mean, everybody learns in a different way – I know that it was a valuable learning process for many. But I think that even just having awards which are about excellence in the service I think in itself is a good thing and has been valuable.

Best Value:

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Q20 Did the Best Value framework bring out information about your organisation of which you were unaware?

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A bit, but I thought it was a very blunt tool and, going back to my social services days, I didn't think it was anything like as good as the processes that were used by the Social Services Inspectorate, it was too mechanistic, too prescribed. I know it was...It also came in for the wrong reasons as well, didn't it? Why did it come in? Well it came in as New Labour's...New Labour were getting rid of Compulsory Competitive Tendering and felt they had to put something in its place, so it was brought in for the wrong reasons too. But then a lot of the modernisation stuff was brought in for the wrong reasons. That isn't just my opinion, I know. It was to control local government. It was...Well, when Labour came into power – what year was it?

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'97. If you looked at a local government map of England at the time, it was pretty much red. The aim of the Labour government was to have two terms in government, not one, and they knew that local government could be a problem if they didn't do something about it. By association they would be tarnished by what was described in those days as the 'Loony Left'. So, your Liverpools and your Hackneys of this world – Lambeth, I think. So a lot of

270 that modernisation agenda was to weaken the control of elected members and also to make sure that Labour's central government didn't get blamed for some of the slightly daft things that some parts of local government did. So it was a negative thing. So, things like LSPs were brought in to weaken local democracy. Things like the Cabinet system and having to hold that in public were brought in so that decisions didn't get taken in smoke-filled rooms, although of course they still did. Scrutiny was brought in to open that up, although it didn't.

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Q21 Was the information available from other authorities of use in making comparisons with your own authority?

Not at all, no. In my view it was a bureaucratic exercise and, as I say, it was designed so that Labour could say they had something which was about value for money when they removed CCT.

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Q22 Was the information available from other authorities of use to you in bringing about improvements in service delivery?

No. In my view it took capacity away from proper management of the organisation.

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Q23 I was going to ask what you thought were the main drawbacks to Best Value, have you any more to add?

I think I've covered my points on that.

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Comprehensive Performance/Area Assessment:

Q24 Which aspects (if any) of the CPA/CAA have helped your organisation to learn about itself?

I thought the peer review part of it was really good.

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Q25 Were there any aspects of the CPA/CAA that helped your organisation to learn about what other councils were doing?

No.

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Q26 Have you implemented examples of good practice from elsewhere that have been brought to your attention through the CPA/CAA? If not, why not?

An integral part of it was the peer review and the self-assessment. So, self-assessment and the peer review, I thought, were really good, very valuable and really did help the organisation learn. They were absolutely useful things to do. The CPA itself, the bit that came at the end, wasn't.

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Q27 Which aspects (if any) of the CPA/CAA have you found to be least useful?

The formal bit by the Audit Commission and then at the end of the process, sticking a one word designation on what sort of authority you were. I thought that was totally meaningless. Well, worse than that, because it was so controversial – not here, but generally in the local government world – because it was so controversial, the Audit Commission used to have to put a lot of resources into – what do they call it? – moderation, and making sure that they were treating authorities consistently and that they could back up, with evidence, their judgements. Hugely expensive and, in my view, for no value.

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Other Local Government Modernisation Initiatives

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Q28 Do you believe that any other initiatives introduced as part of Local Government Modernisation have helped local authorities to learn from each other? Or hindered learning taking place?

Well, I thought the Improvement and Development Agency was a really good initiative. Really good initiative. Extremely valuable and, rightly or wrongly, I give them credit for that. That was excellent and I'm sorry to see it going. I'm not crying over the loss of the Audit Commission, but I think that...I thought that all the improvement and capacity stuff was like chucking money down the drain but I think that the Improvement and Development Agency was a really top class initiative.

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Finally

Q29 Are there any questions you were expecting to be asked but which I haven't asked, or anything you want to add at the end?

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I don't think so. I managed to get in the bit about why I thought modernisation...I suppose the other thing, just in terms of the ideology, I mean, some of the modernisation came from the thing called the Third Way, didn't it? And I did find that an interesting and stimulating idea. So that certainly made me think. I think it was Alan Milburn who wrote the Third Way. It wasn't a very long piece, but I did find that, at the time, very refreshing. It was a very interesting, thought-provoking idea.

INTERVIEWEE M

Date: May 12th 2011

Setting the scene

5 **Q1 Could you tell me something about yourself and when you entered local government?**

I left school at 15 and worked in an engineering factory, served an engineering apprenticeship and on the back of Trade Union encouragement I went to evening classes, got 'A' Levels and did a degree in Economics and Politics at Sunderland. When I finished that I had a choice between working in the City – which I almost took – and the old Manpower Services Commission programme, in which there was an opening, through them, at [named council].
10 So the City was foregone and my fortune was never made. So I joined [named council] and I've worked for six or seven councils – [named council 1] in social services; [named council 2] in housing; I border-hopped up to [named council 3] as Head of the Policy Unit there; Assistant Chief Executive at [named council 4]; Assistant Chief Executive and HR Director at [named council 5]; Chief Executive here for 14 years; and Government Office asked me six years ago would I also be Acting Chief Executive up at [named neighbouring council], at the same time.
15 On the back of my local government work the councils have been very generous with me and allowed me to study for two subsequent Masters Degrees, for which I am very grateful.

When was it you started in local government?

20 That would be 1980.

Q2 What position did you occupy in May 1997?

I was Assistant Chief Executive at [named council 5], but just about to start, a few months later, as Chief Executive here. So really my career here covered the whole span of Blairite agenda.
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Organisational learning

30 **Q3 Have you heard of the terms “organisational learning” or “the learning organisation”?**

Yes. I've got a Masters' degree in Public Sector Management and as an ex-HR Director I've got a post-graduate diploma in HR from Leeds Met, so I'm very well aware of that topic.

a) Do you think interest in organisational learning within local government has grown in recent years?

35 There's been some interest in it – growing, but not as fast as perhaps it should have been.

b) Why do you think this is the case?

The Blairite agenda was predicated upon the ditty “things can only get better”, and the big idea was organisational improvement to provide better public services. That's the primary reason.

40 **Q4 Do you feel that you have a good understanding of organisational learning theories?**

First class, yes.

a) What does the term mean to you?

45 It means the organisation looking outward, initially, to pick up ideas of best practice and then to look inward at what we do, and you can match the outward-looking and the introspection in a number of ways, including benchmarking: are we as good as the average council? And indeed, the Audit Commission's mission, virtually their entire raison d'être in the noughties was all about that measurement and performance management and seeing whether one council was as good as it could or should be. Hence the identification of local authorities by poor, weak, fair, good and excellent. And our proudest moment was becoming excellent. That was a measure of how important this whole concept was.
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b) What has been your major source of information on Organisational Learning?

55 I'm different from most people in that, what's sat on my desk is...I have a business review. I'm much more private sector-driven than – and I would say influenced by what happens in other countries – than most people in local government. For most in local government it's about what their neighbours or the Improvement and Development Agency think is a good idea. For me, it's what works in many other spheres.

Q5 Do you want your council to be a “learning organisation”?

60 If you'd asked me the question two years ago the answer would have been absolutely, yes. The question is more muted now. If I could just very briefly explain why that changes: For the years of Blairism, and this was under a Conservative council – we'd been Labour when I joined, Labour threw it away, the Conservatives came in and their policy was very much in tune with the Blairite agenda, which was to become a flagship council, to become the best Borough Council in the UK. And we did. I wouldn't say we quite got there, but we certainly got into the top two or three in the country and were named the best District Council by the Municipal Journal one year. So that

65 was the previous vision: the vision for the last two years is different, and that is lean, local and fair. So it's not to be about the best, it's about to hold what we have, and protect what we have, because of the seismic shift in the financial resources available.

Q6 Would you say you are one?

70 Yes, I would, yes.

a) What has been put in place to make it so?

75 It's been provided with...the Council has leadership, politically and certainly managerially. To an extent politically, and certainly managerially, which welcomes new ideas and new ways of working. And we seek to communicate that to and with staff.

b) Have there been major problems in becoming one?

80 If you want to be a learning organisation, it's because you want to learn...not old school, but with something which is more modern. And if I could...why I'm caveating all of this is that the public sector is notoriously conservative. For example, the Government introduced a shed load of funding – IEG, investing in e-Government – from sort of 2002 to 2008. Every council in the country, from the mighty Birmingham City to the smallest District Council, got £250,000 each, per year, for four or five years. And that enabled every council in the country to service its own call centre. Why they all wanted one, God only knows, but anyway they all wanted one. Great, but ten years after the private sector did it. Why wasn't it done ten years previously? Because we move in an incredibly cautious way. Why do we do that? Because we're primarily risk-averse. Very, very risk averse, and that is the biggest single stumbling block to becoming a true learning organisation. I'll illustrate it by way of one example. The names have been changed to protect the innocent here. When I worked in a previous council, as Assistant Chief Cheese, I said to my boss and to one of the other senior managers: "I know a guy called Mel Usher, and Mel is the new boss at the Improvement and Development Agency, the first ever head of it. Mel's previous job was Chief Executive at South Somerset and his council was named the very first Local Government Chronicle Council of the Year. There's something really interesting happening down there. Why don't we steam on down and have a look at what they're doing." And after some deliberation on the grounds that only if the Mayoral car could be brought down, then we trolleyed down to South Somerset. And there were some amazing things happening there. As we came back, the now-retired Chief Cheese of this unnamed council – I was waxing lyrical and extolling the virtues and really pumped up – he said "well [name], we can either be cutting edge or we can be second wave, and I know what I'd rather be. I'd rather not take the risk". That sort of sums it up. That's the damper to learning.

Council Structures and Culture

100 **Q7 Does your council have a clear idea of what it wants to be in, say, ten years' time?**

Five years' time, a Parliamentary time-span, yes.

Q8 Do you/your senior management team/senior members put aside enough time to reflect on what you are doing (rather than the details of how you are doing it)?

105 No organisation is ever strategic enough, and we're guilty as charged on that, but I think we're a lot more strategic than most. And that's been one of the reasons why we've been able to relatively well future-proof what we do. I've got a lot of things that as Chief Executive I don't do well, one of the things I do exceedingly well is I tend to know what's round the corner. And that's because we do set ourselves up to try and learn, in the loosest possible sense, from others and from the environment.

110

a) How have you managed to achieve this?

115 We've got a five year plan now, which although has several central tenets to it, and principles, is flexible at the same time. That allowed that seismic shift from wanting to be a flagship council to lean, local and fair. That's a massive shift in corporate policy and we were able to do that well ahead of the pack. We were involved in reducing our budget – I'll give you a practical 'for example': Three years ago, we decided not to fill virtually any post on a permanent basis. That meant that 18 months ago, when we went to downsize the organisation by 10 per cent, and, again, before anyone else was doing it, if you downsize the organisation by 10 per cent and when the music stopped, there was a seat for virtually everybody. It meant that there were only two permanent employees in the entire council who were made compulsorily redundant. So that's an example. We've set up, and it meets every three or four weeks, what's called a Cabinet Business Plan Working Group, where senior members and senior officers talk about primarily strategic issues.

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Q9 What would you say were the top three ways in which you and your staff receive information on new ways of delivering services?

125 One would be the informal, word of mouth network that comes up.

The second would be formal learning on a more local footprint. That would be the [named county] Chief Executives' Group

130 And then on a regional or national level you would have the [named region] Employers' Organisation, which is local government-based. And then you'd get the LGA/IDeA etc, you'd get magazines – LGC. Prior to the last 18 months you'd have had the Audit Commission in there as well.

Q10 What is your council's attitude towards risk-taking?

135 Every council – and I've worked for plenty over the 30 year period – every council chants the same mantra: “we
have a no blame culture; we are not risk-averse”. But there is an inevitability, when you live in a political
environment, that significantly less risks will be taken. It's human nature. If you're in the private sector and a
project is unsuccessful, the non-executive directors are not asked to resign or put themselves up for a vote. In a
140 local government environment, our non-executive directors are the councillors and they're up for election, so the
nature of the beast of the public sector, our self-preservation, makes it a lot more conservative. I'll share an
anecdote going back 25 years, back in the day when I worked for a major metropolitan authority. We were one of
the first in the country to introduce neighbourhood offices. Brilliant idea, but they had to be linked, these 30-odd
neighbourhood offices, and I was a young buckaroo and a research officer, my boss we came up with this new bit
of kit, it was called Apple – no one had ever heard of it, because the kit that was used throughout the public sector
was ICL, now Fujitsu, and it was tried and tested and good stuff. But this Apple kit – as Apple kit can do now –
145 was always innovative, it was always cutting edge, and it was being promoted as being cheaper as well, because
they were trying to break into the public sector market. So we did the due diligence, we did the procurement, we
ordered this Apple kit and were about to install it and all thumbs up, and the boss was dragged to the Chief
Executive's office – I won't share with you the un-parliamentary language which he used – but he said “why have
you purchased this kit? Why haven't you bought the ICL kit?” We trotted out all the reasons. He said: “Don't you
150 realise the risks that you'd be running here?” If the ICL kit goes down, every other bugger's kit will have gone
down as well, and there won't be any egg left on my face”. So that's a story from a quarter of a century ago: it
may tell you nothing, but it may tell you everything. I think it tells you everything about the limits on innovation.

Q11 Do you encourage staff to experiment with new ways of working/delivering services?

155 Yes – up to a point. Probably more than most councils, but we don't take anything like the risks, or the innovation,
which the private sector does.

a) Are the results fed back into the council system for analysis?

No.

160 **Q12 When was the last time your internal organisational boundaries were changed?**

Two weeks ago – and they'll be changing again very shortly.

Q13 Do you use secondments (or similar) to share knowledge/expertise within the council or with other organisations?

165 With one or two exceptions, no. And if we did do, there would be a lot less of it now.

Q14 Can you give an example of a change you have tried to implement but where you were not totally successful? What was the impetus for that change? What were the barriers to making it?

170 I can think of very successful ones and not successful ones. I'm trying to think of partly successful...

Anything that you've tried that hasn't really worked. I'm interested in what drives change and what stops if from happening.

175 An example of a successful one, but with limitations, was – government had a shed load of cash to throw at the
law and order agenda. So we did a couple of things which were off the wall. One was about a town centre CCTV
scheme for here in [named town]. Hugely successful – everybody else said – the New Town of [named town] and
the villages – “well we all want CCTV”. There wasn't then a way of providing CCTV apart from either cabling
hundreds of kilometres at massive capital cost or by renting BT's lines, and the revenue costs there wouldn't be
picked up by the government, it would be picked up by the taxpayer. So I came across a concept – a brand new
concept – called Ethernet Wireless Bridge technology. Line of sight technology, pioneered by US special forces
180 during the first Gulf War to track Saddam's Scuds. Seconded in the former Divisional Police Commander, got the
Home Office to pay for it...We were the first in Britain to use it and it worked – up to a point – very well. The quality
of the images was good enough for prosecutions in court, weren't as good as the quality you got from a hard-
wired scheme, back in the day. So there were limitations to what we could use it for, so that would be one
example. And another one would be, we want more Bobbies on the beat, so what we did is we went and created
something called – one of the first in the country – Community Wardens: uniformed people who went on the
185 street. Didn't have police powers, so there was a limit to what they could do. They then became subsumed into
PCSOs. Those are examples of things that worked largely, but not entirely.

What were the things that really stopped them from working as you envisaged?

Technological and legal limitations, and public expectation being higher than perhaps we had anticipated.

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Specific Modernisation Initiatives

The Beacon Council scheme:

195 **Q15 What involvement have you had with the Beacon Council Scheme?**

We haven't had any involvement. This is the Beacon Scheme that was launched sort of five years ago?

No, it's very early in the Labour government's...

200 We didn't have a...it's one of the few Government initiatives that we had no involvement in. We didn't choose that
path, we focused on the Audit Commission and becoming excellent. We didn't seek to get Beacon badges, as it
were, in one or two specific areas. Because what the Beacon issue was about was picking areas of excellence.

What we were actually asked to do was across the board improvement in KPIs. So we had no involvement in the Beacon Initiative.

Was that because you chose not to do specifics because you were concentrating on the general?

That's right.

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Q16 What did involvement in the scheme teach you about your home organisation?

Not asked due to answer to previous question.

Q17 Did you go to any Beacon Open Days? What did you learn from other beacons?

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Yes, I think I went to one and my colleagues have been to a couple as well. I think they picked up some ideas from there.

Were any changes in working practices adopted as a direct result of involvement in the beacon scheme?

Not really. If so, on a piecemeal basis.

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Q18 Did you try to implement any changes that were not totally successful, and if so what were the barriers to change?

Not asked due to answer to previous question

Q19 Do you think the scheme was an effective way of spreading good practice?

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I think it was a way, but it was at best successful in parts. And that's partly because of the 'not invented here' syndrome.

Best Value:

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Q20 Did the Best Value framework bring out information about your organisation of which you were unaware?

Yes, it did, and it genuinely did demonstrate where our costs were higher than comparable councils. And it caused us to pause to think why that might be and, in a few instances, we acted on it. However, you hear every Chief Executive in the country say "ah, but there's special circumstances. It's different here in [named council] than anywhere else". And to an extent that's true, there are differences everywhere and they can make substantial differences. But to an extent it had its use.

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Q21 Was the information available from other authorities of use in making comparisons with your own authority?

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Again, to a limited extent.

Q22 Was the information available from other authorities of use to you in bringing about improvements in service delivery?

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To a limited extent.

Q23 What were the main drawbacks to Best Value?

It was seen as a numbers game which took little account of the specific, unique issues of a particular borough.

Comprehensive Performance/Area Assessment:

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Q24 Which aspects (if any) of the CPA/CAA have helped your organisation to learn about itself?

Yes, the single biggest driver to...if I could backtrack slightly. New Labour's raison d'être was to improve public services and in fairness to Blair he pumped a shed load of taxpayers' money into it, and public services got better. No two ways about that. Across every single aspect of public services. What we failed to do was to get sufficient bang for the buck. All of us responsible were very proud to improve, in those halcyon days, public service improvement, but we didn't give enough bang for the buck. But CPA was probably the most successful tool in terms of – certainly within local government – of improving quality of service. And the reason for that was because you were exposed...to roll up to the LGA conference, or your next Chief Executive's meeting in [named county] – "the Commission have been in. Have you got your early results yet? How did you get on? We're going to either get weak or fair. Christ, right". Whereas, if you were Billy Big Bollocks there with your chest pumped out "Oh we're going to be good or excellent" it was a different ball game entirely. So the machismo had a lot to do with it. It genuinely had. And an inordinate amount of effort went into doing two things: one, to be seen to be good, but also to be good as well. That's by far the most important tool in the kit bag for New Labour over those years.

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Did you learn something about the council that you didn't know or couldn't have known in any other way?

Yes, I think we did learn some things from it, but more important – we knew it was coming in 18 months' time. So we became more of a learning organisation. For example, the Commission are coming in 18 months' time – a good example would be when the Government Office asked me to step in to be temporary Chief Executive to failing [named neighbouring] Council – they were weak or poor, I can't remember which – and to turn it around very quickly. I knew Hector the Inspector would be in in nine months' time, so I immediately go out and say "what are our weak points and how can we fast track improvement? Where can we learn from?" So the fact that the Commission were coming in was a massive driving point. And when Chief Executives sat down for their annual appraisal one of the things that the Council Leader would be saying to you is "right, so where do you think we're

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270 going to be in a year's time when the inspector comes in an really does our CPA?" So I think it was by far the most successful tool.

Q25 Which aspects (if any) of the CPA/CAA have helped your organisation to learn about what other councils are doing?

275 It did, because...it absolutely did, because if you were a council which hadn't done well in the first round, a good example would be [named] Borough Council, it initially had scored 'Fair'. I sat in on their improvement programme and what we did was to say "where are we weak, why are we weak? We need to become more of a learning organisation. Let's go and learn from the best" and we did actively go out and do that, and that would not have happened if it hadn't been for CPA. So the actual inspectors themselves coming in – did we learn much at their knee? That's questionable. The fact that they were coming in to sit in judgement on us was a massive...it threw off
280 a lot of the shackles of the inherent conservatism and the dead hand of bureaucracy. But it wasn't done primarily for altruistic reasons, it was done because Chief Executives and Council Leaders and other managers did not want to be seen to be a failure, a very public failure.

So it was more about the pressure to improve, more than the processes of the CPA?

285 A CPA itself was seen as a judgement. It wasn't seen as a learning experience. Now there was some learning elements. But, as I say, I could not emphasise enough how important CPA was to creating a learning environment. If it hadn't been for CPA, there'd have been a lot less learning.

Q26 Have you implemented examples of good practice from elsewhere that have been brought to your attention through the CPA/CAA?

290 Yes, a good one that didn't so much apply to us because we were good, but a good one would be, the first round, the Commission came in and they looked at councils like [named council] that had an absolutely top-drawer customer handling process. We had one-stop shops, we had a call centre, and we had an award-winning, very user-friendly website. So immediately after the first round of CPA, those that hadn't done so well, they were signposted by the Commission to places like [named council]. And we had visits from 50-odd organisations.

Q27 Which aspects (if any) of the CPA/CAA have you found to be least useful?

295 Yes, the whole CAA idea was a joke, because each organisation still had its internal KPIs and CAA, in my view, did not work at all. To make CAA work you would have to have structural reform. For example, in any city you might have an Elected Mayor who would take the role of the proposed Police Commissioner, they would have
300 the...they would be Chairman of the Health Service locally, that sort of Mayoral City-Manager type model is one which you would need to make CAA effective in any way. I don't think it was worth the paper it was written on.

Other Local Government Modernisation Initiatives

Q28 Do you believe that any other initiatives introduced as part of Local Government Modernisation have helped local authorities to learn from each other? Or hindered learning taking place?

305 As I say, the...networking and informal chit-chat and things like the LGA conference – the formal sessions, you take them or leave them, but the...SOLACE, the Chief Executives' Society, for example, and the IDeA, used to have get-togethers and they sometimes had a theme to it and they'd bring in keynote speakers from outside our
310 world. But basically in the bars and over dinner, what we as Chief Executives would do is talk about..."oh, have you heard about so-and-so, They're doing really well on this" and you would try and go and seek him out – those, I think, were absolutely invaluable.

Finally

Q29 Are there any questions you were expecting to be asked but which I haven't asked? Or have you got any other views that you would like to pass on?

315 Yes. The single biggest area that you haven't covered, and one of the single biggest failings of the last Labour Government when it came to public sector improvement was the lack of involvement of the private sector. It was
320 like they didn't exist. And that is, quite frankly, astonishing, because delivering public services should be a bit like a Venn diagram where you've got the public and the private and the third sector but they need to cross over. The example I gave you at the outset is a real classic...there's a friend of mine and she...the city of Leeds was one of the forerunners of the development of call centres in the UK – companies like...the Halifax Building Society was one, GE Capital in Leeds – massive call centre, established in the nineties, the technology developed late
325 eighties, early nineties. By the mid-nineties, every private sector company and their dog had a ripping, snorting, firing on all cylinders call centre. They were also beginning to develop very effective websites. We failed to take, and still fail to take, sufficient cognisance of the private sector. A classic example: I used to bang the drum a decade ago about this and it all fell on deaf ears – I used to say, Australian government research shows that the cost of a face-to-face transaction is 50 Aussie dollars; the cost of a telephone transaction is 10 Aussie dollars; and
330 the cost of a Tinterweb transaction is under one Aussie dollar. Why do we allow and encourage, through a network of local offices, the public to freely contact us this way, and why is it that the private sector are subtly – or not so subtly – shepherding their consumer base away from face-to-face and into this? And the inability of the public sector to in any way engage with or learn from the private sector was the single biggest reason for lack of progress. We could have moved miles away. This council – and this is not ideologically driven in any way – this
335 council is about to sign a contract with a brand new company, One Connect Limited – it's an amalgamation of BT, [named] County Council – and the ability to work on a joint venture vehicle with the private sector —our ability to learn from BT will, I think, will be a major rocket boost to us to go forward. And I just think, had we been able to do

340 that in an era when we also had some extra cash, it would have been fantastic. What it could have given us was
an ability to have three or four years of significant investment in the public sector, working with the private sector,
getting to a level of improvement and a business plan for a five year gradual improvement over a period of time
and at the same time tapering off the funding. Whereas what we've had (with regard to public spending totals) is
like the last bloke driving the car had his foot on the floor like Michael Schumacher; the next guy jumps in and
slams the brakes. It needn't have been that way. So, the lack of engagement with the private sector throughout
345 that period '97 to sort of 2007/2008 is I think one of the biggest causes for regret that the public sector should
have.

INTERVIEWEE N

Date: May 31st 2011

Setting the scene

5 **Q1 I have a set of questions that I normally ask of Council Chief Executives, and you're not exactly a Council Chief Executive...**

I was up until February.

...so could you quickly run through you local government experience prior to taking up this post?

10 In 2010–2011 I was the Chief Executive of [named] Council for a fixed period of time. Between 2001 and 2006 I was an Executive Director for [named] Council. Between 1990 and 2000 I was Assistant Chief Executive with [named] Metropolitan Borough Council. Prior to that I worked for...retail, the retail industry. Between 2006 and 2010 I was the Chief Executive of [named company] Ltd and today, after doing my fixed-term stint as Chief Executive of [named] Council, I reverted back to my role as Chief Executive of [named company] Ltd and Chief Executive of a company called [named company 2] Ltd, which has a partnership with [named] County Council.

15 **Sorry, so when was it you entered local government?**
1990.

20 **Q2 What position did you occupy in May 1997?**
Assistant Chief Executive of [named] Borough Council.

Organisational learning

25 **Q3 Have you heard of the terms “organisational learning” or “the learning organisation”?**
[Nods]

30 **a) Do you think interest in organisational learning within local government has grown in recent years?**
Yes, there's been a growing awareness. I would say that awareness hasn't been matched by a growing implementation but there's certainly more of an awareness that built up from about the mid-1990s.

35 **b) Why do you think this is the case?**
I think there's a number of factors, one of which is the HR industry has become more mature in local government. It's building in a sort of a professional structure around itself, the Chartered Institute of Personnel and Development and so on. And with any development of that sort, people join it more, people become qualified. Local government tends to now ask for CIPD trained HR specialists and a part of their training will include organisational learning, organisational development. I think the industry magazines go through phases of what they promote and what they raise and I think that's been a part of it as well. And I think there's been an element of the last Labour government promoted the apprenticeship training agenda and that was shaped within a framework of organisational learning and development within local government. I think there's also been a general...because of the focus on post-16 education over the last ten years, there's been a growing awareness of NVQs, there's been a number of factors that have contributed to that increased awareness.

45 **Q4 Do you feel that you have a good understanding of Organisational Learning theories?**
Yes.

50 **a) What does the term mean to you?**
For me it's really simple – it means if I invest in this, will the performance of my business be stronger? Will the sustainability of my business be stronger and more likely? And will the growth in my business be stronger and more likely? If I work on around 70 per cent of my costs are people, then they are my most expensive asset. Talking in very simple terms, for me to sweat that asset requires improved productivity which, again, is made up of a number of different things, one of which is the person - experience, training, learning, expertise. So, if it's my biggest cost, then as a part of leading a company, leading a business, leading any organisation you have to consider that asset and consider how you maximise the output of that asset. I know we're talking about people, but it's the same principles for me. So, for me, it's not something I can afford to consider or not – I have to consider it. It's a key part of our survival.

60 **b) What has been your major source of information on Organisational Learning?**
Probably from a theory point of view it's been my own learning through Masters and PhD.

Q5 Do you want this organisation to be a “learning organisation”?

I'm not sure I would use that terminology – the Learning Organisation comes out of New Zealand if you go right the way back to its foundations. I think it was Auckland, from memory, Auckland University, where the study was undertaken. I think we are much more complex than simply saying it's a learning organisation because some of

65 what we do is about removing the person, so things like IBR and voice recognition, automation of processes – it's about taking the person out. So it can't purely be about a learning organisation in the general sense, but I would say that being an organisation that learns from its past performance, from service failure, from system failure, from the industry, from technology advancements etc, are critical to our success. Now they all would form part of a learning organisation but I think we're much more than that.

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Q6 Do you think you are one?

Using the definition that people have, I would say yes. Because it's embedded in our business, how we improve and a key part of that is learning.

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a) What has been put in place to make it so?

Lots of things. We've done the obvious stuff like Quality Framework, so we have the four strands of IIP, we have a commitment to equality standard, Customer First, which is very focused on learning. You've got the Quality Framework at one level, then you've got what I would describe as the processes of the organisation so, for example, reporting the management information systems etc, we convert data into intelligence. Then we have the leadership element, both at my level and the directors' levels and so on, where we cascade down that people are important and a part of that has to be learning in all sorts of forms. We have a learning and development service within our structure, and that person reports directly to me. So again, in terms of its importance in the business, it's recognised by its structure and the fact that it is direct into me. And there's only one single service, people don't do their own learning. Probably the biggest thing for me is our culture is around...we have a number of different behaviours and a number of different objectives, and they are things like last year's performance is this year's baseline. Now, if you just take that one statement alone, to make that live you've got to improve on last year, and the only way to improve is to learn, is to review, is to evaluate, is to plan. So we actually use the FQM model as a part of our process. It's a structured approach to learning so it's embedded into what we do.

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Organisational Structures and Culture

Q7 Does your organisation have a clear idea of what it wants to be in, say, ten years' time?

Yes.

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Q8 I was going to ask how you interact with other senior officers and senior members in the council setting...

We still do...The meeting I've just come from was with the Chief Executive of [named] City Council. A missed phone call on the way back was from the Leader of the City Council, so we do have that day-to-day involvement.

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Either now, or as Chief Executive of [named council], did you/your senior management team/senior members put aside enough time to reflect on what you are doing (rather than the details of how you are doing it)?

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No. And the reason I can say that with such conviction is that I compare it to what I do in my business and I compare it to what I've found in the City Council. It's much more about the now, not about the future.

a) Is there anything that could have been done to change that?

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It is very much a cultural issue, and I think it can be changed by leadership both politically and managerial, because there is rhetoric around but its application is more the challenge. And the application tends to be more around apprenticeship programme – it tends to be a programme-based approach, rather than a broader, overall approach, so I do think they're not generally, but there is no reason why they shouldn't be.

Q9 What would you say were the top three ways in which you and your staff receive information on new ways of delivering services?

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There are many, many. One of the ways is simply challenge, or performance. So, if we look at what we're doing – that old thing that necessity is the mother of invention – if you look at what we do and say we want to be better, that culture of continuous improvement, we talk about logical incrementalism but then step change. We would see our current performance as being a key driver for learning and innovation. An example, if we're answering 90 per cent of our calls, how do you answer 95 per cent? And often it will require a technology leap, it will require a re-engineering of processes, so the review of management information is critical.

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The second thing is just what I describe as the 'bright idea'. What if...?

Third would be industry developments.

Q10 What is your organisation's, or councils you have worked for, attitude towards risk-taking?

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They tend to...there's something called prospect theory – I think it's from 1956, prospect theory. In the absence of evaluation, high levels of risk are taken. And that sums up local government, they don't evaluate risk. They often have a risk team and a risk audit, and they measure risks, but are they the right risks? So they tend to measure the risk of overspending, the risk of government claw-back. They don't measure risk. For me, there should be very few risks in any business. Very few, because it's the risks that are critical to your business, and you mitigate them.

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What local government tends to do is simply list risk. Then they use a model of the likelihood and impact and when you look at them, they are meaningless. I suppose the biggest example of the link between that is, they'll have a risk register, but they'll have no business continuity plan, and their biggest risk is not having a business

continuity plan. But that wouldn't even be on the list. I think they are just very poor at evaluating risk and therefore, in the absence of evaluation, they take unnecessary risk.

135

Q11 Do you encourage staff to experiment with new ways of working/delivering services?

Yes. I've actually got a paper on my desk called "new ways of thinking, new ways of working". It goes back to...we have to stimulate the reason for change "new ways of thinking, new ways of working" is a structured approach to doing that. And I'll be saying to people "NASA sent men to the moon with 0.16 meg of memory in 1969; The first mobile phones were launched in 1987, now in the UK there's 76 million; Facebook was launched in 2004, there's now 500 million users. So I try to stimulate new ways of working, new ways of thinking by demonstrating to people how things change. And they either change with you or change without you.

140

a) Are the results fed back into the organisation for analysis?

Yes, at one level ICT use an ITIL model and we have very clear project management, programme management structures. But then within a service area we have something called a monthly QOS report where they report on things they have tried. As well as their performance, they report on things they are trying or things that they have tried. And then every service, every year, has something called business improvement plans where they talk about how they are going to improve, in small ways or big ways, their business over that year, by service area. So they'll be the mechanisms for reporting and stating what people are going to do.

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Q12 I normally ask Council Chief Executives when was the last time they changed their internal organisational boundaries and what prompted that change. Have you any experience of that?

Yes, in the City Council, in the nine months I was there, we did away with the structure of "3 Aims", which was an incredibly bureaucratic structured approach to the matrix management jargon. And we simply stripped it back to basics and we went from these three key aims that clouded everything and went back to "you're children's services, you're adult services, you're operations, you're finance, you're regeneration". And we de-layered the management team – I think the management team itself went from 19 to six and the next layer 74 to 25. We took about £4million out of the cost base of management.

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What was it that prompted that change?

The organisation was driven by process, and process was the reason not to do things. It was all done by consensus and process and the result was slow, poor decision-making, or an absence of decision-making, and a lack of pace in the organisation.

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Q13 Do you use secondments (or similar) to share knowledge/expertise within the council or with other organisations?

Yes, well secondments I wouldn't use for experience because I think that's just a tool, a technique, you can do it in lots of ways. Secondment is a way of minimising redundancy costs and pension bonds – is the reason you do it, there's a financial reason. There may be a philosophical reason about a person being committed to an organisation that they are seconded from, but it's an economic reason. Large scale secondment is about avoiding pension bonds and pension liabilities.

170

Q14 Can you give an example of a change you have tried to implement but where you were not totally successful?

The one big one that we often use when we're asked this is in 2001, I brought in, or looked at bringing in CRM. We spent a million pounds and stopped. We realised we were putting a square peg in a round hole. CRM is designed for a single product, a single customer industry, and we were trying to apply it in a complex environment which was not fit for purpose. So we spent a million quid and stopped. So that's probably the only big example where we tried something. We'd be doing the logical incrementalism approach – every step we do informs the next step and it means that you can change strategy and change direction quite easily within a programme, because you're not committed to an end. You're committed to an outcome, but it's not a sequential line that we can do that and we have done that as a part of our business. So we very rarely fail, because we move the goalposts. But we do that within strict timescales, financial parameters, and outputs. So we have the structure, but there's a lot of room for the vision to revolve. So we very rarely fail, but 2001 was certainly an example, it was actually about 2003 when we killed the CRM project.

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Specific Modernisation Initiatives

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The Beacon Council scheme:

Q15 What involvement have you had with the Beacon Council Scheme?

Yes, we used the Beacon Council for e-government...I'm always keen on using a structured approach to get somewhere so I used IIP to enhance awareness of training, learning, development. IIP doesn't get an extra single person on a course, or give them a qualification, but the structure provides the environment. So I used Beacon Council in [named] City Council to drive up the use of technology, so we went for Beacon Council on e-government, and we got it. The end in itself was the title, but we used the validation, the process to drive e-government within the organisation, so it's a badge, and it's a structure, but it doesn't actually get you it.

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Q16 What did involvement in the scheme teach you about your home organisation?

No.

205 **Q17 What did you learn from other beacons? Were any changes in working practices adopted as a direct result of involvement in the beacon scheme?**

No. I think the e-government – we went down that route because there was nothing to learn from people. So you had to lead, shape, so we used the e-government framework in which to be a leader and shaper rather than learning. There was nothing to learn from, it was new.

210 **Q18 Did you try to implement a change but were not totally successful, and if so what were the barriers to change?**

Not asked due to answer to previous question

215 **Q19 Do you think the scheme was an effective way of spreading good practice?**

No. It was quite a bureaucratic structure, process, so we had workshops where people would come along, and information days...You had to do that as part of it, but I'm not sure it did anything because it's about who attended – was it the right people, was the right culture in the organisation, was the right sponsorship level...?

220 **Best Value:**

Q20 Did the Best Value framework bring out information about your organisation of which you were unaware?

225 Nothing at all. The work on Best Value was a doorstep announcement by Tony Blair when challenged what was he going to replace Compulsory Competitive Tendering with. And he said Best Value. Then the civil servants spent 12 months afterwards making up what Best Value was. And the fact that there is no legacy of Best Value – a bit like Big Society really – is just...it was a political brand. The principles you could never argue with – the principles of being a good neighbour, engaging your community, doing things with less, taking out inefficiencies – but Best Value became another government and local government process. It didn't make a great difference.

230 **Q21 Was the information available from other authorities of use in making comparisons with your own authority?**

235 No. I'll give you one simple example; when you benchmark, you miss out one key factor – comparator data. So if I pay my staff 40 per cent more than Birmingham, I'm not going to be as good value for it as Birmingham, on that basis. But if Birmingham haven't taken in the fact that they've outsourced their cleaning service and therefore lower holidays, lower pay, and therefore they get more benefit claims, but they don't. they just look at cleaning. So without taking the comparator data into account, most Best Value comparisons are fairly meaningless. And also the structure of the data was very varied. So, for example, one library service might include the cost of buildings, and one library service didn't. One might include recharges, another one didn't. There was no consistency of data collection.

240 **Q22 Was the information available from other authorities of use to you in bringing about improvements in service delivery?**

245 No. I'm not saying it hasn't happened, but as a general rule, no.

Q23 What were the main drawbacks to Best Value?

250 The drawback for me was that it became a bureaucratic process. There was a lack of data consistency; there was a lack of comparator data. So it became an inwardly-focused process. So the principles were right, but the implementation and application were flawed.

Comprehensive Performance/Area Assessment:

255 **Q24 Which aspects (if any) of the CPA/CAA have helped your organisation to learn about itself?**

260 No. Same principle as Best Value, Beacon Council – it was a process put in to measure. And you've got a question about how you measure and what you're measuring and the purpose of measurement. So, there used to be four services, I think, or five services, that had a CPA score and the rest didn't. If you got a 1 for finance and even if you got 4 on everything else, you were deemed as failing. It was definitely a 'one size fits all' process and it was tick box and it was all about strategies, plans and processes. So they would measure the process for consultation and agreeing investment priorities, but they never measured how successful you were on your investment programme – so the process of spending the money, not the outcome of spending the money. Now, in my world, we would look at ROI, or whatever it may be, but we wouldn't measure the process and whether everyone was consulted on spending £5million, you would look at what the £5million was spent on and did it deliver value, did it deliver its outputs, was in on time and in budget and deliver. So I thought it was a process-driven assessment of performance, it wasn't about performance. So you would end up with some councils getting Council of the Year and excellent councils when everyone knew, in the industry, they weren't very good, but they were very good at process and plans and strategies and neighbourhood strategies and all these sorts of things. But delivery- and delivery was a big thing missing out of CAA – which is what you and I would measure a council on.

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Q25 Which aspects (if any) of the CPA/CAA have helped your organisation to learn about what other councils are doing?

275 No, not that. I thought there was very little sharing because you were inspecting a service and that inspection would take place every year, every two or three years, whatever it may be, and it was very much about your service. I think it was very difficult to learn from it, because it just became a scoring and ranking exercise. You know what happens with these things, everyone eventually becomes excellent.

Q26 Have you implemented examples of good practice from elsewhere that have been brought to your attention through the CPA/CAA?

280 Not that I'm aware of, no.

Q27 Which aspects (if any) of the CPA/CAA have you found to be least useful?

Not asked because of answers to previous questions

285

Other Local Government Modernisation Initiatives

Q28 Do you believe that any other initiatives introduced as part of Local Government Modernisation have helped local authorities to learn from each other? Or hindered learning taking place?

290 I don't think there was anything that hindered sharing information; it was the validity of information that was always an issue. I'll give you an example: KPIs. People say to me – I was top quartile in benefits – and they'd say to me "you do it in 22 days, we do it in 10". The difference was, my caseload was 81,000 and their caseload was 10. But the complexity of the caseload meant mine was the equivalent of 225,000, and theirs was the equivalent of 10. So you were not comparing...One of the big things on benefits, for example, is the level of multi-occupied private tenancies. A lot of the northern Mets are effectively social housing with RSLs or ALMOs, which are dead, dead easy. But the multi-occupied private tenancies are three and four times the complex caseloads. So why would we compare? Core Cities – people say ah, well, Core Cities might be an example – if you look at Council Tax collection, if you're in a Core City which is booming, or a Core City which is in decline, are you in a Core City where each new development affects your collection base? Because the valuation office is six months late, but your performance data is in the year collected. So I can be showing in-year collected as being lower than other Core Cities and it's as a direct consequence of economic growth. So, for me, the KPIs were little more than: if you did well on them, you told everyone how good you were doing, and if didn't do well on them, you told everyone it didn't matter. So I can't honestly think of the learning side of this. I can say local government improved its performance during that period, but I think that was driven by the leadership of Blair and the like saying this is important, education, education, education, the NHS, the NHS, but I don't think bins got emptied any better, and I don't think the streets were any cleaner, other than they brought a more professional leadership approach into local government. But I'm not sure about learning.

310 **Finally**

Q29 Are there any questions you were expecting to be asked but which I haven't asked, or any other points you want to make?

315 I think what we have is: local government is still diverse, too complicated and too complex and until you fix the complexity, you won't fix the learning. To have 450 organisations is too many. To have organisations competing with each other, to have organisations where you trade with each other, and then to have other organisations laid over you, like PCTs and the police and the Development Agencies – there's just endless lists – the way to improve, for me, the learning and shared learning, is to have less things. And complexity is your biggest challenge in learning. So less of them makes it clearer, and less noise. And then to pick the critical things that matter, rather than looking at everything. We don't need to look at how much it costs per kilometre of road to repair – they're all different. How wide are they? Is it urban, is it rural? Is it busy? Is it...whatever, whatever? But actually measuring the really critically important things. And I would think that an organisation even the size of [named] City Council should probably measure about six things. Six things a month, six things a quarter and six things a year. I think at one point they were measuring literally hundreds upon hundreds upon hundreds. What are the six things? I know in my business I measure revenue, I measure profit, I measure what I call order value – so whatever I win this week, or whichever order I book this week, what is it worth over the life of the contract I have won? That's the future sustainability. I measure staff sickness, because it's critical in terms of cost. And I'll measure am I on budget – yes/no. And my contractual performance targets – are they being met: yes/no. I don't list all of them. I have a little tolerance – it's green if it's between plus or minus one per cent; it's amber if it's between plus or minus three per cent; and then it's red over that. So I can see clearly if my business is green, or bits of it amber or bits of it red – instantly. And then I can drill down. If I have hundreds of them, I can't, and a City Council for me should have no more than six. If we all had the same six then you can imagine how much learning could take place. But they don't. That's all.

INTERVIEWEE O

Date: 21 July 2011

Setting the scene

5 **Q1 When did you enter local government?**

1975.

Q2 What position did you occupy in May 1997?

10 I was Chief Executive of [named] Council. I had started in '94.

Organisational learning

15 **Q3 Have you heard of the terms “organisational learning” or “the learning organisation”?**

Yes, in fact I first heard the term ‘the learning organisation’ in the late 1980s or early 1990s when I recruited a management development advisor. Unfortunately it was a classic example of a term, and maybe an idea, that was a little bit before its time, then, in the particular organisation in which we worked, and it didn’t take root because it was premature as a concept, I think.

20 **a) Do you think interest in organisational learning within local government has grown in recent years?**

If you mean since '97, then certainly.

b) Why do you think this is the case?

25 I think it has grown partly because there was always a kernel of interest in it, not maybe sufficiently widespread, but there were always people who were interested in it, but I do think that the stimulus of the modernisation agenda, as it is commonly understood to be, has been a big boost to organisational learning. Loathe though I am to admit that it takes external stimuli, but I think it’s hard to escape the conclusion that the various elements of the modernisation agenda, some more than others, have encouraged, stimulated, enhanced, organisational learning in local government.

30 **Q4 Do you feel that you have a good understanding of Organisational Learning theories?**

35 I suppose I’m bound to say yes, aren’t I? I do think I did, maybe not fully developed in '97, but I think over the course of my 16 years as Chief Executive, if not necessarily at the outset, I did become very well aware of the importance of organisational learning and very committed to having it pursued within the organisation. Not least helped by certain colleagues, senior colleagues who thought it was important as well. But more so in the latter half of my period as Chief Executive than in the former half. I think around the time of '97 it was not hugely well developed as a concept, and that would include in my mind as well, perhaps.

a) What does the term mean to you?

40 It means a number of things, but certainly it means taking an active interest in what is happening and learning from what happens, whether it’s learning from successes or failures of performance in the organisation. It very much means learning from other people and other professions and other departments, and other parts of the organisation, transferable learning across boundaries within the organisation and it absolutely means learning from external organisations, whether they are other councils or indeed other organisations that aren’t councils, in whatever sector, and whether they are local or whether, actually, they are not local. So it entails an open-mindedness, and an active open-mindedness – I actually want to find out what other people are doing, how it is that they’ve made a success in that area where we haven’t, so it’s not a passive open-mindedness, it’s actually an active open-mindedness.

50 **b) What has been your major source of information on Organisational Learning?**

55 Very hard to summarise succinctly, because I think if one takes it all seriously then the sources are hugely diverse and varied and in my role as Chief Executive of [named council] the sources – well, they included close colleagues, not least those who were recruited from outside the organisation, people would come in at a senior level who had done things differently. And actually you pick this up right from the application form. You’d see that such and such was applying to be Director of so and so, and they’d set out in the application form what they were proud of, what their organisation had done. More would emerge at the interview and you’d think “hey, we’ve got something to learn from this person and from what he or she brings from their past experience elsewhere”. It also came, to a degree, from Local Government Association, Local Government Improvement and Development or whatever it’s called now – it’s changed its name over the years. To a degree, but to a slight degree only, it came from external auditors. They liked to think they could signpost you to good examples of things elsewhere, but weren’t as good at it as they thought they were. It came increasingly from the local government trade press. If you look over the last few years the LGC, MJ, would structure the journal in such a way that there was a section on good practice in this area, good practice in that area, and so on. The things I’ve mentioned so far are mostly about learning, if you like, professional, technical stuff, but I think there’s a huge amount of organisational learning

65 about how organisations operate, regardless of which sphere they are in. I mean, I'm a fellow of the Chartered
Management Institute and I always took an active interest in reading certainly Management Today and some
other management material and I did take myself actively to a small number of conferences and seminars each
year, I was rather selective, but just before I became a Chief Executive I went on the civil service top
70 management programme, which was very extensive – something like six weeks, in separate modules – and a
couple of years before I retired I went on the Leadership Centre's Leeds Castle programme, which again brought
one into contact with current thinkers, not on how to run a good housing department, but how to run a good
organisation of whatever sort. I'll stop there rather than ramble, but those are illustrative of the main sources.

Q5 Did you want your council to be a “learning organisation”?

75 Yes, but as a means to an end – in order to learn from others in order to become the best organisation it could in
the provision of services and leadership to the public and in the running of local democracy. But as a means to an
end, yes.

Q6 Do you think you were one?

80 Without being pedantic, I think, in a sense, because learning is a process, you can't say you've ever got to a
position of being a learning organisation. If you think you've got there and you stop striving, then that's not
learning, that's stopping learning. I do think, increasingly, and certainly by the time...the last few years of my time
there, we were taking very seriously the question of learning and – I'll then come back to the stimuli for that – I
85 wouldn't make any exaggerated claims that somehow we deserved the national award for being the best learning
organisation, but the term meant something to senior people, it certainly meant something to HR people and it
wasn't one of those terms where people said “Oh, we'd better bung the term ‘learning organisation’ into this
report”. It was taken seriously.

a) Did you put things put in place to make it more open to learning?

90 Yes, certainly. There's a little anecdote that I tell about one of my very first days there in 1994, this is before the
government produced something that people refer to as the modernisation agenda, when a senior officer came in
to tell me there was a problem and asked me what I wanted to do about it. The fact that he had to ask the
question in that way astounded me, and I said “well, the first thing I want you to do is to sort it out”.

“Well, how do you want me to do that?”

95 “You could start by phoning round other councils in [named region] and ask them how they deal with it”.

Stunned look. “You actually want me to find out how other councils deal with this?”

“Yes, why not?”

100 Clearly my predecessor had not encouraged people to look outside. Now, I know that's just one little anecdote,
but that made me realise very, very early on, that the organisation into which I had come was not inclined to go
out and find out, to learn externally, partly because – with a degree of justification – it believed that it had been in
the vanguard over a number of things and therefore had nothing to learn from others. I think that is such a
mistake. To assume that just because there's an area that you are knowledgeable and quite good in, that you
somehow haven't got anything to learn from others, I think is appalling. But I actively encouraged learning. In a
number of ways I strove to break down the silo boundaries between services because there was a lack of learning
105 from one department to another. Clearly professional, technical learning may not be appropriate, but there's loads
other sorts of learning that could have taken place and, increasingly, did take place. So I was...it used to be a
never-ending battle for a Chief Executive to break down the silo boundaries, but we got there in my last maybe
four or five years. And I think we really did break down the boundaries to a degree that I was very pleased about.
So that was encouraging internal learning. We did take seriously, despite the lack of resources, having a proper
110 strategic approach to personal development and management development as, if you like, some of the building
blocks for organisational learning, although I'm not saying they are exactly the same. But increasingly with the
emphasis on performance management, on performance indicators, it became imperative, really, to say “OK,
we're not doing very well in this one, why not? How are other councils managing to achieve better performance
than we are? We must go out and find out about them”. There were ways, increasingly easy ways of doing so,
115 that were introduced through the modernisation agenda, whether it was Beacon Councils or whatever. I would
also mention, though this wasn't so much officer-driven, in fact really wasn't officer-driven, I believe the scrutiny
committees, certainly in the way they were operated in [named council] – and I made absolutely sure that they
were well resourced. I think, most unusually, in a difficult budget year, when we first set up scrutiny committees, I
said to councillors “I know you lot, you will want to take scrutiny seriously, you must put a big chunk of money
120 aside in the budget, however difficult it might be, to resource the work that your scrutiny committees will do”.
Because the scrutiny committees ended up inviting witnesses from wherever it might be in the country, paying
their expenses, bringing them in to talk to the scrutiny committees about how other organisations – normally other
councils – did things. One thing I will mention just before I forget, one of the reasons that I took organisational
learning seriously was that, before I was a Chief Executive – so I'm talking about '87 to '94 in particular – I was a
125 member of an incredibly productive organisation that I think still exists, called CECSNet, which was the Chief
Executives' Corporate Support Network, and it was a county council thing, because I worked for county councils
in those days, and it was, in effect, an offshoot of ACCE, the Association of County Chief Executives. It provided a
service to ACCE but it was really an organisation – I call it an organisation, it was just a network – through which
County Council Assistant Chief Executives and equivalent were in touch with each other, got to know each other.
130 It was very informal, hugely productive and we spent our time learning from each other. We'd have a seminar on
a particular topic and two or three county councils that were known to be leaders in a particular field would give a
presentation on how they did it. It wasn't arrogance, it wasn't snubbing those who...it just really was an excellent
interchange of information. Inevitably it doesn't reach the Heineken parts, in the sense that you have a small

135 number of councils that were good at such and such and as a result of the exchange of information, a slightly
larger number of county councils would become good at it. But it didn't mean that it spread through and every
county council became good at everything, but the principle of actively finding out how other county councils were
dealing with important topics and making a point of going and learning from that was something that I found
140 hugely productive just before I became a Chief Executive, and that had quite an influence on my attitude towards
learning from others.

Council Structures and Culture

Q7 Did your council have a clear idea of what it wanted to be in, say, ten years' time?

145 I always liked to think so, but the fact remains that, particularly the Assistant Directors, or Service Directors as we
subsequently came to call them, kept telling me that it wasn't clear enough and explicit enough. So, if I'm honest, I
would say that there was a lot in my head which other people didn't think was sufficiently explicit.

Q8 Did you/your senior management team/senior members put aside enough time to reflect on what you were doing (rather than the details of how you were doing it)?

150 I think senior officers did, because we were very conscious of the need to. We didn't have hugely frequent actual
away days or overnights, because it became quite sensitive to spend money on accommodation and so on, but
we did...we intentionally had frequent business meetings and every six weeks we had what was designed to be a
155 more reflective meeting of the corporate directors and service directors, so it was 15 to 20 people in total. And we
actually diaried six-weekly more reflective meetings, Inevitably, sometimes there would be a crisis, or the
pressure of day-to-day business which took over those meetings, but we always felt regretful and guilty when they
did. As for senior members, it was harder, and it came later, but within my last couple of years we had two or
three away sessions that involved the Executive and officers. But what I would say is that the political groups,
160 particularly the Liberal Democrat Group, were actually very good at having reflective, whole Saturday, whole
Sunday sessions. Clearly, although they sometimes asked officers to attend to present information on the budget
or something and then leave, officers weren't involved in the discursive elements of them, but as a result, the
notion of reflecting wasn't alien to leading members: it's just doing it jointly with senior officers didn't happen until
maybe a couple of years before I left.

Q9 What would you say were the top three ways in which you and your staff receive information on new ways of delivering services?

165 This isn't necessarily the top one, but I think recruiting people from outside is helpful, but I'm not necessarily
putting it at the top. I think the top one, I would say, would be external professional networking through
professional societies, etc. Again, within reason, you can't be happy if someone is spending three days a week
170 swanning of to seminars all over the place, but an active interest and engagement in professional networks – and
by professional, clearly in the case of Chief Executives and Policy Officers, that would include overarching issues,
not just narrowly professional ones.

I need a third. Well I'm not going to say external auditors. I think I would say the trade press. Certainly speaking
175 personally, things would be prompted by reading in LGC that such and such a council was doing so and so.

Q10 What was your council's attitude towards risk-taking?

180 We were accused by the auditors of being risk-averse. That was, let's say, half a dozen years before I retired, we
were being accused of being risk-averse, which I thought was rather ironic, coming from auditors. I actually don't
think we were risk-averse, but I do think we were not very good at assessing risk. In the last, let us say, half-
dozen years, we got a lot better at assessing risk and I think that meant that we had a much more sensible
attitude towards risk. But I would not describe us as one of the organisations that was willing to take great risks.
Our background, our history, our tradition didn't actually see it as necessary. We were never a basket case, we
were never...it was, for a long time, it was a fairly stable organisation, not necessarily the best in the country but
185 certainly never going to be criticised as one of the worst, and in those circumstances there was less incentive to
take major risks.

Q11 Did you encourage staff to experiment with new ways of working/delivering services?

190 Certainly, and there were some really good individual examples of developing new ways, some of which got
awards in their particular fields. But interestingly I don't equate that necessarily with taking risks. For the youth
service to set up a computer-based form of counselling for teenagers was highly innovative, but it wasn't
particularly risky, because it wasn't entailing a large sum of money and if it hadn't worked then, hey-ho, it would
have been worth trying, not a lot lost. So I don't necessarily equate new ways of working with risks. It partly
depends on scale. If you take, for instance, externalising, [named council] did quite a lot of very specific, fairly
195 narrow examples of externalisation. We created a Sports Trust to take over the sports centres; we externalised
the main cemetery and crematorium to the Co-operative to run that for us; we did the same with our vehicle
management; we did the same with our main swimming pool – that was actually before I arrived – and there were
one or two other examples, but they weren't done as a matter of principle, they weren't done for ideological
reasons. Each one of them had an entirely separate reason. The cemetery: we hadn't got the capital to build
another chapel, which we needed, so the Co-operative said they would build the chapel and finance it if they took
200 over the service. And so on. Each are examples of externalisation...specifically, we did not put all our eggs in one
basket by saying to Capita or somebody "run loads of things for us". So, we were willing to experiment and

encouraged experiment and doing things in new ways, but normally we kept the scale confined, which in itself limited risk.

205

a) Was there a way of feeding the results of experiments back into the council system for analysis?

Yes, although that would not have been a centralised process. I suppose it's entirely natural and predictable that I had brought to my attention the things that were really successful. It may well be, I don't know – by definition I don't know – that there were examples of things that failed that conveniently never came to my attention. I just don't know about that. But I made a point, and it wasn't just me, of...people who hit the headlines with a new way of doing that got good reputation for [named council] in the trade press or wherever it might be, in the local paper, I made a point of praising, thanking...they'd feature in my next piece in the staff magazine, how well such and such had done. So I did try to encourage a culture in which people felt rewarded for doing things differently.

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Q12 When was the last time your internal organisational boundaries were changed? What prompted that change?

Well I actually, only about six months before I retired, in summer 2009 – and that was primarily in order to bring on board, into the council the Chief Executive of the Primary Care Trust, who remained as Chief Executive of the Primary Care Trust, but in addition became the Corporate Director of Adults and Health for the council, with a twin role. And there was...it was necessary to do a bit of tweaking of boundaries to make that work.

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Q13 Did you use secondments (or similar) to share knowledge/expertise within the council or with other organisations?

At a senior level, there were three examples I can readily think of which worked in the other direction. I'm struggling to think of an example of actually bringing somebody in. So, it wasn't an unwillingness, because we were very alert to the benefits of secondments, but I honestly can't remember a senior one inwards.

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Q14 Can you give an example of a change you have tried to implement but where you were not totally successful? What was the impetus for that change? What were the barriers to making it?

Yes, one...fairly soon after I became Chief Executive, so I'm going back to...probably the second half of the '90s, I tried to encourage the breaking down of silo boundaries between different directorates, not least in the interest of organisational learning, by giving individual directors a responsibility for something corporate in addition to their service responsibilities. This was done with their supposed agreement, so they may have been humouring me, but they weren't resisting it. It didn't work very effectively, partly because some of them took their corporate responsibilities far more seriously than others. Or to put it another way, some didn't take them very seriously at all – always had an excuse why they hadn't managed to find time for their corporate responsibilities, because clearly they were still prioritising their service responsibilities. And in 2000 when we had a Peer Review, to my delight the Peer Reviewers strongly recommended that we needed to strengthen the corporate capacity at the centre because we didn't have adequate corporate capacity because too much of the corporate stuff was being left to Directors who were not giving it priority. So therefore armed with the recommendation from the Peer Review Team, I persuaded the council to let me appoint two Assistant Chief Executives – it was really to create one new post and to upgrade another post – but I was glad that I had tried the other route first, because it enabled me to resist subsequent suggestions that it was too centralised, because I was able to point to the fact that I did try to do it in another way first, but it didn't work, and external people advised me to go down this route. So I'm not a natural centraliser – I tried distributed and corporate capacity first. There was a lot of learning from that on my part and I think on other people's part.

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Specific Modernisation Initiatives

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The Beacon Council scheme:

Q15 What involvement have you had with the Beacon Council Scheme?

We made applications onto the scheme a few times, we got a Beacon award I think once only. I think the underlying purpose behind it was very laudable. As is so often the case with such schemes, I think it became caught up in its own rules and it got to the stage where you had to look at the list of things – the categories – and decide whether you had something you could put forward under that category. And if you hadn't prioritised your council's work in those areas, or if the way that you were doing it...say you were doing half of one category combined with half of another category, because that's how you structured things, you know you weren't going to stand a chance. So it got to the stage where we stopped applying because it took a lot of effort to apply and you were sometimes distorting your own priorities in order to be able to apply. But I think it ran its course. To start with it was good and the idea was laudable.

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Q16 What did involvement in the scheme teach you about your home organisation?

I don't think the preparation of the bid did. I mean, clearly what we did do is to take ourselves off to presentations by councils that had got Beacon status is a particular field, because we wanted to learn from them. I don't think the act of preparation taught us very much – of preparing the bid, taught us very much. If you like, it was a necessary evil – evil only in the sense that it tied up resources. But, no I don't think we learned a lot from preparation of the bids.

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Q17 What did you learn from other beacons? Were any changes in working practices adopted as a direct result of involvement in the beacon scheme?

275 I honestly don't know. I do believe that officers went with a genuine desire to learn, but whether...what I can't myself do is point to specific changes that were made as a result. But I am confident that they didn't go just for a day out with an arrogant feeling that we are not going to learn anything.

280 Sorry, I don't know which question that I have already answered that this relates to and I should have said it, but one source of organisational learning that I should have mentioned at some stage earlier on was taking part in Peer Reviews. I led two Peer Reviews of other councils and a small number of councillors from [named council] themselves took part in Peer Reviews and I did try to get them to feed back into the organisation what they had learned, it was actually a bit hard to get councillors to...In addition, this is not Peer Review, but we actually did an exchange with a couple of councils who we made contact with for one reason or another and a small number of us would go down and spend the day with them hearing about particular topics which we knew they were good at and which we'd expressed an interest in and they'd then come with a few senior colleagues a day with us picking up on things that they knew we were good at and that they wanted to improve on. So we did that with a couple of councils.

Q18 Are you aware of any new ideas that were brought back from Beacon councils but which you were unable to implement?

290 To be honest, I'm afraid it's probably a mixture of I wasn't involved at that level of operational detail, coupled with the fact that time is receding, but I can't point to any specifics. But I am confident that officers were genuinely keen to learn, so I'd be disappointed if there were no examples, it's just that I can't point you to them I'm afraid.

Q19 Do you think the scheme was an effective way of spreading good practice?

295 In the grand order of things, I don't think it was a huge factor. I certainly didn't list it in my top three examples of sources of learning. I think it was well intentioned, I don't think it was very effective for very long. It got caught up in people not liking that other people were getting accolades: "we deserve an accolade that much", which is a bit pathetic really. It was a good idea, well intentioned but I think it actually was relatively marginal.

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Best Value:

Q20 Did the Best Value framework bring out information about your organisation of which you were unaware?

305 Quite definitely yes. Whether the term Best Value is the best term, whether it was defined in the right way is a detail that's not really worth bothering about, but again, loathe though I am to admit it, I actually believe that, at that particular time, the internal review process and the external inspection process were genuine forces for good – certainly in [named council]. It made us confront services that weren't good enough, it made me more aware of services that weren't good enough and it provided a stimulus – a strong stimulus – to improve them. I think the CPA process...it's the way of the world, isn't it? You get towards the end of a number of years of a process like this and it starts coming in for criticism and so on. Personally I'm not a fan of targets, although I am a fan of performance indicators, you can say that you did like that aspect, you didn't like this aspect, but generally speaking – and I do think it was time to move on from CPA – but during that period of however many years it was, I think it...I am in no doubt whatsoever that it led to...it helped us to make real, significant improvements to the services provided by [named council] to the public.

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I'll come on to CPA in a second...

320 I know I'm sort of equating Best Value with CPA, and I know there's more to Best Value. But I actually think that was perhaps the most significant element of Best Value.

Q21 Was the information available from other authorities of use in making comparisons with your own authority?

325 Definitely. Notwithstanding all the inadequacies, notwithstanding the fact that people will always say "we're much more honest in the way we put our data together than such and such a council. Everybody knows that they cheat". Despite all that – yes.

Q22 Was the information available from other authorities of use to you in bringing about improvements in service delivery?

330 Definitely. It wasn't just comparison with other organisations, it was also a more disciplined time-series comparison in one's own organisation. You'd look to – have we improved over the last three months, six months, 12 months? So it wasn't just comparing with others, it was also seeing how we'd done. But, as well how we'd improved, or not, you see whether others have improved faster. So it was a mixture of time-series, internal plus external.

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Q23 What were the main drawbacks to Best Value? It was very intense for a while but didn't last a particularly long time.

Well, I think – I don't mean to quibble over how you define Best Value – but I think it has a legacy and I don't think you – I shouldn't say you can't put the genie back in the bottle, as it's sort of the other way round – I don't think people can get away with not being able to say how well they are doing, which was possible prior to that. I don't

340 think people can get away with being told why do we issue far fewer library books than other councils? The answer might be because we don't deal in books so much as other media now. Fine, but there should be a proper answer. I don't think I would use those words myself – Best Value hasn't lasted very long – I think it's got a legacy. You might not use the term Best Value any more, but I think there is still a lasting legacy.

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Comprehensive Performance/Area Assessment:

Q24 Which aspects (if any) of the CPA/CAA have helped your organisation to learn about itself?

350 Yes, personally, I think we learned...I'm a great fan of peer review and I think you can actually learn a lot about yourself on the basis of a relatively brief visit by experienced, well-informed critical friends. And often I think that's much better value for money in terms of time spent by people coming into your organisation than lengthy inspection by relatively junior people. But nevertheless, I do think the pressures caused by an inspection regime were, overall, very constructive. It's very easy to find all sorts of criticisms about the inspection regime. Take any particular year, there is some dimension of it that was clearly inadequate, or clearly lacking or not brilliant. But so what? I still think, overall, taken in the round, the CPA process was a force for good in [named council]. I said so explicitly on a number of occasions. I would dearly love to have said we didn't need it, but I couldn't and wasn't going to. So notwithstanding the annoyances, the frustrations, the bits that weren't right, the odd bits that weren't fair – and there were plenty of bits that weren't fair – but nevertheless, overall, it was a major force for improvement in [named council].

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Q25 Were there any aspects of the CPA/CAA have helped your organisation to learn about what other councils are doing?

365 Yes, but I wouldn't mention it as a huge factor. What didn't happen to the degree that the auditors would have liked – the Audit Commission would have liked – is the notion that they could point...if there was an area we weren't terribly good on, they could point us to a council that was good. They reckoned they were doing this but frankly their knowledge wasn't particularly good. What did happen sometimes, though, is that through your professional networks you would know that such and such a council had got a better score than you had and you would actually be motivated – if not the Chief Executive, then a professional officer – to go and find out what it is they did that was different. Now that didn't necessarily tell you how to provide a better service; it might just tell you how to get a higher CPA score. But, coming back to my earlier point, overall, taking the rough with the smooth, I think higher CPA scores meant better services. So I think CPA was a prompt to find out about other councils, but I don't think the process itself, and the inspectors and the auditors directly did it, it was more an incentive to go and find out.

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Q26 Have you implemented examples of good practice from elsewhere that have been brought to your attention through the CPA/CAA?

Not asked due to answer to previous question.

Q27 Which aspects (if any) of the CPA/CAA have you found to be least useful?

380 Overall CPA I think deserves a big tick. There were lots of specific aspects of it...in one particular year the particular scoring regime may have been unfair, but it may have been put right for the next year. I'm not going to try to remember those because there were lots of examples that were frustrating and particularly exasperating to people in a particular service who felt that in that particular year they had been hard done by because...I'm willing to see things from more of a helicopter than that. CAA was a source of some anguish to me because [named council] was one of the small number of authorities that piloted CAA and I genuinely believed that, good though CPA had been, it was time to move on. People had matured, a different regime was appropriate and, to a small degree, [named council] helped frame that. I'm not going to overestimate how much influence we had, but we were able to nudge the new process a little bit that way rather than this way. But the way CAA was implemented within [named council] I was extremely critical of, and it led me to the very sad conclusion, really just at the time I retired, that one must not underestimate the...however good a process you may have, it can be completely negated by inexpert application. If the people who are running it aren't running it well, then it doesn't matter how good the process is it can be very disappointing. So my own take on CAA – this is very specific to [named council], but I know it's not unique – was that a good process was ruined in a lot of places by the way it was applied in year one. Nowhere more so than Warrington. I don't know how well you know Warrington: Warrington is a good place, a nice place, an economically healthy place and a great place to live, if you live in somewhere like Lymm, a great place to live. It emerged from CAA, simply because of the work of one particular individual as, in effect, being the basket-case of the country. Absolute travesty of any objective evaluation. They had more red flags than anywhere else, I think. It was just a complete travesty. It was a good organisation and it was a good borough. And that, to me, just illustrated that a good methodology can be completely ruined if the people running it aren't doing so well enough. That was my sad conclusion on CAA, and I made my views known extremely clearly at various levels within the Audit Commission.

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Other Local Government Modernisation Initiatives

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Q28 Do you believe that any other initiatives introduced as part of Local Government Modernisation have helped local authorities to learn from each other? Or hindered learning taking place?

I mentioned scrutiny. I personally am a great fan of the executive/scrutiny split. I made clear to leading councillors in [named council] that I would not embarrass them by stating this publically all the time because I knew that

410 virtually everybody, virtually every councillor in [named council], claimed to hate the executive/scrutiny model. The Liberal Democrats, who formed the Executive didn't hate it, but they felt they had to say they did. They loved the fact that they now had proper control and the Leader – successive Leaders – loved the fact that they had more leadership control than they would have done just as Chair of a Policy and Resources Committee. But it was not good Liberal Democrat ideology, and therefore they weren't going to say that. The other two main political groups in [named council] were bound to say they disliked it and, indeed, were bound to dislike it because they had less power because they weren't members of decision-making committees, except planning and highways etc etc. I think we did learn a lot from the introduction of an executive as well as from the introduction of a scrutiny function. I think we saw a lot about proper leadership which was not just in stark contrast to when there had been a committee system, but also in stark contrast to the fact that prior to 1999 [named council] had been hung for many years. So it was partly the introduction of an executive, partly the introduction of an absolute majority – incidentally they've reverted to being hung, as you probably know – and it was partly to do with strong leadership of individuals: leadership that would have been much harder to exercise if they'd just been Chair of Policy and Resources. The question is, though, what was learned, and by whom and how? Well, I think a lot of councillors learned from it but would be unwilling to admit it. For officers, there was a slight danger of it being "I told you so, this is the sort of thing we've always wanted, now we've got it and it is working well". So perhaps it's not a very good example of organisational learning because it wasn't the sort of thing that could readily be documented and shared, or even much talked about, but it was still there, I think, for individuals.

420 Standards...well I could go on for another hour about the Standards Framework. Actually Standard operated very well in [named council] before Standards Committees and the Standards Board were set up. It operated fairly well, if there was any really bad behaviour councillors would take it seriously. The irony is that once the Standards Board was set up and there were a number of instances where bad behaviour was...the Standards Board really couldn't be bothered to deal with it and made councillors feel they could misbehave with impunity. [Named council] was not a council where there was a lot of misbehaviour or a lot of serious misbehaviour, but there's always a few examples and I don't actually think that the Standards Framework had the desired effect of making it harder...I think throwing the baby out with the bathwater now is a bad thing, because once the Localism Bill has come into effect, there will be no way of stopping a councillor bullying an officer. There's no code of conduct that that councillor is in breach of unless a council keeps its own local code of conduct and its own local Standards Committee, but they won't have force of statute. But I suppose there was all sorts of learning from the standards process, some of it trivial, like, my word, there's a darn sight more misbehaviour in parish councils than in principal councils. Some of it not so trivial, such as, given half a chance, councillors will spend a great deal of time and effort complaining about each other publically. I'm not quite sure what useful learning there was from the Standards Framework, I think, though, there was a huge amount of useful learning from the experience in Parliament over expenses and my hope is that that learning will carry over into local government so that certain standards of behaviour will just be understood as wholly unacceptable.

430 So, I've picked up executive/scrutiny split and standards as well as Best Value, Beacons – those are probably the main elements that people normally understand by the modernisation agenda. One small thing I would say – I would say this, wouldn't I – but I was appointed Chief Executive in '94, I took over from a Chief Executive who had been there for 20 years – I stayed there for 16, so we had 36 years with only two Chief Executives – he had been a good Chief Executive by the standards of the day but by the time he retired after 20 years, my word, it was time to change a lot of things, it was time to modernise. And I set about trying to modernise in 1994. In those sorts of circumstances it's slightly galling for Prescott to come along and say "I'm introducing a modernisation agenda". I mean, it's fine for him to say "councils are going to do this, this and this" it's the label which is a bit insulting, it implies that nobody's been modernising before, whereas I considered that I'd been spending three years striving to modernise the council I'd taken over. But that's a trivial point.

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Finally

460 **Q29 Are there any questions you were expecting to be asked but which I haven't asked? Or is there anything you want to add by way of rounding off?**

No and no, other than to say...almost to put the same question back to you. Is there anything you would have liked me to cover that I haven't.

No, I've got answers to everything I've asked, so I'm happy with that.

INTERVIEWEES P1 and P2

Date: 17 August 2011

Setting the scene

5 **Q1 When did you enter local government?**

(P1) Ooh a very long time ago. I can't remember that. I've been a Chief Executive for 16 years and in local government from 1970-something. But I spent some time out in between, so I've done other things as well. Here's [name]. We've just started so all I've done is say who I am.

(P2 in italics) I can do that bit.

10 **Do you mind being recorded?**

Not at all. I'm [name], Corporate Director, Places, at the council.

Q2 What position did you occupy in May 1997?

15 I'd be a Chief Executive in [named] County Council. That would be right, yes [named] County Council. [to P2] Can you do the same?

In 1997 I was with the Regional Assembly – the [named] Regional Assembly, based in [named place]. I was their Deputy Chief Exec.

[To Interviewee P] All my questions are geared at you.

20 [Name of P2] will do it from a [regional] perspective though.

Organisational learning

25 **Q3 Have you heard of the terms “organisational learning” or “the learning organisation”?**

Yes, it was a Lancaster University guy, wasn't it, who did it, whose name won't come because I'm too old.

We developed that as well through the work at the regional level where we worked with [named] University to do the leadership course that we funded for three years, with colleagues up at [named] University to try and enable all local authorities and public sector bodies throughout the [named region] to develop that kind of organisational development ethos, and certainly to support the sector-led improvement work.

30 It was Burgoyne. It's come back. John Burgoyne.

a) Do you think interest in organisational learning within local government has grown in recent years?

I think that these things go in cycles, is my experience, and that it becomes in vogue for a time and then drops down again and then comes back up again.

35 *I suppose it's what do we mean by organisational learning. and certainly in the current framework, even going back to '97, in terms of the changes that local government has had to manage and sustain going forward, then by its very nature it needs to continually be learning, sharing, stopping, restarting. So I would see that as being core business really, but it's the definition of what you mean by that, but I think it has to be, and has been, core business for local government for a period of time.*

40 **b) Why do you think this is the case?**

Because we're always changing, basically. For some of us the way we want to do it is by collaborative, learning, sharing approach, quite explicitly. Both within the organisation, across organisations but also, as [P2] said, across the public sector. I mean, we now work very closely with business as well.

45 *We do. And we haven't got the time, the energy or the capacity to keep reinventing the wheel. We have to learn from others, we have to share with others and we have to make sure that the learning within is shared beyond our organisational boundaries. So within a council, you don't just want innovation within one part, you need that to be across the whole piece, and then that needs to be shared across organisational boundaries as well, so across the public sector.*

50 You're talking to two who have made it their careers to actually have quite a big input into this area, so I don't know; I'm not sure whether we're typical.

You'll probably be able to tell us better in terms of what you've seen elsewhere really.

GW explains interviews are not intended to be representative, but are to get a flavour of how Chief Executives see things.

55 *You've come to the right place then. You've got the guru sat here.*

I think that's you.

Q4 Do you feel that you have a good understanding of organisational learning theories?

60 I would. Don't test me, but I would.

a) What do these terms mean to you?

Right, what does it mean? It does mean, for me, some of the things we've been talking about. Actually how we work through some of the changes that are necessary at all levels of the organisation and actually better equip both ourselves – our staff, but also our relationship with our customers in terms of actually delivering services and

65 working with and for them. So the whole time, I'm learning, is my whole approach to this. And that should be, and is, true for every member within the organisation. Because we'll meet somebody who'll put a new slant on what we're doing, or will work our way through very, very different situations, understanding what applies from our previous, but understanding that things like change management programmes never work out as you intend them to, and you refresh your approach, or you...But that's about what the organisation needs to stay vital and thriving.

70 *And I guess it's knowing what your starting point is. So again, some of the basis around organisation is a high level of self-awareness. So understanding, as an organisation, what is important to you, and I think for local government, what do your customers deem as being important as well. And a lot of the learning that we require, and we do every day, is internally, in terms of what we do with our officers and members, but actually a lot of it is driven as well by our customers, so understanding their needs, understanding how their needs and wants change,*

75 *will enable us to develop and learn about what best we do and how we do that in terms of the services we provide. Because ultimately our role and purpose is to deliver those services to our community and that learning has to come from their views, their issues, their needs. So it's that continuous kind of cycle and that's why [P1] says it's 'every day you will learn' because of the 300,000-plus people that live in [place name], everybody will probably have a different view, which makes us quite a unique business in terms of understanding our customer needs.*

80 And at an organisational level, it is the Burgoyne stuff that as you actually move an organisation on, actually some of its weakness shifts, and what becomes a future issue for the organisation is something that isn't apparent in your first move, but you open up another area where you've got to keep on refreshing and revitalising what you do.

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b) What has been your major source of information on Organisational Learning?

A whole range. I am actually IPD qualified, so get a whole load from there. The major source is actually reading relevant publications, attending conferences, working in networks. So the Improvement and Efficiency Partnership that we set up had a forerunner in an improvement network and those are the most powerful. Links into universities, as we were saying, and into the academic as well. Harvard Business Review. What else do we do? We work with the employers' organisation – the [regional] Employers – really closely.

90 *Some of the key journals we get are relevant, but I think it's the formal and informal as well, isn't it, in terms of where we get that from. So a lot of the formal but some of the value as well is actually some of the peer support, some of the networks, the informal conversations that we have across...*

95 **I'm more interested in not where you got the learning from, but where you got a knowledge of organisational learning from.**

Of course, that is part of the professional training that I've done. It's sourced as well from further studies after that. I've just done a postgrad in coaching, so that actually, in terms of looking at organisations, we didn't just do coaching at the individual, but the coaching culture and the whole adult learning and organisational learning stuff within that.

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I'm just thinking of some of the work that you've done with the Leadership Academy, as well, nationally.

Yeah, I did a Leeds Castle programme which was Leaders and Chief Execs. Which was all about leadership within organisations, so we did systems thinking, we did a whole...you name it...I can't remember. A lot.

105 *But it is...there's the basis and the principles as you say, that you potentially get through your initial qualification, but then any courses that we do through senior management, potentially this is one of the hubs in all of that activity going forward as well. And any sector-based organisations and the courses that they deliver, or the literature which they make available, have this as a core element.*

And by now, both of us are people giving those talks, but you always make sure that you refresh your understanding. I will update and upgrade, and look at who's written on collaborative leadership before I go and make a speech. I'll trawl literature and apply what happens for me to it.

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Just out of interest, what would you say now, from your research, are the key documents for organisational learning? I'd be as interested to know what you think, or where would you go know to form that initial knowledge base?

115 **GW briefly mentions various literatures – psychology-based organisational learning; change management from an organisational studies background and policy transfer from the politics literature – he had been studying. Each had something to say about altering the way organisations do things.**

I am actually quite interested in the psychological aspects, which is where the coaching course came in.

I think a lot of it misses how people learn. It's unsaid, as if it doesn't matter, but it's actually...

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A really key part of it.

Yes.

There's also a lot of literature, isn't there, around behavioural change? And in organisations now, in terms of that learning and that culture, behaviour is quite a key part of, as an organisation, how you learn, what you learn, but the way in which you then behave as a result of knowing what you know and delivering the services that you have. In the significant change that local government is going through, that's quite a key aspect of the learning that we need to keep at the forefront of our activity.

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If you don't change your behaviour, I don't see how you can say you have learned.

Absolutely

I don't want to lead you too much though.

I'd agree with that.

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If you always do what you've always done, you'll always get what you've always got.

Q5 Do you want your council to be a "learning organisation"?

Definitely.

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Q6 Do you think you are one?

I think we do a lot to try to encourage learning in the organisation. Right from the top, right the way through the organisation.

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a) What has been put in place to make it so?

If you take the top, which is the bit that I work in, of course, so I can talk about it from direct experience, then we've actually done a lot of Cabinet and Senior Management Team joint development work, which is very much around issues that are real for us, but working on them together rather than separately. And those have been really, really enlightening, about why people think what they think, what they bring, what their histories are, what their stories are, to, actually, the issues that we are trying to tackle and how that influences. Sometimes you can't tell which one is which, and then on other occasions you can see why – there's a political and a managerial take on some of the big change programmes that we're launching. But those have probably taught me more, and I am quite experienced about my own Cabinet and where and what will matter to them in managing the change process, but it's also taught me more about being a leader amongst leaders really. And sometimes who leads, who follows, is quite important in that group situation.

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And we've done some of the formal – with the Real World Group we did a formal leadership course, which had a series of seminars, workshops on key topics, leadership styles, approaches. Had a 360 degree questionnaire element so we could ask our peers and our colleagues a series of questions again, and what we learned from that in terms of our own personal leadership and management styles, and then had action learning groups to feed back or take forward some of those. So, formal leadership training or development activity that we've done. Again, we encourage continuous professional development for a number of our professions. Obviously in certain aspects of local authority business, whether it be legal, or whether it be planning...supporting people to continue with that. We take on apprenticeships, so again we're supporting some of the skills and the learning within the organisation. And university work placements, so what we do is encourage undergraduates and graduates to come and work with us to take their learning and up to date knowledge of what they've gained from their courses and bring that into some of our day-to-day business. So, a number of formal and informal things that we do as a learning organisation.

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b) What have been the major problems in becoming one?

I think that we've changed in culture quite a lot over the last few years, and certainly some of the things that we do now wouldn't have fitted with the way things were done previously. I wouldn't say it was a problem, I'd say it's an evolution.

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And again, I think, unless we were, like yourself, asking specifically about us being a learning organisation, I guess we don't actually see it as a specific element of what we do and how we do it. I think, as [P1's] leadership being a Chief Exec, that being her style, her focus, and very much her ethos around leading, it's an integral part of what we do as an organisation, rather than it being something that's either been bolted-on or introduced as a new concept or a new idea. And therefore it's very much part and parcel of how we do things around here, and how we expect others to do things around here, rather than it being something separate.

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Council Structures and Culture

Q7 Does your council have a clear idea of what it wants to be in, say, ten years' time?

We're sharpening that up again. We are revisiting the corporate strategy in the light of very changed circumstances. We tend to be a very well planned organisation over a very long period of time. Actually knowing where we are going is one of the things we think is essential.

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And we do that in a variety of forms, so corporately, for the organisation, we know very clearly where we'll be in five years' time, and then we take our role as leading the place very seriously as well, so we have a clear vision how economically and spatially the borough will look in 25 years' time actually, because we've got a plan to 2026 around how we manage, and therefore how we as an organisation we need to work and lead to enable that longer-term plan to come into being.

185

Q8 Do you/your senior management team/senior members put aside enough time to reflect on what you are doing (rather than the details of how you are doing it)?

Yes, we do. I think those sessions that I've been describing as part of our learning are where we do spend quite a considerable amount of time – within our own facilities within the borough – actually doing reflection as well as future direction.

190

And we organise our management teams accordingly. We alternate business meetings with more discussion, forward planning sessions as well.

195

Q9 What would you say were the top three ways in which you and your staff receive information on new ways of delivering services?

I think networks are the most powerful. That's the peer-to-peer, at all levels of the organisation. That's probably the most useful. We do use the journals in terms of just understanding who is doing what. We don't use joining in the beauty parade competitions, though both of us have adjudicated on others, but actually [named council]'s not one of the ones that goes in for that. Our Leader's not fond of it, so we don't do it actually. But they are quite useful ways of...And we do do really careful selection about where we'll appear on conferences, what we'll learn from them, how we can gain as well as give. But we do believe in giving, we're very much on that philosophy.

200

205

Q10 What is your council's attitude towards risk-taking?

Ah. It's definitely, like many councils, been both risk-averse and unaware of managing risk in a grown-up way. But that is shifting, and shifting quite significantly.

It has to, doesn't it?

210

Yes. So we're managing risk now, and accepting that there will be risk associated with what we absolutely will have to do, and are doing. Like moving to fortnightly bin collections.

Yeaaaah.

That's what we're going for this week. [P2]'s leading it.

I'll have a sleepless night tonight, but there we go.

215

Q11 Do you encourage staff to experiment with new ways of working/delivering services?

Yes. We do. We try and create a safe enough of an environment where they can innovate, where...actually, as this new centre opens, we're going to co-locate a whole group of staff that have never worked together before to try to encourage the links across health and local government, because I do both now, I'm Chief Exec at the PCT as well as of the council. We just know that there's a huge amount that we could get from a better integrated approach to customers, across the public sector. So it will physically be a place where they can come and swim, mental health clinic, a whole range of other facilities, library, one stop shop kind of approach to the public sector, but the staff themselves will also be co-located and working with, rather than down organisational boundaries.

220

Certainly in terms of the current financial situation, what we encourage staff to do is to come forward with proposals, because again, linked to the reference to customers before, a number of our colleagues are very much at the front line service delivery end, where they will be able to see what changes they could make to make it better for them and better for the customer. Very much now we are asking colleagues and giving them that freedom and flexibility to make those changes and go forward with those new arrangements and come back if they've got any problems or issues, but then tell us about the successes as well. So give them that autonomy to make those changes where they feel that they can deliver a better service.

225

230

a) I was just going to ask if there is a formal way of feeding back on whether something has worked or not.

We certainly do that within our team meetings and again, with the work we're doing around our efficiency planning, we do get, through our management structure, a whole series of good news stories and we promote in our 'one for all' or different ways in which we recognise staff successes. So there's communication channels, recognition within team meetings and then just some one-to-ones. It was two, three weeks ago I met up with a member of staff and bought her lunch because she'd done a fantastic piece of work and had really done a great job from a customer point of view. So we do individual recognition as well.

235

240

Q12 When was the last time your internal organisational boundaries were changed? What prompted that change?

1st April, we had completed a senior management review. That basically took, up-front, the hit that local authorities will have to do. It's now up to 30 per cent over four years, but we were planning on 25 per cent over three, and so we took out 20 per cent of cost from senior management, We reinforced the need to work as one council and, in January, I became a joint Chief Exec. So we're constantly saying "this is not it", but this is the dynamic that we will all be living with, of trying to do things once in one place, but all of the senior managers now have completely flexible contracts and we have exercised that twice at Director level since April. So, I think part of the ethos is you've got a team and where we need it, you've got to move people to actually make it possible to deliver. And people are enjoying that.

245

250

Yes.

Quite genuinely. Certainly [named officer], seconded down to health, loves it.

Yes.

255

Q13 Do you use secondments (or similar) to share knowledge/expertise within the council or with other organisations?

We do. What we've done is...let me give you the one example. [Named officer], who is one of our directors went part-time to help me run the PCT, and it's worked so successfully that actually what we've done is make her full-time seconded down to run the PCT and work with the GPs and create new conditions for that to succeed and we back-filled her job on an interim basis. So we've got somebody who was a Director of Adults and Children's moving in to fill the post, he's bringing all his knowledge, moving us on, [named officer] is taking all her knowledge and making the links between the Council and the GPs for the future. And we see that as the way of doing business, we really do. You've got an interim as well.

260

I have.

265

Which has really helped.

Really helped, yes. We had a vacancy and worked on an interim basis. And again, maybe just using what we try and do as well, is use skills and expertise and broaden out our capacity as much as we can. So, where we know that we've got knowledge, what we don't do is recruit, but we try and broaden people's responsibilities and profiles accordingly. Which is great for the individual and great for the organisation as well.

270

But as we've taken in an interim, she's superb on project management and the customer focus. So as well as doing the task, she'll contribute that and then go, but leave us a legacy, and one of the things that we ask of

anybody who comes is they come and leave us with others able and equipped with their skills to carry it on, so that there's no resistance in the organisation. It's an injection, but it's not a threat.
Absolutely.

275

Q14 Can you give an example of a change you have tried to implement but where you were not totally successful? What was the impetus for that change? What were the barriers to making it?

280

When you look at any change management process it never, never, never, 100 per cent delivers its intended consequences. You pick up good and bad and mutations too, all along the way. I don't know do you want to talk waste through? Is that a current one you want to talk about?

P2 asks for clarification of the question and GW provides this.

285

I suppose it's the deliberation that we had yesterday, because one of the things we need to do is bring in a transformation programme. We're not saying it wasn't successful, but what we're saying is we constantly learn and change as we go forward. So the example there is that we previously had a corporate approach to managing our major transformation projects. Very successful, and then as those programmes came to an end, what we didn't necessarily do is then move that into the next iteration as quickly as we needed to do. We've picked that back up and we've created a mechanism to manage that transformation programme going forward. And then, I think, which is reflective of a mature organisation and one that, again, learns, reflects and is self-aware, we've just now recast how that will look, going forward, so that it is more streamlined, more in tune with what we want to deliver linked to our corporate strategy going forward. Still deliver the outcomes that we want to achieve, but the way that we're going to do that is very different to when we originally started off.

290

GW asks for more information about the impetus behind this.

295

I think in terms of what happened it think it was different people being involved with different perspectives, so we broadened out the group and new colleagues joined and, rightly, we asked them to challenge, support and to identify how they feel they can contribute and what would a successful programme look like from their point of view. And on reflection we felt that that needed to change. So that was about new people, experience in from elsewhere and learning from that. So we adapted accordingly.

300

The barriers? Again, I think, because we are...I suppose the barriers would be if people didn't accept the changes that took place, or it wasn't communicated well, but that hasn't been the case. It's been recognised, again, I think, because of the culture of the organisation that what was right then isn't right now, so we'll move on to the next iteration.

305

I think that in other places you watch blame creep in. What we've got is a very able top team, and therefore, rightly, a very confident, mature team that actually has a lot of trust in each other. But often you can't do it because, actually, you are on a different plot it's happening, not the apparent purpose stuff. So I think we've come a long way on that.

Absolutely. Definitely.

310

Specific Modernisation Initiatives

The Beacon Council scheme:

315

Q15 What involvement have you had with the Beacon Council Scheme?

We did several Beacon Council bids, but [named council] isn't particularly enamoured of those kinds of beauty parades and I don't think we ever did succeed in the two or three that we did. Where I got involved at the national level, talking about how we revamped the Beacon Council Scheme, as it was coming to an end, in terms of carrying it forward. That became a conversation with the Improvement and Efficiency network.

320

And carrying that on now, the Improvement and Efficiency network will be involved in the new iteration, which is the 'Creative Councils Scheme' of which the current round is live at the moment and I think there will be announcements later on in the Autumn in terms of which councils receive those awards. But I think in [named place], because [named council] was classed as a four star authority, I think, again, from a political point of view and a managerial point of view, that actually made clear the reputation that [named council] had for the way it ran its council and its borough, that seemed to be the key kind of badge, if you can call it that, that we were happy with.

325

Q16 What did involvement in the scheme teach you about your home organisation?

330

We always, I think, participated – went to the open days that others ran. Clearly, anything that's a reflective piece about what was good, what was not so good, how and who did it, gives you learning. I mean, it did, but I don't think it was...it wasn't massively significant here, in part because we'd very tight performance management, quite tight financial controls. So clear about what standards were and what we were expecting of people, and what we would do in partnership. So it wasn't like...it didn't extend what we thought about in terms of...I think for some people it was more broadening of their perception.

335

I was wondering if the process of just preparing a bid told you things about your council

I didn't closely get involved. I was interviewed. Actually, if I'm really honest, these things are showcasing the best rather than real learning opportunities.

I guess the closest that we could have to some of that is the preparation for the Comprehensive Area Assessment.

340

I'll come onto that in a minute.

Q17 What did you learn from other beacons? Were any changes in working practices adopted as a direct result of involvement in the beacon scheme?

Oh yeah. I think we went to...we encourage staff to explore. We want them to keep a dynamic around their service so, you know, huge numbers will have gone to other people's open days from all sorts of different levels and functions and we actively encourage people to look where good practice is and go and find out about it.
345 *I think there was one of the Beacons on our doorstep, which was [named council], with the Beacon that they had around communications and the work there. So that is certainly something that colleagues here picked up and regionally we took advantage of as well.*

Q18 Did you try to implement a change but were not totally successful, and if so what were the barriers to change?

Not asked due to answers given previously

Q19 Do you think the scheme was an effective way of spreading good practice?

I think it was fine in its time. I think these things are...I think that what has to be understood is that one national roll out won't work for everybody in the way that is intended, but that there needs to be a range, a menu, and then we will be able to meet and develop and satisfy people. And certainly networking, peer learning, all of that, that are part of the Beacon Council – absolutely great.
355 *With my regional hat on, what some colleagues said around the Beacon Scheme and the open days was it allowed them to create networks and relationships that probably they wouldn't have had before. So it was a mechanism for longer-term collaboration and learning and sharing which they may have done anyway, but that was a catalyst and an impetus for some of that.*
360

Best Value

Oh dear.
Everybody says that.

Q20 Did the Best Value framework bring out information about your organisation of which you were unaware?

Definitely. I wasn't in [named council] then. I think it gave us another toolkit, another way of looking at, analysing. I think it was all good stuff. I think that they're useful for a time.
370 *It enabled benchmarking, which I think was probably quite new then, which they hadn't done before.*
375

Q21 Was the information available from other authorities of use in making comparisons with your own authority? How?

Yeah, I think we've kept up a philosophy of trying to benchmark. There's all the sort of...I don't know...playing with the data and its accuracy stuff, which is an inevitable sort of jockeying for position but, of course, it's hugely helpful to know whether you're doing a deluxe service at a low cost – yippee – if you're doing a, you know...where you sit in terms of quality/cost and those will always be key measures, and then what outcome you're delivering, though, is the end bit of 'do they add up to delivering the right service in the right place at the right time?'
380

Q22 Was the information available from other authorities of use to you in bringing about improvements in service delivery?

Not here, because by the time I arrived here it was old hat.
385 **[Discussion about when Best Value regime ran]**
I would be in [named county council] then. We definitely used it.
Smiley faces on your BVPIs.
390 Absolutely. Long, long lists, at times, which missed the point.
Yes.
But I know it was useful. And then it gave you another way of looking at your organisation and comparing your organisation.

395 *And I think, politically, members...it enabled members to see quite clearly as well, an external perception of the services that were being provided. So, again, it was a useful performance tool for the organisation.*
Yes.

Q23 What were the main drawbacks to Best Value?

Crikey, you're asking me to go back...
400 *I think, as you say, it was, certainly from my recollection, it was sometimes you felt as though you were hitting the target but missing the point, if that makes sense. That you had a long list of things that you needed to measure and were performance-managed on, but actually some of those weren't necessarily what was important to you as a council, you had to do it from a national data set and, from a customer point of view, some of them were completely irrelevant. And there's still some of that now, in some of the debates we have this week and last week, which is if you complete your planning applications within eight weeks – absolutely fine, but if you never develop any piece of land to create an economic, prosperous borough going forward, then you can do as many planning applications as you want, but you're not going to get the outcome that you're achieving. So, for me, it was about the number of indicators, the relevance of them and the drawbacks were actually time and energy. A lot of time*
405

410 *and energy were spent on processing information rather than focusing in on the delivery of services that you wanted to achieve and customers needed. It was a whole industry...*
It was
...that was created around the...
415 We all had Best Value units, didn't we?
Yes
It was very big at the time.
It was. That deadline – was it the 30th June or something. You were up all night making sure it was right. Absolutely.
420 **[P2] leaves. Before she left she signed the consent to interview form.**

Comprehensive Performance/Area Assessment:

425 **Q24 Which aspects (if any) of the CPA/CAA have helped your organisation to learn about itself?**
Comprehensive Performance Assessment I did for the first time in [named county council] and it was extremely helpful because that was a relatively poorly-performing organisation. It had just failed its joint review in its education. And so what was really, really good is to have a framework and the key lines of enquiry and to ask ourselves, corporately, a broad range of questions. And there I did bring on a Director and let him develop, and he went off and did them elsewhere and came back with good practice to the organisation. So it helped me drive
430 change and, actually, justify what was needed, which was a very significant change programme. So we came out with a good rating the first time. I can't remember why, but there was either an opportunity or you had to, have a re-examination within a couple of years and the second time around it felt much more pedestrian. It didn't bring the same level of freshness and learning and it was so risk-averse that...I think we improved but we didn't get over into the top rating. Quite honestly, it was a much stronger organisation than here, that had been four star and shiny all the way through, on quite a few of the things, and it didn't therefore feel very useful. Because, like all things, they're fine and they have an immediate impact but, as learning organisations know, keeping on too long on the same wheel is actually...you're going to go round like a hamster, rather than actually progressing.
435 Comprehensive Area Assessment we had here when I first came, after a year. By then I would say that I was an expert in managing inspection and we...with, again a team, and there were some useful things. We managed...we had a really good inspectorate team, but we managed it well, we got our four stars again, but in a sense, what it took away was the change momentum that I needed for this organisation that was very traditional. And so it got reinforced for what it was, not for, not for what it needed to think about becoming. So they're great as moments in time.

445 **Q25 Which aspects (if any) of the CPA/CAA have helped your organisation to learn about what other councils are doing?**
We got the first four on performance management here. So it was like, under the area assessment, we were like, one of the leading edge and went into the best practice stuff and things. I'm not quite sure that I thought that that really worked. They write you up, but whether it really taught anybody anything I don't really know. We went
450 shopping for some things, where we looked for some equal opps staff in very white dominated areas. Some of the learning around that – I don't know which sources it came from, to be honest – but I think was part of what we did by way of research.

455 **Q26 Have you implemented examples of good practice from elsewhere that have been brought to your attention through the CPA/CAA?**
CPA was [named county] for me. At CPA time, basically I got phoned by a County Chief Exec saying "you are on the Audit Commission list" – which they denied existed – "you are a basket-case, we don't have basket-case County Councils: get on with it and sort it out". So I basically said; "OK, you can't just say that to me, you've got to tell me a bit more about how you're doing things, what's being done. I've only just arrived. I want to turn it around but come on down and give me some help". But we actually went out and found it as well. We went out and did quite a few, at member and at officer level, CPAs elsewhere, got people trained in it – senior and next to senior level, so that people could broaden out their horizons. We joined things like County Council Network. You know, I've always been very open in sharing what I do and I've mentored people coming into the role so that...actually you learn from that as well. I don't know, there's always been, for me, a lot of traffic about "I'll share what I do, and I'll learn from what you do and I'm not precious about being the best and telling you all the good bits of it, I'll tell you the bits didn't work on it". And often therefore get that back from others.
460
465
And certainly I really went shopping – we'd failed the joint reviews, so one of my fellow County Chief Execs in [named council] was an ex-Director of Social Services, a really, really able guy, so I went and talked to him about it quite a lot. About what did he now do, what had he done and how do you make these things work – similar sort
470 of level of population, similar profile.

Q27 Which aspects (if any) of the CPA/CAA have you found to be least useful?
It became too tired. By the time they did it the last time, it was dreadful: where they were describing the place, where they were going to give you red and green flags. By then I'd got angry because it just felt a lot of
475 professional people doing a lot of work, and to give them a flag was like, just nonsensical. And the trouble then became that they became quite nervous about who they picked on and they had unintended consequences. We ran it through the [Regional] Improvement and Efficiency, we had really good cooperation from the Audit Commission – not about where they were going to be, but what the trends were, where things were going. And

480 then right at the end one of ours – Warrington – got four red flags. Now, they had challenges, but they weren't a four red flag...it's like they almost seemed to...once you were on the way down, they stuck the flags next to you. And I suppose the more experienced of us, and with stronger reputations, didn't get any red flags stuck next to us. But some of the green flags were just laughable by that stage, by the Chief Execs who got them. I'd better not...even anonymised, I'd better not give the examples, but you know, the Chief Execs who got them were sending up the whole process. So, it had lost credibility, I think.

485 **I think I can safely say you are not the first person to mention Warrington.**

It's awful. It was horrible what happened to them. And I did a lot of behind the scenes support, about how to manage the PR, keep on going, what to do, and it's very unfair.

490 **Other Local Government Modernisation Initiatives**

Q28 Do you believe that any other initiatives introduced as part of Local Government Modernisation have helped local authorities to learn from each other? Or hindered learning taking place?

495 I think you've missed one of the core, which was the Improvement and Efficiency Partnerships. I would say that, wouldn't I, because I helped devise the national strategy, but that is the better model that says to places "you devise your own improvement and efficiency programme". I mean, I believe in standards, I believe in performance I believe in measuring. But I also believe that a lot of the answers are within the system itself and actually, that was one of the most effective ways that we had – led politically, officer supported – of actually making our own choices about where and what improvement and efficiency we wanted to create. We didn't move away from some of the national stuff. We did something around construction at a national level, because it's a much better way to get frameworks, agreements out at national level. And I've still got long-standing, good relationships doing the capital and asset stuff with the guy, the Chief Exec from Hampshire, who led on that. But, you know, that's a big...that's self-learning, self-generated learning and, for adults, we know all the preconditions about changing your behaviour, this comes from within. So I think that would be where I would say.

500

505

Finally

510 **Q29 Are there any questions you were expecting to be asked but which I haven't asked? Is there anything you want to add?**

Has anybody else talked about Improvement and Efficiency Partnerships?

I wouldn't say that no one's mentioned them, but they haven't featured highly.

515 Shame, because that's the sector doing it for themselves.
No I can't think, I'm really sorry.

INTERVIEWEE Q

Date: 21 June/23 July 2012

Setting the scene

5 **Q1 When did you enter local government?**
Around about 1991. I had a life before local government.

Q2 What position did you occupy in May 1997?
10 At that exact moment I was Head of Policy and Corporate Relations, or some title like that, at [named council], and then I was appointed Chief Exec about six weeks after that, at that council.

Was that a Unitary Council then?

No, that was the transition year. So it went live the following April, although there was all sorts of early transfer as well.

15 Organisational learning

Q3 Have you heard of the terms “organisational learning” or “the learning organisation”?

Yes

20 **a) Do you think interest in organisational learning within local government has grown in recent years?**
I think it's certainly – and I don't now remember exactly where it came from, it was obviously a little bit before '97, but I was certainly aware of it around then because one of my Directors was very keen on the idea, so introduced it as a term. I think the term has come and gone in terms of use, but I'd also say I think that the sorts of ideas that underpin that are things that I would have before and still do think of as features you need in an effective
25 organisation that is self-critical, able to move on, take new perspectives, do new things, change for a changing environment.

Q4 Do you feel that you have a good understanding of organisational learning theories?

30 Not in a studious sense, I'm sure I read the book at some point, along with 200 others, at least when I did my MBA, I'm sure. But, if the next question is what are they?

a) I was going to ask what do these terms mean to you?

35 I think it's about having arrangements that allows people in an organisation to receive feedback, whether that's informal data or soft opinion, about the impact of what the organisation is doing, to be able to reflect on that and to be able to translate that into changes in either policy or ways of working, or style.

b) What has been your major source of information on organisational learning, is it largely from doing an MBA?

40 No, it's a view I've had for as long as I could describe it really. So for me I think it comes from my much earlier career when I worked in voluntary organisations and a whole slice of that was about trying to reflect the experience of consumers back to, usually, statutory service providers as a way of getting them to change their behaviour and I think as I got involved in that I also began to think about how these things should be institutionalised, rather than just a campaign around a particular issue, that, actually, good organisations would be open to that sort of thing and wouldn't need lots of campaigns before they were able to do anything. So that's its
45 roots for me. When I then went into management roles I did try and introduce some of those – and again I'm talking long before local government – that I can look back and say “that's what I was trying to do” in various ways, so I remember when I worked for an organisation called [name] in London, in which I had quite an operational role, as well, I certainly – probably relatively unusually – did things like collect information from stakeholders about what we were doing and why in a relatively systematic way. In current terms, I introduced –
50 because it was multiple bases and projects across the South East that I was managing – in order to challenge practice and performance I developed an in-house form of peer review. That was in 1988. I didn't read it somewhere, it just seemed like a good idea. We needed to do stuff about performance, we needed to move on, needed to get better and, rather than just a framework that collect PI-type data that we then had discussions about, it seemed to me something that was softer, that involved informed insights and expertise was in some
55 ways more powerful and tailored to our peers, people you'd be prepared to hear it from. So for me, I'd look back and say well that was aspects of trying to create a learning organisation then.

Q5 Did you want the councils you have worked for to be “learning organisations”?

60 Yes, absolutely. It's not a sort of add-on for me, it is about the way a council should work if it is to be effective.

Q6 Would you say that any of the councils you have worked for have been good learning organisations?

Yes. But it's all a matter of degree, isn't it? An organisation as big as a whole-purpose council, you've got all sorts of parts to it as well. I think [named council] was very effective for a period of time in being open to learning and putting in place lots of systematic processes that made that impossible to ignore in daily life. And I would go so far

65 as to say it was obvious to people, after a while – people that would come in, because we did a lot of that, as a
part of that sort of approach, we had a lot of people coming in, so we were the second local authority in the
country to invite the local government peer review process in. The first one being Liverpool, which was forced to
have it, and we did it the week later because we wanted to have it, and I'd been involved in that development
70 nationally, as a framework. But we did that in all sorts of ways, Because of where we were, we had some
arrangements with Sunningdale – at that time the Civil Service Training Centre – and we had people from various
programmes there come and do...some of the senior civil servants and public sector people who, as a part of their
week's study would want to do some fieldwork about getting an insight and we would, on a regular four month
cycle, have a group from there come and have a look at a topic and give us feedback.

75 **a) I was going to ask what you been put in place to make councils more of a learning organisation, so I
will use those answers unless there is anything else you want to add.**

Well, there's lots of initiatives like that...I mean, there's the more systematic side, isn't there, which is about what
you actually have as part of your internal structure. Lots of organisations have individual PDPs and individual
development programmes and you might even have a management development programme, but it is quite
80 possible to have all that stuff and still not be terribly focused on a culture of learning that is more about 'well you
learn this, you do this next, you're prompted to do this', as opposed to it becomes part of what you expect to do.
So I think setting a culture is really, really important around all of that of stuff, because you can't organise it all
from the centre, some of this is about creating a framework in which you prompt, encourage, require and frankly
make it fun. I think, in the right context, lots of people like engaging in feedback, and hearing feedback in a
85 safe...if they feel safe about being able to accept critical comment, then you're a long way down the track really.

b) Have there been any major problems in becoming more of a learning organisation?

I think some of the stuff, particularly on the 'fun' side of it...I had a process at [named council] that, after a while, I
described as 'managing by buffet', which was about bringing groups of people together in different ways, which I
90 would describe as a contribution to changing the culture and getting dialogue and reflection and creating
openness about things. I mean, clearly there is just a set of issues about people saying 'so what exactly is the
outcome of that, for the cost?' and if you try and narrow down to things like that, there's not really an answer to
'yes we spent £1,000 on catering for various events this year and it wasn't just a jolly'. I think fighting that cultural
resistance, certainly from officers, and inevitably from members as well. The reason I picked [named council] as
95 an example of some place that I think had that well developed is that members came on board with that in a big
way. It wasn't automatic, partly it was because the leader got into it, with me, very early on and he and I shared
the view of the value of it and that allowed us to break through some of the barriers and do a range of different
things. As these things go along, frankly, one begins to see the benefits, you do see that you are doing things
differently, performance is improving, this sort of narrow measurement of performance is improving. [named
100 council], at the time, for what it's worth, over however many years that was, maybe it was over four years, we
ended up with the highest net residents' satisfaction rating of any council of our type in the country. It had risen to
that. Now, I wouldn't want to defend these numbers as absolute anythings, but just as a mark of a) improvement,
the shift is real, and it being at a high level – being the first is, we know, the odd point here or there and we
wouldn't be – but being at a high level is something that was real. And then...feedback: politicians see it, they
105 think it's real.

Council Structures and Culture

110 **Q7 Have councils you have worked for had a clear idea of what they want to be in, say, ten years' time?**

I think at [named council] we developed that, but it doesn't come out of nothing. It's an exercise that is about quite
a lot of discussion and bits of evidence and reaching consensus about that and people believing it. So, I think we
did develop that at [named council] that was about the place as well as what sort of organisation it should be. At
[named council 2] – we didn't really talk about that earlier, but that is an example of a different sort of a place, so if
115 I was to link to the last question, for instance, the question around barriers to overcome and so on, that would be
an example of a place where we took some big strides forward around learning and self-challenge, but with
change of key councillors and control, it is entirely possible, as happened in that case, for some very powerful
new councillors to say 'we just don't like this, thanks very much' and to disrupt it, and that happened. You can't do
it without collaboration. Sorry, what was the starting point for this question, having gone backwards?

120 **Whether councils you have worked for had a clear idea of the long term.**

That would be one the facts about [named council 2] as well, that the phase in which it was obvious to everybody
that there was a forward momentum and an optimism that was very recognisable outside the organisation, with
key partners, was the one where there was a lot of discussion about the long-term future of [place 2], not of the
council as the first debate, but what was to become of [place 2], in both dealing with its immediate challenges,
125 and some of them were very, very serious at the time I was there – there was a huge upsurge in gun crime and
gang-related crime – and the economic future. So, in many senses, it was the development of a core city story,
early in that big policy development and the change I was talking about was also in that territory, so the new
leadership in effect, and I'm being very honest about this, but in effect thought that sort of vision of the future of
the city was a bit of a luxury and, to slightly oversimplify, shouldn't we just collect the bins better? And that's a big
130 issue, and it's visible. A little while later, in a national conference, held in [place 2], when Hazel Blears was still the
Local Government Minister, word had got around so much that she actually said from the stage to the Leader of
the Council "great all this stuff that's going on on the ground" because we did lots of environmental stuff, street-
level tackling stuff, "but a bit more vision, John, about the long-term future" because she'd been hearing it from

135 lots of the stakeholders. So these things are not internal, organisational things. However, that's not changed. It's
the same person that's Leader there. The only change is a bit of a modification, because the one person who's
Deputy Leader has taken a bit of that role because, in a sense, there was a sort of a felt need to...you can't ignore
it in a city, because everyone's saying 'where's the vision?' So if I try and knit that together, if the thinking is that if
140 you've got a strong sense of vision and direction, then that contributes to being able to want to shift from where
you are, and therefore look for ways to do it, then I think that is absolutely right, yeah. People get motivated by
sense of purpose and strength of vision. That's how you sort of galvanise an organisation, really. If you've got ten
of them, everyone does their own thing.

Q8 Have you/your senior management team/senior members put aside enough time to reflect on what you are doing (rather than the details of how you are doing it)?

145 Yeah, but you've got to make that happen, it doesn't happen naturally. The natural state of affairs is, there's
pressure every day on 'stuff', in every service, and you can fill your time up doing useful things, and so you have
to take a decision, which is why I think it becomes very important for the Chief Exec to have a clear view about
these sorts of changes. You've got to be able to create the space and the expectation and structure in which
150 those types of slightly more reflective discussions can take place, and that's generally what I've done. Without
spending time on it, it's what I've spent an enormous amount of effort on in the last four weeks since the
Cabinet...is it five weeks? However long they've actually been formed. The first thing I did was to corral them and
carve out four hours of their time with SMT. I, without asking their permission, I ran it as a workshop about what
do we want...you know, we've had all this chit-chat and the election stuff, don't look at the pieces of paper, what is
155 it that's really important that you want to do this next couple of years. What's in your minds? What do you believe,
as opposed to what did we write down when we said we were going to promise something. And that's the...stuff
will be coming forward in three or four week's time as the up-to-date statement of priorities as turned into a
planning document, as opposed to the two-pager, that's what it's based on. So I've changed, with [Leader's
name] and [Deputy Leader's name]'s understanding and consent, so we are now having, every Cabinet cycle...I
160 was a bit surprised to see that SMT and the Cabinet really didn't get together much. That's now happening every
three weeks. Which is just about being able to talk through the issues of the day, with a little of reflection. So at
the minute – it's very early days isn't it? we've had three meetings – but it is a combination of, of course there's
business to be done – the pre-agenda stuff – but, on each occasion I'm forcing in a bit of time that's a bit of a
presentation and discussion about what's the bigger perspective on this particular dimension of what we're doing.
165 And over time, it will – over three, four, five months, it will come towards something that's more like a positive
vision for the future, because I think that's missing here. It's so hard, this current time, how to handle the
challenges, that the only way really to get through it is to try and reset some sort of vision that you can believe in
that makes all this difficult stuff bearable for the next couple of years. Anyway, getting slightly sidetracked then.
That's how I go about it, whether it's here or other places.

Q9 What would you say were the top three ways in which you and your staff receive information on new ways of delivering services?

170 I think the first is through networks. I think if you've got enough staff and councillors who routinely are part of
rubbing shoulders with peers elsewhere, that's when they pick up...where they pick up stuff that they hear and
notice, because it's very informal, the person's just like you, so if they're saying it, it's got to be relevant to you.

175 I think, certainly for officers, it might be less true for members, but certainly development, organised development
programmes and, again, I mean shared outside the authority, deliberately describing it like that, because I'm not
talking about going to conferences. I don't think conferences...I think that's pretty low on the list. The value of
going to conferences is the networking. But I think if you run development programmes of your own, for members
180 if you're on a leadership programme, you've got six sessions with a bunch of other people from ten other
authorities, in that setting I think individuals can pick up a lot and you hear it back in the Authority: [Leader of the
Council] has a regular little stream for me of things he's picked up from various places, and that's the right thing to
do. So, it's registered with him that's something we should...that's something with some meaning here, it's great.
And it's great that it comes back in that way, which is "why don't we think about...?" as opposed to "look, hears the
185 idea, let's do it".

I think the third way is probably...the third on my list at least, would be...I suppose it's about internal events. It's
about how you capture...we have lots of people that have worked elsewhere and who will have their own
networks at all sorts of levels and I think if we have ways that allow that to come out, then it can get traction inside
an organisation so those sort of internal discussion areas, whether it's in a division, whether a senior
190 management group within a division are able to have awaydays and workshops and bring stuff into that, or here,
where we've got extended management team which plays a bit of that role. All sorts of councils have got versions
of those types of things. In [named former authorities] I found one of the ways to have those sorts of more free-
flowing things was to...I think in [named council] we did a lunchtime thing, as part of my managing by buffet
approach, I can't now remember, but there was a title for it, but effectively every six weeks or so a wide range of
195 managers were invited to come along, on a regular cycle so you could plan to be there, have a quick sandwich,
you'd have 12 minutes briefing on...face-to-face...on these sorts of things that were going on and coming up and
then some session or other, usually prompted by a very short bit of input that was really just about stimulating
responses or ideas. Usually something that wasn't quite...either great practice somewhere that was a bit hidden,
probably had some other lessons, usually about management or leadership style, or something that somebody
200 saw somewhere else. At [named council 2] we did that in the morning, at about half past seven, because you've
got to do what works. Croissants and coffee was the [named council 2] version. But it's about creating an
atmosphere. I remember...it is about breaking barriers sometimes, because I remember the first time we had

205 some real, significant cuts in [named council], the first step I took once we knew the scale of it, the very first step I took was to have – and it was a morning one, it wasn't a lunchtime one – was to have a coffee and croissants event, open, come along, we'll tell you the bad news about budgets, but actually, for an hour and a half, short briefing on look, this is the reality and the parameters, and a brain-storming, fun session on generating ideas, If we were to avoid just lopping off bits of service, were there things that people knew about, from their own bits of the organisation...we had huge long lists of things, and people felt positive about that, lots of the ideas turned into a bit of reality. In the end we made the whole of the reductions on the basis of these sorts of things, We didn't have to take one big decision about a lump of service.

Q10 What has been the attitude towards risk-taking in any of the councils you have worked for?

215 All this goes together, so in [named council] I think we were enormously risk-taking on certain selected areas. That was possible because of the culture that developed and we took a particular decision after 18 months or so to put a huge amount of effort into developing the use of technology. So we were very early, in local government terms, about how that could be used for day-to-day work, this is 1997-98 we're talking about. We decided partly to do it because of the nature of the area – this is [named area], in our patch we had the Head Offices of [named companies], all sorts of...you think of an IT or software company and they were either in our borough or the next borough up the road. Lots of people who lived locally worked in those sorts of environments. So we decided to do that, and internally that meant we began introducing document imaging and flexible working then...and workflow systems of software and a call centre – early call centre stuff which we experimenting with. There was really not many other places doing it, in local government. That led us down even further to really hitch our flag to the development and use of smartcard technology and at various time you would have to say we were in the bleeding edge of development there, in terms of the risks, some of the reputational and cost risks that we took. But there was a point at which we decided to do that, if we were going...if we were going to be known for something, the use of technology and in that particular case, because we were able to put some deals together, we would explore that, and we had development contracts with companies, we didn't just buy something, because we were a test bed, and yet we were putting all this time and effort into doing it, believing that it was going to deliver value. In the end it clearly did, both in service terms, but also in some financial terms. So, some of the developments of that we were the...in smartcard terms we were the national lead project. The system began to develop across the whole of our part of the Thames Valley that we ran, so we ran whole segments of shared service around services we developed and in the end we sold a licence to the government of Poland and to this day, the local authority still gets £120,000 a year for that. So, it was what we tried, it was really quite hard at times and it felt quite risky at times. It wasn't the only thing we did, but that was the big thing over an extended period. But everybody felt really positive about it, it was a real feature of pride in the place that we were on national, international stages to do with it. And I think that probably translated into other things, so in some of the land deals we did in very difficult development territory I think we were trying some new things as well. So, if the underlying question is 'is there some link between vision, learning organisation and preparedness to take calculated risks?' then yes, I would absolutely say yes on that. In the [named council 2] setting we did take some risks, but they were much more constrained and calculated and the biggest ones were linked to single shafts of vision about long-term future. So when we entered into the tram contract – enormously disruptive in the city to get anywhere near that, in terms of building for years on end and people losing their houses because the track was going through them, pile up a bunch of political problems, you wouldn't want to touch it. So politically, incredibly brave to do in the end, but it was linked, at a point in time, to a sense of [named place] becoming a European city, and that's the sort of thing that European cities have – shiny trams charging around them. Once the decision was taken, we were on that track, forgive the pun.

Q11 I was going to ask whether you encourage staff to experiment with new ways of working/delivering services, but I think you've made it clear that the answer is yes.

250 Yes, absolutely.

a) How have the results been fed back into the council system for analysis? Is there some formal way of reporting back and seeing whether it works?

255 I think you've got to do some of that, and it's important to do some of that, but I think it's a mistake to think you can just replicate one area of innovation everywhere else. I think innovation and change happens in good part because the people involved get enthused, personally take whatever risk is involved around that issue and exercise leadership. And that's not...the notion of scaling up, that civil services are really keen to talk about – you have a good idea across there, well let's have 300 of them across the country – is just misguided, in the end, because the stuff that's transferable is around systems and processes, which you can impose as a model. That might be a good thing to do in a whole range of circumstances, but what you can't transpose is the behaviour of individuals that made that first model work well in the first place. So the notion of good practice and transferring good practice seems to me to be inherently flawed. The only value of going to and hearing about good practice is if you take something out of that yourself and bring it back into your own situation. You don't want to replicate it you say 'I can see what I can do in my situation, having seen that and heard that'. That's the value, but it's the personal engagement that has to happen. Which is not a message government or big organisations like to hear, really, but I think it's the reality.

270 **Q12 I've got a question about changing internal organisational boundaries. I'm not quite sure how to phrase it, but presumably you have instigated a number of internal changes, I wondered how often you have done it and why you felt the need to change?**

Yeah, I'm not a big fan of structural change. You need to have a structure in your organisation because you need to...for a range of purposes you have to have clarity about responsibility and accountability, delegated authority. You've got to have those things, but I don't think structure drives much, it's more of a containing thing. Accountability, for instance, but an organisation, blocks of organisation to run systems, but the thing that makes things happen is about leadership within the structure you've got, and the last thing you want is for structure to get in the way of anything. So I think you can do great things with the right people in all sorts of structures and I think the risk about changing structures is there's always an enormous expense in changing structure – and I don't just mean the fall-out for individuals of getting redundancy – I mean the sheer disruption to people's lives and focus and energy is a real cost in an organisation, so I think you need to avoid it unless there's some really good reason to change structure. I'm much more of an evolutionist in all that sort of stuff. You do it when, in a sense, what you've got is getting in the way, and then you do something else.

Q13 Have you ever used secondments (or similar) very much to share knowledge/expertise within a council or with other organisations?

Not with the first objective being to share knowledge and expertise. I think that happens as a conscious...You know it's going to happen, but you've got to do it for a purpose, the purpose of doing something. Yeah, absolutely. So, [named council 2], with all the plethora of improvement plans it had at the moment I arrived, I certainly established a Deputy Chief Exec post which was taking the lead on the bunch of improvement stuff we'd got and the deputy Director from the Regional Government Office was seconded to us for 18 months to do that – a very bright spark, but great networking contacts for us too. I'll stick with [named council 2] on this, we'd certainly had the same in some of the regeneration teams, we had people from business working with us, seconded from local firms. In the improvements around Housing Benefit – completely fundamental reinvention of it because it was just dire at [named council 2] – we set up a temporary team for a year, it was a mix of...

Interview interrupted

I mean, the short answer's yes, at some places at some times, it's been quite extensive. Sorry, I was talking about the Housing Benefit stuff. We set up a replacement team, but we had a dozen staff from BT as a part of trying to model the new team. And then eventually it was changed into a permanent team inside the organisation itself. And I've gone on secondment. I think these things work both ways. So, before I was in local government actually, I went...the last organisation I worked for, I went on a half-time secondment to a probation service and worked in the Chief Probation Officer's...I was running some national projects for the Home Office and the leading Chief Probation Officer was interested, so I went on part-time secondment in [named council] to develop some different programmes about how they might...around employment for offenders, and how they might bring them into the probation service. And then I was at [named council], so there you go, see, that's why I keep coming to [named council] as a really unusual example of how things worked at some point. So innovative and positive was the whole feel about this that the council, with obviously the Leader being happy, allowed me to go on secondment to the Cabinet Office for six months and just come back to sit at council meetings so it looked like I was still there.

Do you want to call it a day there for the moment?

Yes

Interview suspended.

Interview recommenced at a later date.

Q14 Can you give an example of a change you have brought in or tried to bring in – what was the impetus for that change what were the barriers to making it?

Are we talking about the same time frame?

No, I'm trying to link change management and organisational learning...

Well, if I was to...let's take a [named council 2] example of improving the housing repairs service where the starting point was lots of complaints by tenants about the slowness of getting stuff, complaints from some staff about councillors bringing undue pressure to jump the queue because they perceived...about incredible delays. So it seemed to me that something needed to be done about it and the sorts of delays and backlog and the stats pretty much anyone in their right mind could see were problematic, although there was a level of acceptance amongst the officers because they just felt they were getting put on from all directions, really, including tenants. So, the barriers to it were, partly that actually the staff in the middle of all this who should have had direct control of it got to a point where they were dealing with the pressures around them and accommodated to, actually, this is probably this is the only way this could be, as far as they could see. It might have helped if they'd had lots more resources, would be one of their arguments at the time: 'we're doing our best, people should just understand that and be more reasonable with us and encourage us more'. I got a...So, I recognised that the lead officer in that area, quite specifically, was one of the barriers to doing anything about it, because he was just defending his service in this, you know. And was a fairly senior person, so equivalent of a second...had been at first tier and then was, because of a restructure, pushed back into a second tier person. But had an enormous budget – thirty-odd-thousand council houses – so I'd given up on him, having had various sessions with him about why he was defending stuff and got one of the strategic directors from a different area to be the project lead on this; that was to lead a working group to analyse the problem, so what should be done and make the improvements. Even that was a bit difficult, to get someone to take this on, because it was one of these problems that is sort of really messy and difficult. But got him to do that – he was an adult social services director – got them to get some of the

340 stats out so that people sort of had to agree, on the basis of the evidence, that this probably wasn't very good and
the benchmarks suggested that lots of people were doing a great deal better. So the case for change, that there
must be a different answer, was really one of the important things. And then it was about techniques, and I talked
to the lead manager, the lead director, I said "do this thing called a" – so this is a while ago "do this thing called a
345 'brown paper exercise'", one of these 'lean' ways of thinking, business process engineering, actually just map out
what happens now, before having a discussion about whether any changes to the processes were needed. So,
stop having the argument with the all these managers in housing repairs who say it can't be done differently, it's
his fault because they don't tell us earlier, just map out what happens now and then have that debate. This was a
new technique to him, but he got someone in to help him with it and they did the exercise in traditional form –
350 brown paper all along a wall – and discovered that the current steps in the way things were done meant that the
minimum gap between someone reporting a repair needing done – and it being one that could just be done – the
minimum gap between reporting it and it happening was 54 days and they all looked at that and thought "hmm,
that can't be right, can it?" and it was. And so, for me, that big issue which is, you can solve a problem as long as
everybody is on the same bit of the argument, which is there's really something that's got to be solved here, and
355 of course there are ways of doing it, and you see it in front of you – that can't be right – resulted in a constructive
discussion about what stages needed to be in that process di-dum, di-dum, di-dum. So, not much more to say on
that. For me, the big issue in change is always getting the case made that people accept. Once people have
accepted that, then, in a sense, of course you need good project management to work through stuff, di-dum, di-
dum, di-dum, and that might take months, depending what it is exactly, but all of that back-end is a waste of time
unless people absolutely buy into the need for change.

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Specific Modernisation Initiatives

The Beacon Council scheme:

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Q15 What involvement have you had with the Beacon Council Scheme?

In the authorities I was in, always pushed people to pitch in applications in several different areas. Certainly
thought it was a good thing, to get recognition of...On the one hand, for people to say "we think this is decent
practice", then the process of writing it up has some value in itself, and if you get recognition in the national
370 scheme, then great, good for everybody,

Q16 What did involvement in the scheme teach you about your home organisation?

I think once you get moving as an organisation people want to seek that sort of...want to shout about their
successes. But, clearly, some people just don't regard what they do, even if it's good practice, as being that, it's a
375 little bit sort of discounted. So if it told me anything, it was that actually that people don't, sometimes people don't
realise when they're doing well. Actually, this was one of these routes that allowed a way of saying that to people
and revealing that to people.

Q17 What did you learn from other beacons? Were any changes in working practices adopted as a direct result of involvement in the beacon scheme?

380

Not very much, I think, is the truth of the matter. I think you look at these things and there's the odd little
description you read and you say "oh yes, that's quite an interesting idea" and you blend it into your thinking and
maybe somebody picks up the idea, but as I said to you last time, I think sharing stuff around good practice has a
pretty mild effect, because you've got to invent it for it to be real. You've got to develop it yourself in your own
385 setting. So it sparked ideas, but I think that was all.

Q18 Did you try to implement a change but were not totally successful, and if so what were the barriers to change?

Not asked, due to previous answer

390

Q19 Do you think the scheme, overall, was an effective way of spreading good practice?

Given what I've just said, not especially. I think it's a good thing for people to reflect on what they're doing, so I
think for spreading practice, no, it had a very weak effect; for encouraging more creative process inside an
organisation, I think it did have benefits.

395

Best Value

Q20 Did the Best Value framework bring out information about your organisation of which you were unaware?

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Yeah, I think it did in some cases. I think a bit of structure around reviewing and asking the right sorts of
questions, yeah, certainly did. Pretty haphazard about which services learned anything new, but as a sort of total
effect, yes, I think it was positive.

Q21 Was the information available from other authorities of use in making comparisons with your own authority?

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No, I think the benchmark data is one of the ingredients that was useful, is useful, would be really a huge loss if
that gets done away with too much on the basis of localism.

410 **Q22 Was the information available from other authorities of use to you in bringing about improvements in service delivery?**

I think what it did was, it flagged up...if you were doing something well, it gave you some sort of reassurance, which is not a bad thing. If you were average or below on key benchmarks then it creates that need to understand and act, in other words it makes the case for change, to link back to what I was saying earlier, that's a bit of hard evidence as opposed to soft stuff, which is "I think other people might be doing better than us". Benchmarks force that and say "surely it must be the case that there are better ways of doing it than we are doing it right now", so it creates that driver very powerfully, I think. But – you might go on to it – but I do think that is crucial in an organisation, so it's one thing having the benchmarks floating around, but if there's no push to look at them and then act on the basis of it, then the effect is lost. So, for all the complaints you get around the Audit Commission and all that palaver, actually, the whole...if an individual authority wasn't actually making use of benchmarks, the Audit Commission regime required you to look at those. And I think that bit of pressure is really quite important. So, here, for instance, now, our business improvement team does quite good work around "oh here's some good practice around lean processes" and we've hundreds of people going through the lean courses and lots of people are doing good things off the back of it, there's no pressure for it. If you don't want to get involved in that, actually there's nobody really pushing you to think about it. So benchmarks are fine, but there has to be a way of using them as a lever, rather than just in general being available.

430 **Q23 What were the main drawbacks to Best Value?**

In general I think it was a good...the balance between helpful and troublesome is huge, in my view, hugely in favour of it was a good process. In different places at different times, we'd have taken a view about a bit of bureaucracy and exact ways of doing things and timetables and breaking it down into too small units, but...and then nationally there would be some themes and whether that was really relevant to your particular council, wouldn't always be the right thing, but it would be those smallish things. My experience was that you could use it, mostly, to shape doing the right things in your own authority.

435

Comprehensive Performance/Area Assessment

440 **Q24 Which aspects (if any) of the CPA/CAA have helped your organisation to learn about itself?**

I'm not sure. I'm much less enthusiastic about those developments. In fact, I'd struggle if I'm really thinking back about it. So what would the supposed additional benefits be? It took a stronger overview on whether you had a bit of a vision or not, that was always a bit false. You could always conjure up a...go around the country, some authorities had these vision statements that ticked the box but didn't mean anything in terms of...The assessment resources type of line. I'm not really sure, in general, that added a huge amount. Is the health of local government...did it take a big step forward, with all those financial health...I'd be hard pushed to say it did that. So, I guess the short answer is, I can't say I've ever thought about it, but I can remember so little about it, other than as something that became a much more...My small criticisms around Best Value, about the bits of bureaucracy and restrictive stuff that wasn't appropriate locally, would expand enormously around the bureaucracy and the lack of relevance to the local agenda...As one example from a [named council 2]-type setting, the stuff that was around vision, and the template of what a vision should look like for the area didn't really work for big cities. It wasn't counted properly, so the notion of a city playing the bigger corporate affairs story and being a core city playing a role across a wider area, and just how much resource goes into all of that, which is just not captured in CAA-type stuff.

455 **Q25 Which aspects (if any) of the CPA/CAA have helped your organisation to learn about what other councils are doing?**

Well, like all these things, there's bound to be some sort of spin-off from people reading reports and getting the odd idea and chatting to people. So there's a level at which, of course that must happen, but for the sheer cost of the bureaucracy I can't...The other commoner criticism was this is a process which is really an assessment of the local authority in the guise of assessing partnership arrangements. Not really true, it's local authority. It only mattered to the local authority. You just had to get your partners to not foul it up for you. So it was nothing to do with the quality of the partnerships, it seemed to me.

465 **Q26 Have you implemented examples of good practice from elsewhere that have been brought to your attention through the CPA/CAA?**

Not that I can remember.

Do people read other council's CPA reports?

Only when you're applying for jobs. It's a quick way of finding out about something. Wasn't that what people used them for? And if they didn't get it quite right, it was a stain on your reputation for three years afterwards, because it was official.

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Q27 Which aspects (if any) of the CPA/CAA have you found to be least useful?

I've probably covered those, haven't I? Which is, in certain respects, it didn't measure things and there may be other versions of this, but certainly in bigger cities, just didn't deal with that bigger city leadership role. Hugely time-consuming, because it seemed to have such consequence, your final judgement. I really think it was one of these things that, from the first days of it coming into operation, everybody knew it had a limited life. It was just so

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burdensome that it would just collapse under its own weight, basically. And I think that's what happened, more or less.

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Other Local Government Modernisation Initiatives

485 **Q28 Do you believe that any other initiatives introduced as part of Local Government Modernisation have helped local authorities to learn from each other, or hindered learning taking place?**

You've got to go back, even before these ones, so, in the same vein, the CCT stuff, in its own way, for all the moaning and groaning about it, clearly forced a number of things to happen that were really just about good management. The requirement to externalise some stuff, which is really what it amounted to, wasn't great at an individual authority level, but in aggregate, across the whole sector, you've got to look back and say that wasn't a bad thing in terms of breaking a particular culture of a way of working and to that extent, again, it's the same as the benchmark stuff, looking at different management measurement processes, in order to be able to manage to a cost, which was the big thing for a very high proportion of councils to actually have some knowledge about what you did and what it cost. I mean, that's what it did. It sounds so basic to describe it like that, but that was what it did. The actual tendering bit of it, in a sense, was the end of the...just the end of the story. You'd struggle to find a Labour councillor now who would say that's a dreadful thing, I would think. In terms of learning from each other...I'm not sure that these things were necessarily terribly centrally organised, but I think where shared learning opportunities are often quite powerful and you'd have to look at the scattering of how these things happened, so certainly in [named council 2] we had exchange visits between groups of our staff and other places that, because we were both framed as mutual learning, ie people wanted to take part in them, people went looking to test their own ideas and other interesting ideas...it was quite powerful. We did that with some other authorities, Leeds was one of the...Because, at the time, Leeds was supposed to be fantastic, and we weren't, in [named council 2]. They came down for the day, we organised a whole day's programme for different teams of people and to feed back at the end, from them, on what they'd found in our place. And the message was, "yours is such a go-ahead, modern authority by comparison to ours in Leeds". I think you'll find you've a CPA rating of excellent, we haven't. But there you go. And we did some stuff with private sector companies, we had things we called 'organisational raids' so, as a part of our own internal leadership development programme, we would have a number of days in the year where that group, the top one hundred or so managers, would all have some shared form of learning. And that wasn't always in a room in a conference setting, quite often part of it was organised group...you know, before you come back next time, all of you need to go out and see things. Some people would go to the Next head office – Next as in the retailer – which was down in Leicester or somewhere, some people would go another local authority, some would go to other business, some would go to the airport as a business, and come back and report insights and things that they'd seen. Got people to go out on the streets, so on one of these days we sent everybody out with clipboards, spent two hours at different service points, outside, talking to customers and potential customers to actually hear – it's managers were talking about – to hear from people in the street what they thought about the council and the services they'd used, as opposed to reading a report on it, and feel the enthusiasm or frustration that people standing in front of them said. Other mutual stuff? I think there's a bit of it came out the RIEP stuff, which wasn't the same in every area, but some of its strands were very much, in some areas, around shared enquiry and shared learning, so I think in a more ad hoc way that was good. Particularly on the efficiency side. And then I think it's about other, third party providers of leadership development, where people come together and follow that through in some way. That could be a university, students in programme, or sometimes through...it's become more common to have action learning sets and sharing across different authorities, whether as Chief Execs, it's now pretty much in every area, every main professional group has...their body organises action learning sets. So pretty much all the Directors here take part in action learning sets of people like them in other authorities, scattered across a wide area. So there's a lot of learning going on.

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Finally

530 **Q29 Are there any questions you were expecting to be asked but which I haven't asked, or anything more you want to add?**

What's an interesting reflection is whether this government's been doing anything to promote organisational development and learning. I can't remember, does the Beacon Council Scheme still exist?

No

535 I suppose the nearest equivalent now is the MJ Awards, it's not a hundred miles away.

Other than I think in the Beacon Council Scheme you were expected to have people come and visit you and explain to them what you were doing, with some expectation that they would go away and do something similar.

Yeah, I do remember it did that.

540 So you'd have to say that this government isn't doing much, apart from setting the challenge of "here you are, see what you can do with less money" which is a real action learning scenario if you were to take a different view. So, no, I haven't got anything else to say.

INTERVIEWEE R

Date: 3 September 2010

5 **Q1 Would you accept that the Beacon Council Scheme was about Organisational Learning, even if not explicitly stated or using the term?**

Absolutely. Not in those terms, and yet the whole purpose of the scheme was to help Best Value Authorities to learn from exemplars so that they could improve their performance so, I think, it was just implicit in the nature of the scheme.

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Q2 Would you agree that the interest in 'organisational learning' increased throughout the lifetime of the Local Government Modernisation programme?

Yes, and I think that was probably evidenced in the way that the Beacon Scheme developed and the way that we developed our approach to learning – I mean, putting much more emphasis on sharing learning. I think in the very, very early stages of the scheme, there was some resistance and in fact the Local Government Association was really quite against the scheme. They didn't like it.

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Q3 Do you think that the Government had a clear idea of how organisations learn at the beginning of its time in office? Did this develop as time went on?

Yes, I think there was some theoretical understanding. I think that developed as the scheme developed. Initially the idea was to identify exemplars who could help others to improve their performance. One of the things that we felt was missing...I say we, I became a member of the Panel after it had been going for three years and then we carried out a review of the scheme and the Panel, we all agreed that we needed to look very much more at the sharing of learning and what needed to be done and how it should be done. And in fact Warwick Business School – Professor Jean Hartley – was involved in looking at that. So the emphasis shifted over those first three years to putting much more weight on how could you ensure that the learning was shared, how could you ensure that others were able to benefit from that?

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Q4 Did you and the other members of your panel have a clear understanding of organisational learning at the beginning/as time progressed?

As I've just said, we wouldn't have used that term but we all came from different backgrounds where we all had experience of helping people to learn how to improve their performance and their practice. My background is actually as a teacher – once upon a time – and there were a few who had that sort of background. I think most of the panel, one way or another, were actively involved in helping people to learn as part of what they did in their day job. So we all had a different perspective on what we thought needed to be done, what we wanted was a lot more help. We did actually ask Warwick University to help us, to advise us about the circumstances that needed to be in place to help people to learn. It was actually very useful having that information from Professor Hartley.

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So, were they able to give you a good understanding?

In fact it was the way that organisations progress. What you need to help you to learn how to improve your performance depends upon where you are in your own journey of improvement. So things will work at the start of the journey, they won't be relevant as you start to get better. So that was quite useful, thinking about that and that actually helped us in the last couple of years of the scheme to shift the emphasis completely towards innovation.

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Q5 There was no other scheme quite like it anywhere in the world, did this bring certain challenges to the implementation of the scheme?

The focus was on outcomes and it had to be verified. I think that was one of the key differences – you couldn't just tick a box because it had to be evidenced and it had to be evidenced at different levels. We needed to be assured that staff at the front line and senior staff – Chief Executives and Senior Management Team – that they were all sharing the same culture and approach and that had to go for councillors, boards whoever it was that was running the organisation. And they had to be able to show us that they engaged with their service users. We actually shifted that: for the first few years of the scheme all that was asked for were details of satisfaction and we shifted that to actually needing to have evidence that they had involved, really engaged with the community and that they could prove that the things that they were now doing were in response to what the community had said was good and not so good, and that they had gone back and tested it. And that they used the same internal approach – so they didn't just consult 'out there' but it was part of the culture of the organisation. So they had to demonstrate to us that they had a culture of engaging inside the organisation and learning from each other and that they also went and were able to do that with the community, with whoever it was that was receiving the services. One of the reasons for that was because we wanted to be sure that if others came to learn from them, they would be able to look at all those different threads and they wouldn't...well, they wouldn't lift the cover off and discover there was nothing underneath. So that changed quite dramatically after the first few years of the scheme. It was slightly more tick-box – 'we're really good', 'what we're doing is above a baseline'. In fact we liaised with the Charter Mark people and what was agreed was that the Charter Mark was very much the standard – the good quality standard – that all organisations ought to be able to reach but the Beacons were the flares that came up above, on top of that standard. So it was 'how do you keep on being better?' and inevitably that meant that every year what we were looking for had to increase a bit, because as Best Value authorities. .. they were doing better, all the stats

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told us they were doing better, so what we had said at year four was what we were looking for, then by year seven we were looking for that plus plus plus.

70 **Q6 Were panels similar to yours created to oversee other modernisation initiatives? If not, why not, and why in this case?**

There isn't, again that was one of the unique points about it, and the panel didn't just have a role in judging who the exemplars were, we also helped to develop the themes and the criteria. And the risk, without having that independent advisory panel, is that you simply follow somebody else's agenda. We had ten – well, we actually had 12 in the last days of the scheme – government departments who all have their pet themes and they wanted, they needed, to have exemplars who could demonstrate what their policy was, blah, blah, blah, could be shown...and some of the things that some of them wanted to have as exemplars we said "well hang on, Department of Education, you want this, Communities and Local Government you want that, and actually it fits together. Why aren't you working together on this? We think – Cabinet Office as well – we think this could all fit together". And the outcome of that was that we actually had government departments working together in a way that they hadn't done before, and the feedback that we had from the civil servants involved in those departments was that actually this was an incredibly good way of working and they wouldn't have done it but for the scheme. Then having done it, I had a couple of them that I used as sort of advocates, ambassadors, because they went and told the other departments what a good idea it was. In the last two years of the scheme we actually had...the themes were linking two, three, four government departments together. And our take on that was because that was very much about the nature of the service that was received by the customer. It didn't come out of one box. Is this a better place to live? Well, it's a better place to live because of all these different disciplines and policy areas fitting together. Now, without an independent advisory panel, I actually can't imagine how you would be able to do that. What would be the facilitator that could bring those government departments together? Of course our role was to make sure that the way that what we were looking for was described was clear, it could be tested, and some of the information that came through initially from government departments, you looked at it and thought "I'm not sure what it is that they think they're going to test for". We can't see what it is that we would actually be looking for if we said to authorities here's what we want you to show by way of outcomes, it hasn't been clearly described. And that was because we knew we've got to be able to assess it. So it also had that take on it. And then the other one, the other big advantage, was that we had no particular axe to grind, no agenda, we didn't belong to a particular representative organisation, so there was no bias or taint in relation to who could get Beacon Status.

95 **I was just interested in why the Government chose to set up a panel for Beacon Councils, but not for anything else**

100 There wasn't another scheme like that. There wasn't another scheme...I mean, Charter Mark is a very different sort of scheme, in fact they did have external agencies working on Charter Mark as assessors and that would be the nearest, I think. But Charter Mark was very different because that was about a standard that was expected of people. Our list was very much about identifying exemplars and then giving rewards to encourage those exemplars to go and teach the others how to do it. Well, there wasn't another scheme doing that and the members of the panel, we very much took on the role of trying to get the message out, encourage people to improve their performance and have a go at being a beacon, so you get a lot of positives. It shifted to the Local Government Association taking charge of the scheme after last year and of course it's been abolished now. The risk with the LGA that we found, that we actually experienced, was that they had their own particular agenda for where local government ought to be going and we didn't have. Our agenda was better services for the community, improving the quality of life for the community. We didn't care which department, which agency, which discipline: it was about quality of life for the community.

110 **I understand that you are saying there were some strengths in having the panel. The department responsible for local government at the time didn't say "we'll assess it", they positively said "we want somebody else".**

115 That was possibly partly to do with the Ministerial approach, from the Minister who set it up originally – certainly the Minister who took over...Hilary Armstrong set it up and then Nick Raynsford took over. The Department's line was very, very clear: they were the administrator and the secretariat. And if any of the themes fell under their remit, they would appoint somebody as a special advisor but they definitely wanted to be arms-length, again so that it couldn't be seen to be trying to drive a government agenda or a government line. In fact exactly the opposite: we were used to inform government about how to develop policy and good practice, certainly in the later years, that was quite an active role for the scheme, actually coming back and advising about policy directions.

120 **Q7 You said in your report to the Minister that the Beacon Council scheme should have been more clearly recognised as part of the local government modernisation and improvement agenda...**

By the Local Government Association.

125 **I was going to ask you who by.**

The Local Government Association. There was a difficulty with that relationship with the LGA. They were positively against the scheme, they weren't just neutral. For many years they were positively against it to the extent that they actually banned the word 'beacon'. Frankly it just got silly. We did manage to pull that round. It took a long time to do it. The reason that they were so resentful was because initially, when the scheme was first set up, it was linked into the whole agenda about freedoms and flexibilities and if you can show you're really good, we will give you some extra freedom and flexibility and that's absolutely not what they wanted to hear.

130 **Q8 Were you happy with the Minister's response to your Panel's recommendations for improvements?**

135 Very much so. You're talking about the report that looked at the first review, because we had two reviews. That was the first review that Nick Raynsford had asked us to make sure was carried out.

140 We spent quite a lot of time talking about the way that we thought it could go and what ought to be done. I'm just trying to remember if there was anything we wanted that we didn't think we got. There was always a push to try and get them to increase the amount of reward that was available. But interestingly we found out that a number of quite small authorities who you would have thought would want there to be the grant, when they put their applications in actually didn't know that there was a financial reward. So they put their application in knowing that they'd be required to give up time and go and teach others, but they didn't even know that there was going to be a little bag of money going to them, which I thought was very interesting. So it wasn't the financial reward that made people do it. The feedback that we got, though, from some of the smaller authorities – and some of the bigger ones – the financial reward helped enormously when it came to sharing the learning because you could back-fill posts. So we got...I'm trying to think if there was anything we didn't get. There was always an issue about how we were serviced and whether or not there was a service level agreement with the Improvement and Development Agency. And if there was we never got to see it, and that was always a bone of contention.

145 **I think one of the things you did ask for and that the Government said no to was the Panel having a bit more authority and perhaps resources.**

150 But in effect, one way or the other we got everything that we needed. It carried on changing after 2005 and in many ways the Panel was able to have more influence as the scheme grew. Especially when we started getting Ministers giving out awards.

155 **You asked for the panel to be revised, to have oversight of the promotion and marketing of the scheme...**

160 We got that. We set up a marketing sub-group and that was how we got it agreed that there was sponsorship. So in fact we got that. We got it through setting up a sub-group and doing it. And the sponsorship – that was Clive Grace, when he was my Vice Chair – and he and my subsequent Vice Chair, Mark Greenburgh, they got hold of that with IDEa and Clive actually drafted the initial proposal for how it could be marketed and managed to get sponsorship and that was in the face of John Prescott, the then Deputy Prime Minister, being very, very much against sponsorship. Very concerned indeed that it could taint the scheme but we managed to do it. It actually proved to be...we could have asked for a lot more money and with hindsight it turned out to be a very, very popular scheme for people to sponsor and that paid for the awards ceremony. One of the sticks that was used by people who wanted to criticise us was that in the last few years of the scheme we had a big, black tie dinner. In fact we had the Oscars, we had the beacon Oscars where the envelope literally got opened on the night. Twelve Government Ministers at the final one. That was all paid for through sponsorship, there was no increase in the budget that we'd had, that was from sponsorship. And of course the sponsors wanted their names to be linked with the exemplars, but actually the scheme benefitted because a lot of the dissemination that then took place, sponsors helped to set things up. They were setting up workshops. WWF who sponsored the sustainable communities because it was helping them to get their message across, far more activities took place because they were so keen to be there and to be doing things, so it was a bit of mutual benefit in that. So no, we got that. I was trying to think if there was anything else we asked for that we didn't actually get. We certainly got that through simply doing it – setting up a sub-committee and doing it.

175 **Q9 The Beacon Council Scheme...**

180 The Beacon Scheme, because we dropped the Council bit.

185 **That's the point I was going to make. When it started it had to be called the Beacon Council Scheme because there were Beacon Universities Scheme, Beacon Government Departments, Beacon Hospitals, which all fell by the wayside fairly quickly whereas the Beacon Council Scheme was one of the longest lasting...**

190 There was actually a little bit of legislation that put us in place and the legislation talked about Best Value Authorities and so therefore, once that was passed, then it was Best Value Authorities. One of the things that we did push for that we didn't actually get was looking at how the scheme could be wider than Best Value Authorities. I always thought that would have been a logical development after year ten because so many others were interested. What we did get, though, instead of getting it widened to others, was that we got it agreed formally that others who worked in partnership with Best Value Authorities could have a special partnership logo and they got that.

195 **I was wondering what was different about the Beacon Council Scheme from the Beacon University Scheme which...**

200 Well, from what I'm told, it was the whole sort of nature of the construction of the scheme, the notion of the Advisory Panel...I don't...in the early days of the Beacon Scheme, before I was there, from what I am told and one of my Panel members had been on a Beacon Council, was that the way that there was any dissemination of information about the exemplars was very formulaic, there would be a sort of seminar type of thing and that was how it was done. Well. I don't think you can get an awful lot of sharing of learning when you do that, but that is what happened in the early days. I don't know what happened with other schemes but as I say, when we did the review several of us were particularly focused on: if this is meant to help others to learn how to improve, what's going to help that? None of us had the expert knowledge that Warwick had, but before Warwick came and gave us the various presentations from their work, we all brainstormed from our own experience what we thought it would be. And we were all very clear that the peer-to-peer – they call it 'sitting with Nellie' up here, as you probably know. From the mills? – so we were sure about that. We were also pretty sure that it was a bit about recognising the role of front line staff. Front line staff don't get many opportunities to say "we're the greatest", this scheme was about recognising front line staff just as much as the Chief Executive and the Director of Planning or whatever and going to talk to your peers. The one thing that was more difficult was finding a way for elected

205 members to share. Elected members wanted to, it was the mechanisms to make it happen...was actually quite difficult. It's very difficult for elected members, other than through the LGA, and then your pool has shrunk, to go out and find easy mechanisms to talk to other elected members. That was one of the challenges that I don't think we really properly addressed.

Q10 It was one of the longest lasting local government modernisation ideas, but it did come to end even before the General Election...

210 In Year 10, you can't have a year eleven, it was just too naff for words. It had always got to be renewed in some way. The Panel spent a long time looking at that. We had ideas for what could be done and we also had priorities. The absolute top priority was to get the Local Government Association to take much more ownership. I mean, we were quite convinced that if the improved performance...if the improvements were going to continue then the LGA had to be there promoting it and driving it. They had become more enamoured in the last few years. Simon Milton
215 stood up and said it was wonderful, so that was very helpful but we felt that the LGA needed to take charge of it, that they should have a much more key role in owning the scheme, that it needed to shift towards innovation. Because we'd reached a stage where overall performance in local government actually was very good, despite what the media would have you believe it was clear that it had improved phenomenally since '97. If you're going to carry on encouraging people and inspiring people to improve all the information...well, our own gut feelings and our own watching the scheme and how it had developed was saying to us it's about the little unknown things
220 shooting up that you now need to look for. It could have been a basket case authority two years ago. If suddenly it's shot up there's something really clever and interesting happening and we think it's likely to be about innovation. Jean came along and said "yes, you're absolutely right. Here's all the research that says to you here's how things progress". That was lovely, to think what we thought we had seen and where it needed to go and then you got all this great body of research that says "yes, you're spot on". So we said, yes, OK, it's got to shift towards innovation; Local Government Association take much more charge of it. We had also wanted to see fewer themes but much more cross-cutting, so that it had to be three or four different disciplines, government departments, working together. Because what we had seen was that you could effectively make it happen by saying "OK, you want exemplars in this area, you're going to have to go and work. CLG, Cabinet Office, whatever else, you're
230 going to have to work together on this". And they would do it, because they wanted to have their exemplars. So we said, OK, fewer themes, much more joined up, LGA, and innovation. And I think we were all pretty heartbroken – well we were, because my panel we all met up and we all said to each other how heartbroken we were with what the scheme turned into because we thought it had lost some vital elements of what could have happened next with the way that it changed. Now obviously we were all very close to the old scheme, so you'd expect us possibly to say that. But we actually thought that the private sector could have come into it much more. My politics are on record I think, I'm not in favour of the private sector particularly delivering public services but nevertheless, it seemed very clear to me and to the rest of the Panel that if you were encouraging the private sector to be there, that wouldn't half put people on their toes. It would really sharpen them up, and we thought that could be quite exciting. That didn't happen. I think it would have been really good if we could have made that
240 happen. So, where it went to, we were all very disappointed and then of course it just got abolished, so...Shame, because it was very, very clever, and all that research said it actually worked on a very, very small budget. It delivered amazing value for money.

Q11 How did councils share best practice before the invention of the Beacon Council Scheme? What were the weaknesses that the Beacon Scheme attempted to address?

245 Getting them to share best practice I think. Working on the side of the line that I work with, tenants' and residents' groups – tenants' and residents' groups had always been absolutely superb at jumping in a minibus and going off and looking at somebody else. But over the years, what I observed was it happened far less in... obviously housing was what I was looking at, but you just didn't seem to have that interaction. There would be conferences but usually Chief Executives and Heads of Department went. Again, there might have been some sharing of
250 learning, but a lot more of it was about "mine's better than yours". So I don't think there was a lot of sharing of learning but it was two things together, wasn't it? It was Best Value, it was the Best Value regime saying here is a requirement, what you have got to do, and it has got to be customer-focused. I mean, Best Value changed local government dramatically and then the Beacon Scheme said, "ooh, and here's a way to find out how to do it". Now you've got organisations that promote benchmarking and people subscribe and pay lots of money to go and find out what's happening, and of course, with the Beacon Scheme, you could go and find out about the best ones and it didn't cost you very much money at all.

Q12 Would you accept that there is a difference being good at something and its being able to teach others?

260 Absolutely. We tested for that; that was one of the criteria. People had to be able to convince us first of all that they knew what the story was, that they had to tell. And that was very interesting because some people came along – well, they didn't actually get to do presentations because they fell before they got to that hurdle – but they would present us with a lot of information saying "we're really good at all of this", but you couldn't actually see
265 clearly what it was they thought they had done. You've got lots of stats about things, well OK what's the difference that you've made? And it was this bit about what's the outcome, what's the change, what's the improvement? OK, I've got all these stats, you haven't actually...I am not sure it's at all clear to you what difference it's making to your community. So if they couldn't convince us of that they didn't get near us. If they convinced us of that then they had to tell us what the story was that they thought they had to tell to others. And the ones who made Beacon Status were the ones who said: well, these were the things that we did wrong and here's what we did about it and actually we think people can really learn from how we did this. Ooh and so-and-so who came up with this idea,

and this is how we nurtured them. The one thing that we felt the scheme hadn't mined, and myself and my Vice-chair really pushed to try and get Warwick funded to do the research, but we did fail at that, and that was the nature of the cultural change in the organisation, because what we saw was a very different culture within the organisations who were able to be repeat Beacons and we thought there was something there that you could really go and mine and have a look at. How come somebody like Bolton...gosh there's quite a few, I suppose. I shall get into trouble for forgetting them...Telford...I'm just thinking of the ones that came up regularly...how come they were able...oh Rotherham...to be repeat Beacons and in more than one theme, and others they would appear, they might get it once, they would apply again and they didn't get it. They carried on applying, that was the amazing thing, they weren't put off. What was the difference, what was it that had happened in those organisations? Now we all thought we knew, but we aren't the research people so who's going to believe us? We were quite convinced that it was to do with the nature of the culture, the sharing of the learning inside the organisation, the way that people were freed up to go and have a go. That was the anecdotal story that we were told. Front line staff felt positively encouraged to go out and try things because they didn't feel in any way threatened if it went wrong. That was very much what I heard from Greenwich when I went to one of their open days. It was like people bouncing around full of beans. Clearly they felt very free to go and try things and we wanted to know more about that culture. The elected members – how come they didn't feel challenged by the things that were happening because it was making them change their policies? We always thought that would be something that would have been really good to have gone and researched and when I talked to Jean she agreed, she said "no, actually, that bit of research hasn't been done". We didn't win that one, it involved money. They had to pay for the research and they didn't want to.

Notwithstanding that it wasn't all done, it must be one of the best researched aspects of local government modernisation.

Oh yes, partly because I think we fell in love with Warwick and they fell in love with us. It was clear that they very much enjoyed looking at us. Jean said it was...you've read it, in many ways it was unique and there were bits that you could compare with other schemes but there wasn't another one. It was a spiffing wheeze, it was a dead clever trick. For this very small pot of money that was dangled you got people going out and doing all this sharing of learning years after the money was over. People still go to Camden to find out about their approach to homelessness, well, I mean, it's ten years ago that they got Beacon Status.

You think it has a lasting legacy, whether it exists or not? It changed something?

Yes, it changed, and because of the networks that were created...and it's a sort of word of mouth thing, what we kept being told was that people were told about the beacons and what they had to offer. Tenant involvement, the field I work in, the Beacons are still referred to, now that was five years ago. People are still referring to the Beacons and the things that carried on from it. Merseyside Fire and Rescue, who are still getting awards for various things, completely changed their approach and listening to the other Fire and Rescue Services – I mean, they're a competitive lot – when Merseyside got those awards the rest all started looking at them to see what it was they ought to be doing. So that's definitely left a legacy.

Q13 Would you accept that the Beacon Scheme, at least in the early days, focused more on teaching rather than learning?

Yes. Possibly it had to because of the nature of local government and the state of the world at that time. As local government, the public sector, improved, I think the confidence improved and therefore it is easier to focus on sharing learning but you need a degree of confidence to do that I think.

Q14 Beacon Councils were promised a number of 'freedoms and flexibilities' do you know if any of these materialised, or why not?

It never actually got put into practice. It was packaged and presented in that way. There was great resistance to the notion of Best Value and freedoms and flexibilities from the local government world, they didn't like it. And it never developed. Myself and my Vice-chair talked to Nick Raynsford about whether or not that might be a way forward, but the reaction against it from people like LGA – it was a non-starter. In a way, was it even needed? Because the performance was improving, it was clearly working, the repeat applications...I've forgotten what the final stats were, but I think it was just about every council had applied...in fact there was just one council – a key player – who positively would not apply, although I think they applied in the very first year. I met...there was this big event at No 11 and I met people and they said "why haven't we got..." and I said "because you don't apply and my understanding is that you are actually against the scheme". It was to do with the Council Leader who died shortly afterwards. They said "but we should be applying" and I said "yes, it would be very helpful. I'm told that you are one of the best, but you're not applying and we're worried that if the people who are the best..." This was flannel on my part, I don't know if they were the best, but they packaged themselves as the best. "...if the best don't apply then the Beacon Scheme becomes the best of the rest, not the best of the best". Anyway, then they applied. And they got it. So we cracked that one. I think that was partly a political decision, they were so against the scheme. But I think they also created a problem for themselves because they hadn't applied and hadn't applied and said they were wonderful and kept being acknowledged as being wonderful the risk was if they applied and then they didn't get it. But they did apply and they did get it.

When you say the Local Government Association were against the 'freedoms and flexibilities' you mean they were against...

They were against tying things together. They wanted the freedom and flexibility...

They were saying "we are local government..."

...therefore we ought to have it." Yes. My line there was no way, come on. I've been working on the other side of the line from all of you staff and politicians and your performance is crap. I don't want you to be given freedom and flexibility unless you're really good, in which case that's absolutely fine. It certainly applied to housing. Why

would I want housing authorities to be able to go out and have freedom to borrow, unless they could demonstrate that they really were a good performer who paid attention to their tenants and improved their performance? Because we had a load that certainly didn't and that is my big worry now that the scheme has gone and with all the emphasis on localism, what's actually going to make people keep thinking about what is it that really matters to the local community and are we as good as good as we should be? The Beacon Scheme gave them a measure all the time. Are we as good as we could be? which is why they all competed to get Beacon Status.

345 **I think there's quite a lot of that tension between Government saying "once you've proved yourself, once you've proved you can behave, you can have it", and local government saying "no, we're your equal we deserve these things". And that develops over...**

350 Coming from the customer side of the line I would always want to say I want it validated, I want to be absolutely certain that you really are good and you're as good as you should be. Because there's an awful lot of evidence to show that there's been poor performance. Certainly that was the development over the years with the Beacon Scheme: the standard of performance of local authorities shot up. The Best Value regime I think was clearly instrumental in that and I think the Beacon Scheme helped people to raise...well raise their expectations or maybe their aspirations when they looked at the Beacons. They wanted to have a go, the ones who thought that they could be like that. What was quite telling was the year that we had a theme where we had far too many applicants. It was absolutely horrendous. We had seventy-odd who actually got through the first hurdle. That's outrageous, it should be twenty-odd if you're going for exemplars. And we realised in looking at the criteria, we'd made it far too easy. We'd let the line drop so that it was much more about a standard rather than an exemplar. And that was very difficult – just trying to go through all the applications was a nightmare. Then we managed to narrow it down, and we narrowed it down again. We gave awards but it made us all put our heads together and say "we've got to check what we're saying the criteria is about", we must be sure that we're not looking for something that is the good quality standard that you would expect everybody to achieve, it's got to be more than that.

360 **People write now that there were three phases of public service reform, that in 1997 things were so bad that the Government had to say "you will do this" and then as time went on...**

...you let go, yes.

Now you're up to A level standard, off you go to university...You, the local government world are now grown up and can be trusted to get on and do your own thing.

370 Yes, except how do you stop it slipping back? That would always be my concern: how do you stop things slipping back. And that was why we'd have loved Warwick to do that extra bit of research on the nature of the culture...how you develop the culture within the organisation so that it doesn't matter if the political control changes...That was something that we spotted quite often, when we looked at people who'd gained Beacon Status and then they just seemed to go to pieces...political control had changed, they'd lost their direction. How come we'd got others where political control had changed and they didn't lose their direction? We had some where a very inspirational Chief Executive or Director would go and you watched it fall apart and, my goodness me, I can think of a couple of authorities but I'm not going to name them, but it was just so stark that that had happened. But then why didn't it happen in the others where the Chief Executive went? We all thought we had an idea of what had happened with the culture, as I've said to you, but to have the research to say "well actually, if you do this inside your organisation, you will be on a path that will be about continuous improvement and that's what you need to do". Obviously you've got to keep refreshing this and renewing what you do because the world keeps changing, but that was the real missing bit of research from the scheme. So that's what worries me; that authorities, particularly local authorities who've been very good...and we've had local government reorganisation again, so there's a big challenge there, in somewhere like Cornwall, which just horrifies me beyond belief, what's happening there. How do you stop it dropping back down to being poor? And it was poor. My housing lot...we've stopped them slipping back to where they used to be, because they seem to be heading backwards at a vast rate of knots at the moment.

385 **I haven't got any more, specific questions but if there's anything you think I have missed that you want to add...**

I don't know, it's what it is that's going to be of most use to you in what you're trying to do.

I was just trying to get a feel for how the Beacon Council Scheme really worked, rather than reading the White Papers and the Government documents and reading academic studies into it. Seeing as we live so close it seemed too good to miss.

395 I've said about us advising Government but actually, again, it became more than that because, as the scheme developed and government departments became much closer to it I suppose...initially they'd want their theme and then once they'd got it we'd think "your not going to use your Beacons?" Trying to make sure they used the Beacons, that was quite a challenge. We got them to do it, and then that really took off. In the last two years of the scheme it became a real two-way approach to the extent that the person who became the Planning Advisor, so he sits right at the top...I don't know if he's still there, this lot might have got rid of him...he was actually from one of my Beacons, he was from Hambleton. He was a planner with a mission in life. I mean, Hambleton, little tiny Hambleton, Tiny Council, vast geographic area. My goodness me they were good. They were absolutely superb. And so they swiped the person from Hambleton and actually took him inside and that happened with a few. On the work we did on financial inclusion, the Treasury team and CLG and the person who'd been the special advisor and a couple of the Beacons ended up working together and the people who'd been outside government departments crossed the line and became advisors inside. So that was...I thought that was really quite exciting, the fact that they were prepared to do that, so that government departments started to improve their knowledge, their understanding and their approach. I don't know of any other scheme...I can't think of anything else where

410 that's happened in that way, so the people who were taken on were from absolutely verified exemplars. You get special advisors coming from all sorts of strange walks of life but these are people who are exemplars.

Thank you very much.

415 *Following the end of the recorded session the conversation continued for a short time during which a concern with the lack of engagement with the Beacon Scheme on the part of the IDeA was expressed by Interviewee R. GW stated that this was similar to concerns expressed in previous interviews he had conducted.*

INTERVIEWEES

Date: 27 April 2011

- 5 **Q1 Could you give me some background information concerning your personal involvement with government?**
I've been a councillor since 2000 in [named council], during which time I've done a variety of things: I've been a member of the Executive Committee as an opposition leader through most of that time and been the leader of the third largest group for most of that time.
- 10 **Q2 And with [named organisation]?**
I've been here as Chief Executive of [named organisation] now for five years.
- 15 **Q3 Have you heard of the terms "organisational learning" or "the learning organisation" or "policy transfer"?**
Certainly heard of the first two, I'm not sure about policy transfer.
It does tend to be more on the academic side of politics, rather than the practical.
What does policy transfer mean?
It's the academic study of how policies move around, mainly from one country to another, but I'm trying to apply it to local government. There's nothing in the theories about it that say it can't apply to local government but very few people, if anybody, actually studies it.
I suppose lots of people copy each other.
Well, that's one form of policy transfer.
Particularly in political parties, I suppose. When you run somewhere that's been successful then we start trying to promote what they do and that gets copied I suppose, doesn't it? So we're actively promoting that.
- 20 **Q4 Do you feel that you have a good understanding of the theories about organisational learning?**
Yes, but not in an academic way, so not the theories I don't suppose. I suppose I understand what the basis would be, but I wouldn't pretend to understand it academically.
- 25 **a) What does organisational learning mean to you?**
Well, I suppose an organisation that's willing to learn from what it does and learn from others and change and move forward would be an organisation that learns.
- 30 **b) What has been your major source of information on organisational learning?**
It's actually, to be honest, easier in my work stuff, rather than being a councillor. So, having worked here and worked in a voluntary organisation before here, as a manager, on a much, much smaller level, you understand how organisations develop and change and need to grow, or not grow and things like that. Which is what local government is doing, but it's a much bigger scale and I don't think, as a councillor, you're as aware as somebody like a Chief Executive would be, no matter how hard we try.
- 35 **Q5 Do you think interest in organisational learning within local government has grown in recent years?**
Well, at the moment, local government can't do anything apart from worry about its budgets. So I think it's probably a cyclical thing, isn't it? People in the period you're talking about actually, of the last Labour government, there was quite a lot of change and new things and local partnerships and a different way of looking...People started thinking about performance management in a much more structured way. There was quite a lot happening there, but I suspect when your entire focus is about balancing the books then some of those things take a back seat.
- 40 **Q6 Would you agree that [named organisation] has a role in the spreading of ideas and best practice?**
Yes. One of our two organisational aims is to help [named party] councillors be as...better than the councillors of the other parties is our stated aim, actually. So, as a part of that, part of what we would want to do is share the best practice that [named party] councillors have achieved in other places to help give people ideas of what they can do in their area or what policies they can promote in their area. So that is quite a [inaudible] thing. The less councils you run, the harder it gets. I have to say I'm a bit worried that if we don't run many councils after May, how we do that really, because what is [named party] best practice? An interesting thought really. I'm sure that in that filing cabinet behind you there things from when we didn't run any councils in the '70s, so we must have been doing it then. It's quite interesting to think about that.
- 45 **I'm particularly interested in the bit about – not best practice as in how do you get elected, how do you win the postal vote – when you are a councillor, what do you do?**
- 50 **Q7 what proportion of your organisation's time is spent that aspect?**
As I've said, we have two over-riding aims. One is to get [named party] councillors get elected and the other one is to help them be the best councillors when they are, but I suspect we spend about 75% on the first aim and therefore probably not enough on the second aim, which is helping councillors be good. The other slight
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- 65

70 complication is that, in the period that you're talking about, a whole infrastructure was set up at a national level, through things like the IDeA, and Leadership Centre for Local Government, and the Local Government Association, with a very large amount of money, and the...what were they called? the Regional...the different regions did different things, didn't they? Some of them used the IDeA, some of them didn't, to do councillor development. A whole industry was set up by...starting when John Prescott had his ODPM empire. To a certain extent, what we did got a little bit sidelined because they were a lot bigger and better funded than us. And that's all being slightly dismantled now. And that's all interesting because that was done on a non-party political basis as well.

75 **When I've finished I might have some thoughts on whether it can be divorced from the political process.**

Well you can't. I've done both actually. I've been involved in leadership training as a councillor that's been multi-party, which was the ODPM stuff, it was actually in the North West, so the IDeA didn't have the contract to do the North West, it was something the North West Employers did and that was very interesting. You did things with other councillors of other parties and things like that. But I've also been involved...the Leadership Centre for Local Government does something called the Next Generation programme, it does three – it does a Labour one, a Tory one and a Lib Dem one – and they're deliberately within party groups because you get a much more open and fuller discussion from people. And I've been involved with...we get contracted here to help run the [named party] Next Generation programme so I've been involved, I was one of the course leaders for the last two years. Very interesting, that.

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Q8 Do you measure success in spreading information, if so how?

No, we've had a good think about this, actually, because if you...we have a strategic plan and the bit around elections is very measurable, because it's around votes and seats after elections, or numbers of candidates, or something like that, but the stuff around how well councillors are performing is a lot less easy to manage, a lot less for you to count I suppose, isn't it. So we've started thinking about doing an annual [named party] councillors' survey and building that up over time to see whether or not you could identify any trends or things that needed to happen.

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95 **Q9 Has the modernisation of local government led to changes in the way your organisation works? If so, what changes have been made?**

You meant the move to Executives...

That sort of thing.

Well, I don't remember the previous committee style. I was a councillor a year after that had been abolished. Almost anybody who was a councillor before then...no, I'll clarify that, a lot of people who were councillors before then always hark back to the committee structure as being the good old days, don't they? I don't know if that's rose-tinted glasses or what really. The people who don't tend be the people who are on an executive who say "oh no no, it was stupid, the committee system, the Executive system is a lot better", which is an interesting idea, isn't it, really? There's a very, very big difference now between [named party] councillors who are involved in running cities or councils and therefore in the Executive and the majority who aren't at all. And I suspect in the old committee system that was a little bit different, because you had all people involved in a little bit more decision-making, whereas scrutiny has gone from, to be honest, has gone from bad to worse really. Whereas some of the stuff around back-bench councillors should be involved in community leadership and things like that, it's actually stuff we would be really into and want to promote, but I can't remember, somebody once said that scrutiny was just invented to keep the back-benchers happy, wasn't it? with the executive model.

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110 **Do you do things specifically for Executive members and scrutiny members?**

We do quite a lot of scrutiny training, especially around effective scrutiny and it's always a popular course, actually, we tend to run that about once a year. Normally at our autumn Federal Conference which is the bigger one, and it's always popular. I'm not quite sure whether it achieves anything because I don't think scrutiny is particularly any more effective as a result of it. It's certainly something that there is a demand for.

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Q10 Do you believe that local government modernisation initiatives (eg, Cabinets and Scrutiny, Best Value, Performance Assessment, Beacon Council scheme) have affected the ability of councils to learn?

Well, I suppose it provided for some quite good benchmarking in that you were able to have a relatively understandable system of seeing who was better at social services than other people, you know what I mean. The trouble is that the process of getting there was all very tortuous wasn't it? The whole industry of assessments and having to do this to get your next star and things like that. It was all driving councils in a particular direction, wasn't it? Stretch targets and all this gubbins. To what extent that took policy leadership away from councillors a little bit, because if councils were chasing stars and stretch targets because they had to, then, to a certain extent, what were councillors there for? You know what I mean, in terms of what was the difference in different politically run councils.

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I wondered whether you have a feel for whether it is easier for, in your case, [named party]-run Executives to implement good ideas from other, [named party]-run councils.

Yes. Quite a lot of [named party] councils were very good councils, in fact [named county] is a good example. There were quite a few places that were five star, excellent or whatever, before it was abolished. The interesting thing is that people began to regard it as a ticket to losing control. They thought that when you got to five stars you must be in trouble. To a certain extent, the public absolutely didn't care.

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Whereas the government would say, your reward is you get re-elected.

But it didn't happen at all. The year that we did lose control of [named county] we were up against it because it was an absolute [named party] high tide year, wasn't it? Was it only two years ago? But I can see the pictures of the [named county] County Councillors holding up their stars on their election leaflets, but it didn't work, did it?

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I do find that interesting. It's clear from the government literature that the reward for being a good council is that you continue to run it – it will bring electoral support. The opposite is, if you're a badly performing council, you deserve to go and by highlighting all this in the public gaze, that's what will happen to you.

140 I don't think the public particularly cared. There are examples of...was it [named authority] that was a no-star authority. There are places that we run that were very bad in terms of the assessment regime, that we carried on running.

I suppose [named council] is perhaps an example of where things were bad under a previous administration and that administration did change.

145 I'm not sure the ratings had anything to do with it though. Places do just swing, don't they, sometimes - out of kilter with other swinging. It's difficult to control somewhere for ever. Probably people go through all the best people and you get tired and eventually, except in the deepest of heartlands, it must be quite difficult to sustain things for ever.

You think there are other things at play that, however good or bad your council is, there are bigger things that decide who, politically, runs a council than government assessments.

150 Yes, but also if a group of councillors spend all their time at the Town Hall or County Hall, achieving all of that, then they're actually not back in their wards making sure they get re-elected. Ultimately, getting re-elected isn't about the last few weeks, it's about the four years before that - for [named party], because we've got to work harder. So there's a 'too much time at the Town Hall syndrome', potentially.

I'm not sure that government publications are written by people who understand that, which is a worry.

155 But also, different political parties do things slightly differently. There is a different way, not necessarily right or wrong, we just do things slightly differently. [named party] don't understand why we run around delivering leaflets after the elections - as [named party] – they just don't understand it at all. And we don't understand why they don't. But they're obviously very successful at getting elected as well.

Perhaps it depends whether the outcome you want is to get elected or to do things.

160 Yes, I would hope that all our candidates aren't doing it just to get elected, but they are doing it because it's a step towards a more liberal Britain, isn't it, that's the theory. Running a council can often mean that the MP follows.

Q11 Are there any questions you were expecting to be asked but which I haven't asked, or anything else you would like to add? Why doesn't everyone just say "that's a good idea, let's do it"? That's at the root of my research.

165 Well I suppose people have different priorities, don't they? Different areas have different priorities and what works in Somerset doesn't necessarily work in Brent. Nor is it necessarily a priority. I think there would be something wrong if everything was copied everywhere because that's the whole point of local government, isn't it? That government is somehow reflective of the local community. Which sets us apart quite significantly from the NHS, which has got the letter N at the beginning of that, so theoretically, it's a single national standard across the board. Local government is deliberately different, and that's why that's important. I do think political parties actually play a very important role in sharing best practice. Thinking more about what we do, there's things like publications where we write about best practice and then there's quite a lot of events as well, so people talk about these things at conferences, at local government conferences, at [named party] local government conferences every year. There's a big programme of things at the LGA General Assembly just for [named party] and they're all around learning from each other. We started a new thing actually, at the last conference. We were fed up of 'death by powerpoint' training sessions, which I'm sure everybody is, although it has a role, and are having some sessions that were just called 'inspired', where we just got some people who had done good things to actually just talk about it. We tried one at our Spring conference in Sheffield, it was about councillors who had done good things on the green agenda in local government. They had a just tell us what you've done sort of thing and then people would ask them things about it. The idea was that people went away inspired rather than dead as a result of a powerpoint presentation. So we're still trying those things.

That's at the root of it. You say that what's right for Somerset isn't right for Brent, but how do you know? Is a conference the best way of sharing? Is providing literature enough?

185 By far the best thing I've done in the last year was the Next Generation programme, actually. It was the fifth one this year. We went on a study weekend to [named council] and [named council] which are two [named party]-run councils. Both very different, actually, in the way they are run, but they are both very successful [named party]-run councils. And basically it was an intensive look at what they have done, and met with their partners. We met with [named place]Football Club and [named place] Airport – a whole raft of different things. Everybody went away – there were sort of 20 councillors on the course – bursting with ideas they wanted to copy, which is a really good way of doing it that you would never get from a conference session or a book that you read. It's also ridiculously expensive, so that programme costs – not the weekend, but the programme – about £5,000 a councillor, which is a pretty intensive amount of money to spend on 20 people.

And their time.

195 And it was aimed at younger people, which is a bit of a loose thing with councillors, but they all tended to have full time jobs and other significant things in their lives.

Anonymised Information on Interview Participants

Interviewee	Interview Date	Interview Length (h:m)	Position Held	Authority Type	Years of LG Service/as Chief Executive	Background	Previous Senior Positions Held	CPA Rating (2008)	CAA Organisational Assessment (2009)	Population (2009) (approx)	Workforce/FTE (at end 2010)
A	27/01/2010	01:00	Chief Executive	Metropolitan Borough	11 4.5	Marketing	Chief Executive, District Council	3 star, improving adequately	Performs Adequately	200,000	10,312 7,124
B	05/03/2010	01:00	Chief Executive	Metropolitan Borough	36 6	Education	Chief Education Officer, Metropolitan Council	4 star, improving adequately	Performs Adequately	400,000	18,781 13,731
C	15/03/2010	01:25	Chief Executive	Metropolitan Borough	36 11	Legal	Executive Director, Legal Services, Met Council	3 star, improving adequately	Performs Adequately	750,000	34,059 24,780
D	21/04/2010	00:45	Chief Executive	District Council	23 3	Highways/Regeneration	Director, Regeneration & Development, Met Council	N/A	Performs Adequately	50,000	290 252
E	10/06/2010	01:04	Chief Executive	County Council	27 9	Economic Development	Chief Executive, 2 Metropolitan Councils	3 star, improving adequately	Performs Well	1,100,000	42,514 30,464
F	14/06/2010	01:32	Chief Executive	Metropolitan Borough	35 13	Leisure	Chief Executive, Metropolitan Borough	3 star, improving well	Performs Adequately	255,000	10,503 7,579
G	14/07/2010	00:29	Chief Executive	Metropolitan Borough	21 4	Housing	Head of Housing, Metropolitan Borough	2 star, improving adequately	Performs Adequately	500,000	22,128 15,746
H	10/08/2010	00:53	Chief Executive	Unitary Council	30 6	Education	Chief Executive, Unitary Council	N/A	N/A	290,900	11,279 8,092
I	14/12/2010	00:50	Chief Executive	Unitary Council (Directly Elected Mayor)	33 1.5	Finance	Chief Revenue & Benefits Officer, Borough Council	N/A	N/A	156,000	7,507 5,275
J	24/03/2011	00:56	Chief Executive	Metropolitan Borough	28 1	Housing	Director of Housing, Metropolitan Council	4 star, improving strongly	Performs Well	280,000	10,878 7,034
K	29/03/2011	00:37	Chief Executive	County Council	32 4	Finance	Chief Executive, Borough Council	3 star, improving adequately	Performs Well	1,100,000	42,514 30,464
L	21/04/2011	00:43	Chief Executive	District Council	39 11	Social Services	Director of Social Services, Metropolitan Council	N/A	Performs Adequately	143,500	1,029 893
M	12/05/2011	00:41	Chief Executive	Borough Council	31 14	Social Services/Housing/Policy	Acting Chief Executive, Borough Council	N/A	Performs Well	110,000	643 551
N	31/05/2011	00:35	Former Chief Executive	Metropolitan Borough	21 1	Policy/Retail (private sector)	Assistant Chief Executive, Metropolitan Council	2 star, improving well	Performs Well	434,900	17,762 14,502
O	21/07/2011	01:02	Former Chief Executive	Metropolitan Borough	36 16	Town Planning		4 star, improving strongly	Performs Well	280,000	10,878 7,034
P	17/08/2011	00:57	Chief Executive	Metropolitan Borough	30 16	Social Services	Chief Executive, County Council	4 star, improving well	Performs Well	300,000	11,553 8,955
Q	21/6 & 23/7 2012	01:20	Interim Chief Executive	Metropolitan Borough	21 15	Voluntary Sector/Policy	Chief Executive, 2 Unitary Councils	3 star, improving adequately	Performs Adequately	200,000	10,312 7,124
R	03/09/2010	00:50	Person closely associated with the Beacon Council Scheme								
S	27/04/2011	00:26	Head of the local government arm of one of the major political parties								

The Chief Executive Interview Script

Setting the scene

Q1 When did you enter local government?

Q2 What position did you occupy in May 1997?

Organisational learning

Q3 Have you heard of the terms “organisational learning” or “the learning organisation”?

- c)** If yes, do you think interest in organisational learning within local government has grown in recent years?
- d)** If so, why do you think this is the case?

Q4 If yes to 3, do you feel that you have a good understanding of organisational learning theories?

- a)** If yes, what do these terms mean to you?
- b)** If yes, what has been your major source of information on organisational learning?

Q5 Do you want your council to be a “learning organisation”

Q6 Do you think you are one?

- e)** If yes, what has been put in place to make it so?
- f)** If not, what have been the major problems in becoming one?

Council Structures and Culture

Q7 Does your council have a clear idea of what it wants to be in, say, ten years' time?

Q8 Do you/your senior management team/senior members put aside enough time to reflect on what you are doing (rather than the details of how you are doing it)?

- c)** If yes – how have you managed to achieve this?
- d)** If no – what do you need to do to achieve a better balance?

Q9 What would you say were the top three ways in which you and your staff receive information on new ways of delivering services?

Q10 What is your council's attitude towards risk-taking?

Q11 Do you encourage staff to experiment with new ways of working/delivering services?

- b)** If yes, how are the results fed back into the council system for analysis?

Q12 When was the last time your internal organisational boundaries were changed? What prompted that change?

Q13 Do you use secondments (or similar) to share knowledge/expertise within the council or with other organisations?

Q14 Can you give an example of a change you have tried to implement but where you were not totally successful?

- a)** What was the impetus for that change?
- b)** What were the barriers to making it?

Specific Modernisation Initiatives

The Beacon Council scheme:

Q15 What involvement have you had with the Beacon Council Scheme?

a) If none, why?

Q16 What did involvement in the scheme teach you about your home organisation?

Q17 What did you learn from other beacons? Were any changes in working practices adopted as a direct result of involvement in the beacon scheme?

Q18 Did you try to implement a change but were not totally successful, and if so what were the barriers to change?

Q19 Do you think the scheme was an effective way of spreading good practice?

Best Value:

Q20 Did the Best Value framework bring out information about your organisation of which you were unaware?

Q21 Was the information available from other authorities of use in making comparisons with your own authority?

a) How?

Q22 Was the information available from other authorities of use to you in bringing about improvements in service delivery?

Q23 What were the main drawbacks to Best Value?

Comprehensive Performance/Area Assessment:

Q24 Which aspects (if any) of the CPA/CAA have helped your organisation to learn about itself?

Q25 Which aspects (if any) of the CPA/CAA have helped your organisation to learn about what other councils are doing?

Q26 Have you implemented examples of good practice from elsewhere that have been brought to your attention through the CPA/CAA?

a) If no, why not?

Q27 Which aspects (if any) of the CPA/CAA have you found to be least useful?

Other Local Government Modernisation Agenda Initiatives

Q28 Do you believe that any other initiatives introduced as part of Local Government Modernisation have helped local authorities to learn from each other? Or hindered learning taking place?

Finally

Q29 Are there any questions you were expecting to be asked but which I haven't asked, or are there any further points you would like to raise?

Chief Executive Interview Findings

Introduction

The rationale behind interviewing local authority Chief Executives to obtain some insights into their views of organisational learning and the modernisation agenda has been explained in this thesis. The method adopted for the analysis of the data generated has similarly been explored already. The main purpose of this essay, then, is to present the data in a way that increases familiarity with it and so prepares the ground for the much deeper, thematic analysis that will appear in the final thesis.

Interviews took place with 17 current or recent local authority Chief Executives. Between them, they had over 480 years' service in local government, with around 136 years of that as Chief Executives. The transcripts of the interviews consist of around 115,000 words of answers to the questions posed and are based on nearly 15 hours of recordings.

The Interview Questions

These form a separate appendix and it is sufficient here to note that there were 29 questions in all, though not all of them were asked at all interviews due to answers sometimes being provided before the questions were asked.

Awareness, Understanding and Sources

Interview questions 3–6 were designed to elicit responses that would shed light on the interviewees' knowledge of organisational learning, the sources of this knowledge and any action that they had taken as a result of gaining this knowledge. No definition of organisational learning was proffered by me at, or prior to, the interviews. Instead the participants were given free rein to elaborate on what the term meant to them.

Asked about their awareness of the terms 'organisational learning' or 'the learning organisation' all but two participants claimed to have heard of these terms before being invited to take part in this research. One equivocated, but even the one who responded firmly in the negative believed that he or she had come across the concept, albeit in a different guise. This widespread awareness of the term, though, was not matched by a confidence in understanding; less than half felt that they had a 'good' understanding of the theories underpinning organisational learning. Perhaps significantly, 'academia' was cited as a major source of their information on organisational learning by all but one of those claiming a good understanding; even the exception to this cited high-level, intensive management

development courses, with a significant academic input, as one of his or her sources of information. Not that the academic route to learning can guarantee success, as some of those who professed to having only a 'reasonable' theoretical understanding of organisational learning also cited academia, often an MBA (Master of Business Administration) as a source of information. Academia was cited as a source twice as often as its nearest rival, but other sources of information mentioned more than twice included (in descending order) personal experience, the Leadership Academy, professional journals, and local government bodies such as the IDeA and RIEPs.

More important than an awareness of the term, or even than a self-assessed proficiency in the subject, is whether the interview participants really did have an understanding of organisational learning, could clearly articulate this understanding and, perhaps most important of all, act on it to create a learning organisation. Taken as a whole, those interviewed espoused all – or at least very many – of the terms commonly found in the organisational learning, change management and policy transfer literature. There was, however, little consistency or commonality across the responses. There was certainly no agreed definition that rolled off the tongues of those interviewed and no single response fully captured the complex nature of learning. Interestingly, perhaps, there also seemed to be no correlation between the level of knowledge of the subject, as evidenced by their descriptions, and their self-assessed level of competence in it.

The definition of organisational learning as 'sharing best practice' was, perhaps unsurprisingly, the most often cited, though even this came only from a minority of interviewees. One quarter of participants mentioned 'learning from mistakes' and the same number expressed a recognition that learning could come from within an organisation or from other organisations.

Definitions that showed a deeper, conceptual, understanding of organisational learning were proffered by some respondents, though these were raised more rarely than the issues mentioned above, and were far from being consistent, even among those who mentioned them. To give some examples: only one interviewee mentioned the need to adapt what they saw in other places to suit their own purposes, even though this is a significant step in any of the stages models discussed earlier; only one person referred to the need to take into account the views of the customer/client, though this is one of the central tenets of modernisation; only one person mentioned the need to reflect collectively on the purpose of the organisation and the same person was the only one to mention the need for shared understanding of problems when seeking solutions; only one person referred to behavioural change as a result of learning; and finally, only one noted that learning is embodied in doing. As mentioned earlier, not all of these definitions were put forward by people who claimed to have any great understanding of organisational learning.

While the 'culture' of an organisation was referred to explicitly by only three interviewees in their definition of organisational learning, all those who provided a substantial response to this question included various cultural aspects of their organisation in their reply. In fact, definitions that could be classed as referring to organisational culture far outweighed any that included consideration of learning processes, with only two mentioning anything to do with process. One respondent referred almost entirely to the processes of organisational learning while one more referred to them in relation to the organisational culture. I shall return to this matter shortly.

Chief Executives expressed unanimity in that they all answered 'yes' when asked if they wanted their council to be a 'learning organisation'. Even then, this was not without caveats being added: one would not have used that terminology; one made clear it was only a means to an end; and one gave a more guarded 'yes' than he or she would have done a few years previously. On its own, this unanimity may tell us little, after all, stating that they *don't* want their council to learn seems an unlikely admission for a Chief Executive to make. However, having got their ambition to be a learning organisation 'on the record', this paved the way for the more penetrating questions of whether they thought their councils were learning organisations, what they had done to bring this about, or, the other side of the same coin, what had prevented it.

Only five respondents believed that their councils were learning organisations, and even this came with some qualification. One responded by adding the caveat "at the moment" and another mentioning the need to refresh this position. Both additions suggest that being a learning organisation is a situation that can change without regular, if not constant, support. A common observation was that being a learning organisation is not a state of being, but a journey – and perhaps one that is never completed. Again there was an acknowledgement by some respondents that, with local authorities being "a loose clustering of services", some departments within councils were bound to be further along the journey than others.

Asked the two related questions about what had been put in place to promote organisational learning and what were the barriers to becoming a learning organisation, staff training emerged as the most commonly cited initiative, though by less than half of the sample. Around a third of the interviewees mentioned the efforts they had put into developing leadership skills amongst councillors and council officers. The same number mentioned 'silo working' (meaning the lack of connectedness between council departments) or the disparate nature of council departments as something they had either worked to overcome or as being something that blocked organisational learning. Similarly, time for reflection or joint working between members and officers was mentioned, either as a barrier to learning or something that had been positively promoted to enhance learning, by the same number. This is a point explored in more detail through questions (7 & 8) later in the interview and so will be returned

to in the discussion of replies to those questions. Three respondents commented on the efforts they had made to improve internal communication systems and a further three referred to the establishment of employee networks. Only two interviewees referred to actively bringing new people with specific skills or knowledge into the organisation as a method of learning. Again this will be explored in more detail below, as a question specifically about secondments (Q13) was asked later in the interviews.

Considering that many of the interviews were carried out soon after the 2010 general election and the immediate and significant reduction in central government grants to local authorities, it is perhaps surprising that only three respondents explicitly mentioned lack of finance as a barrier to learning, and even one of these admitted that the financial position could be used as a driver of change that he or she would want to make anyway.

A number of initiatives undertaken to improve a local authority's ability to learn were mentioned by only one or two interviewees. These include: being more outward looking; raising self-awareness; empowering staff to do perform their duties in new ways; recognising customer needs, and having a clear purpose for the organisation. Similarly cited barriers to organisational learning included: risk-aversion and the inherently conservative nature of local authorities (again a topic that will be discussed in more detail later under discussion of answers to questions 10 & 11); hierarchical structures; the scale of the change needed, and having a false view of the organisation's performance.

Although only mentioned once, three points were raised by different interviewees that are worthy of note. Firstly, the 'command-and-control' approach, widespread in local government, was seen as problematic in developing a learning organisation. Secondly, 'being OK' was viewed in the same way. Both of these issues are well documented in the organisational learning and change management literature. Thirdly, and perhaps most tellingly, one interviewee backed up his claim to head a learning organisation by referring to systems put in place to "turn data into intelligence" (N:79); a matter of particular importance in the discussion of the Best Value regime.

Two questions have been left until last in this discussion, namely the supplementary parts of question three. These concern the matter of whether local government's interest in organisational learning has increased in recent years and, if so, why. The centrality of these two questions to this research requires that the answers are considered carefully.

All but one of the interviewees were clear that an interest in organisational learning within local government had grown in recent years, and even the dissenter accepted that the interest he felt had always been present in his area of work – social services – had "been picked up and broadened out" to the wider local government world (L:29). Again, though, various caveats were added to a number of responses: one wouldn't have used the term 'organisational learning'; two referred to the cyclical nature of interest in such matters and one believed that the use of the term, if not the concept, had reached its peak a few years

before the time of this research. A number of respondents believed that, although interest in organisational learning had increased, this had not been at a high enough rate, and had not been matched by implementation or been sufficiently embedded in the local government psyche.

Asking why this growth of interest had come about elicited, at least superficially, a range of responses. The changing role of local authorities; the changing role of professionals within local government (i.e. a move away from service-specific professional skills to more generic management abilities), and the increased importance given to performance management regimes were the most cited. Other issues raised included inspection regimes, improved service delivery and customer demand.

The above section gives an overview of the responses given to a related set of interview questions. The next section will explore what can be deduced from this data.

Digging Deeper

An initial examination of the interviews carried out as part of this research show that, at least amongst this group of long-serving local authority officers who have reached the top of their profession, there is widespread awareness of something that can be called 'organisational learning. There is a similarly extensive acknowledgement that local government interest in the concept of organisational learning has grown in recent years and unanimity of ambition in wanting their council to be a 'learning organisation'.

That, though, with one exception to which I will return later, seems to be where any large-scale agreement stops.

While a majority of interviewees regarded their theoretical knowledge of organisational learning as being less than good, this appears to have little, if any, impact on their ability to define organisational learning or on the suitability of the actions they had taken within their councils to promote it. No single interviewee proffered a description of organisational learning that fully captured all of the aspects drawn out in the thesis. Taken as a whole, they did, and many insightful comments came from those who claimed no depth of knowledge of the subject. This lack of cohesion and comprehensiveness in the Chief Executives' definitions should, though, come as no surprise. As is shown in the thesis, even those academics and practitioners who do claim a level of expertise in organisational learning have failed to establish a commonly used definition. This, combined with the fact that so many sources of information on the subject were cited, perhaps goes some way to explaining the diversity shown in their responses.

Problems with the nomenclature, or language, of organisational learning can therefore be seen to be present, but these are not the only problems facing the heads of local authorities. In defining both the state of organisational learning their councils had achieved, and in the perceived barriers to progressing further, Chief Executives mentioned

the diverse nature of English local government; a diversity that exists both *between* local authorities and *within* any individual authority. The difficulties involved in seeing organisations such as local authorities as single organisations rather than as a series of smaller organisations linked by a name, legislation or historical accident were well known to the interviewees, but is a matter largely ignored by the modernisation agenda.

Although it was recognised by some that learning could take place *within* a local authority, with good practice being recognised in one section or department and efforts made to replicate this more widely, differences between council departments were more often seen as a barrier to organisational learning and one that either had required, or would require, positive action to overcome. Combining these comments – often caught up in the phrase ‘silo mentality’ – with the efforts put into improving leadership skills, it would appear that, either by accident or by design, a number of Chief Executives had recognised the importance to organisational learning of having a clear purpose and a clear direction for their organisation, and further recognised that these are difficult to achieve in a strictly departmentalised organisation. In the discussion on policy transfer contained in the thesis I mentioned of the need for organisations to be similar in some ways for policies and practices to transfer effectively, and that this might not always be the case even in departments of the same organisation. Whilst the phrase ‘silo mentality’ may capture some of this, I do not believe that this is the context in which the phrase was being used; it was being used to refer to the difficulties of providing an overarching purpose and direction to the council as an organisation. However, important though the factors of purpose and direction are, they are only part of the picture of a learning organisation. What is missing, at least in responses to this first set of questions, is any widespread discussion of processes that might be put in place to aid the spread of learning and change. As mentioned already, the large majority of changes enacted or envisaged related to cultural factors, rather than processes.

I now return to the one area of general agreement amongst interviewees mentioned at the beginning of this section – the reasons for any growth of interest in organisational learning within local government.

Whilst only one interviewee explicitly gave “the Blairite agenda” (M:37) and only one other referred to “the stimulus of the modernisation agenda” (O:25) as reasons for local government to learn more about learning from each other, every single reason given had at its heart something external to local government. Even the Chief Executive who gave an internalised “desire to improve” as his response to the question then went on to admit that the CPA and CAA were driving this desire. While the reasons behind the perceived increase in interest in organisational learning may not, individually, be unique to the modernisation agenda, taken as a whole they match very well the definition and description of modernisation drawn out in the thesis. I therefore believe that the views of those Chief

Executives interviewed here support my contention that the local government modernisation agenda was indeed a driver of organisational learning.

The above discussion of answers to the first few interview questions paints a picture of Chief Executives who know something of organisational learning, who view positively the ability of an organisation to learn from itself or from its peers, and who have set the improvement of their council in this regard as an objective. This aspiration manifests itself even amongst those – the majority – who have an imperfect understanding of organisational learning and so all had attempted actions that would positively enhance the likelihood of learning taking place, or that would diminish the perceived barriers. On a more negative side, the knowledge of what it takes to become a ‘learning organisation’ is far from complete and, though cultural aspects of the organisation are no doubt very important, the evidence suggests that these have been prioritised to the detriment of establishing the procedures and processes necessary for learning to take place. While there is common agreement that interest in organisational learning has increased in recent years, there is also much agreement that this increase has not been sufficient, nor has it been matched by adequate implementation. There is also no evidence here to suggest that, left to its own devices, local government would have taken an interest in the concept of organisational learning. Despite the now much-espoused desire to be a learning organisation, the main driver for this came from central government and its modernisation agenda.

Council Cultures and Structures

Considering the diverse nature of the definitions of organisational learning put forward during the interviews, and the dominance of cultural issues in those definitions, it is not surprising that both of these points were reflected in the steps taken to improve organisational learning. In this section I explore these issues more deeply through a series of questions designed to delve beyond those asked in the section above.

Questions 7–14, then, build on the previous questions, probing in more detail on some of the cultural and structural aspects of organisations that are known, from my examination of the literatures, to affect organisational learning and change. Some of the questions asked here cover ground already mentioned in the answers detailed above, but this could not be known before the interview and, in any case, the following questions are more detailed and specific.

Asked whether their councils had a clear idea of where they wanted to be a few years hence, only six Chief Executives responded with an unambiguous ‘yes’, though some of these made it clear that this clarity referred only to a three- to five-year period, not to the longer time-frame referred to in the question. Of the remaining interviewees, all but one

described their current position with some variation on the phrase 'we're working on it'. Two interviewees commented explicitly on the difficulties of embedding any agreed vision across the organisation so that purpose and priorities of the authority became obvious through the actions it undertook; that the vision became a reality.

That there should be a lack of clarity about the future is not particularly surprising: two of the councils were less than two years old; one had recently undergone a change of political control for the first time in 30 years, and all of the interviews were carried out at a time of significant political and economic uncertainty. More important, then, is the fact that all of those interviewed understood the need for, and were striving towards, the establishment of a clear vision for their council. While it cannot be argued from the data collected that this vision was being consolidated for the purpose of becoming a 'learning organisation', such a vision is a prerequisite for successful learning and change to take place.

Influential though Chief Executives may be in establishing the vision for the future of their council, they are not solely responsible for it. Asked whether they, their senior management team and senior members spent enough time together reflecting on the direction of their councils, the number of Chief Executives responding with a clear 'yes' dropped to four. Much more common was the statement that, while time was found for these types of discussions within the officer corps, adequate involvement of elected members was proving more difficult to achieve. Many spoke of the tremendous efforts that had been put in to creating the space in which officers and members could discuss more long-term matters. More important to some than the quantity of time made available for such discussions was the quality, with day-to-day concerns and immediate crises often intruding into discussions intended to be of a strategic policy nature. One interviewee commented on the experience of his council being subject to direct intervention by the government, a situation that had led to the marginalisation of elected members that was only slowly being replaced by more normal local government politics.

Allied to the question about future vision, purpose and shape of the council is the question regarding internal organisational changes. It was designed to elicit information regarding how councils altered their structures in response to previous environmental changes or perceived future ones. Six of the respondents were either undergoing a structural change at the time of the interview or had done so a matter of weeks previously. All those interviewed had altered their departmental structures within the previous three years, including one respondent who claimed to avoid structural change, concentrating instead on changing processes or personnel. Not that the changes referred to were the first to be undertaken in a long time, but were merely the latest in a long line of departmental reorganisations. Even one of the newly-established unitary authorities was undergoing a structural change at the time the interview was carried out and there was widespread

acceptance that the recent or current changes would certainly not be the last; further changes would be undertaken within a relatively short time-scale.

Of those who gave a clear reason for the most recent structural change to their council, four Chief Executives cited finance; four cited legislation or responding to the environment in which councils work; and two referred to the appointment of a new Chief Executive.

Asked how new ideas, new ways of working, came into their authorities, the interviewees provided 19 routes, though some of these were the same but with different names and so can be amalgamated. With or without any merging of the terms proffered, 'networking' emerged as the clear leader, being the only method mentioned by more than half of the interviewees. Next came the 'trade press' though with local government organisations (such as the IDeA and the LGA) a close third. That new ways of working could be the result of external inspection was mentioned by only three interviewees, with academia and the recruitment of new staff faring even worse by being mentioned only once each.

The use of personnel as carriers of new ideas and information was explored more explicitly by way of a question regarding the use of secondments. Though recruitment of staff may have been well down the list of sources of new ideas, the use of secondments was looked upon more favourably. Only three interviewees explicitly ruled out the use of secondments – one because they saw secondment as a way of reducing redundancy costs, not a way of sharing the experiences of employees, and two small district authorities had not used secondments but had achieved similar ends through sharing services with its partners and neighbours or by setting up cross-service teams. One council – a new unitary authority – had not yet used secondment as a route to sharing learning or experience as it was still bedding in its structures, but the concept was not ruled out. Many interviewees believed that the use of secondments, particularly between local government and the Health Service, as something that was underdeveloped in their authority but was growing and would continue to grow.

Turning to the ability of existing staff to innovate in the delivery of public services, all but two respondents said that they encouraged their staff to experiment with the way they worked. The two exceptions were one authority where the dominating culture had been extremely risk-averse (an issue that will be discussed in more detail shortly) and the one that had been subject to government intervention. In this latter case a culture of simply doing what the government appointees instructed had developed but, again, this was changing to a situation where innovation would become more acceptable.

A common theme that emerged during these discussions was that of the 'empowerment' of staff. Confidence to try out something new had to be built through positive action and a 'blame culture' needed to be dismantled or avoided; the encouragement of innovation had to be backed up with reinforcing action.

Having established each interviewee's stance on innovation, a supplementary question was framed to elicit how that innovation might be assessed and become institutionalised within the organisation, how it might become the new operating norm. On this, the results were more mixed, with seven interviewees stating explicitly or implicitly that robust assessment processes were not in place across the authority and eight giving details of the way information was assessed and shared. This question was not relevant to one of the interviewees as they stated that the level of risk-aversion within their council meant that employees were not encouraged to experiment or innovate.

One thing common to the use of secondments, the adoption of new methods of working or, indeed, to almost any change, is that it involves taking a risk. For this reason, interviewees were specifically asked a question regarding their council's attitude to risk. Two findings emerge from the answers provided to this question: firstly, that all respondents viewed their council (and, indeed, local government as a whole) as being too risk-averse (either now or in the recent past) and secondly, that all, with one exception, believed this was changing to a situation where risk was better assessed, allowing 'measured' risks to be taken. There was a clear acceptance among those interviewed that opportunity and risk were opposite sides of the same coin and that progress necessitated the taking of risks.

Finally for this section, the interviewees were asked to give an example of a change they had attempted to implement, why they had done so and what were the barriers to its successful implementation. Due to time constraints these questions were not asked of one of the interview participants.

Not surprisingly, 16 different responses were given to the first part of this question, with 16 different drivers for bringing about the change. More commonality, however, was to be seen in the barriers to successful change, with eleven interviewees citing what can be described as 'cultural' factors impeding the change process. Of the remaining respondents, one referred to technological difficulties, one to external changes in legislation, one to attempting to implement the wrong solution and one to the change not being sufficiently thought through.

Returning to the cultural barriers to change, all those cited were issues well covered in the change management literature: underestimating the size of the change or the embeddedness of prior working arrangements, and failing to secure enough support (often political) for the change being the two issues at the heart of most of the reasons for the change not being implemented with total success.

Digging Deeper

From an examination of the three literatures examined for this research, it is evident that clarity of vision, of purpose and of priority is a prerequisite for learning and change to be successfully implemented. It is therefore a matter of some concern that only slightly more than one third of those Chief Executives interviewed for this research project claimed any such clarity for their organisation, and that any clarity that did exist was only in the context of a fairly short time-frame. It is perhaps worth recalling at this point the number of Chief Executives who referred, in response to an earlier question, to 'silo working' as a barrier to organisational learning taking place, in that it inhibited the ability of the council to obtain the clarity of vision and purpose discussed here. The situation with regard to a lack of vision is at least partly explained by the answers to the question regarding structural change, answers that reveal a local government in an almost constant state of flux with regard to their structures and responsibilities.

Not that any blame for this situation can be entirely levelled at local government; it is not always, perhaps even not often, master in its own house, buffeted as it is by the equally important winds of legislation and finance. While much of the uncertainty expressed by the interview participants was certainly fuelled by the actions of the coalition government established in 2010, the effects of previous reforms – in this case the modernisation agenda – should not be overlooked. Chief Executives did, after all, refer to many restructures stretching back over a number of years.

It must, however, be made clear that, although many interview participants reported on the structural changes being made within their councils, these were being undertaken with resignation rather than through aspiration; everyone was doing it, though nobody wanted to. Though both had been through a recent process of restructuring, two interviewees expressed the view that they concentrated on the way their authorities worked, rather than the way in which they were structured, with one of them adding:

my inclination...is not to engage in a major organisational restructuring because I think they frequently distract you for several years, they don't always deliver everything that they intend and they will have some unintended consequences. They also create unhelpful anxiety about job security – from the top down – and there's enough around with funding cuts as it is (H:161–165)

A further interviewee offered the view that:

On occasions a bad structure can prevent things from happening, but people who constantly restructure are doing it because they're looking for a way to creatively avoid the leadership tasks they should be applying themselves to, in my view. (G:163–165)

Though obviously said with some feeling, and in a way that suggested this view was the product of previous experience, none of this interviewee's colleagues put forward a similar view or, indeed, suggested that this was why they had undertaken any restructuring of their council.

As mentioned previously, and forming a significant part of the modernisation agenda, was the desire for elected members to provide the political steer and be closely involved in setting the future role and priorities of any council. Not that this was a new role for members.

Significant discussions between the Chief Executive and other senior officers and members – be they Council Leader, Elected Mayor or Cabinet Members – would therefore appear to be called for, yet only one quarter of those interviewed believed that such discussions were taking place. No interviewee challenged the assertion, implicit in the question, that high-level member/officer discussions on the future strategic direction of their council were necessary, indeed, many referred to the considerable effort that had been put in to building such discussions into the council timetable. Desire and effort, it would seem, were not enough to bring about this potentially beneficial situation.

That time had been put aside for strategic discussions within the officer corps with more ease is not surprising – it is, after all, part of their job – and requires little further discussion here. More interesting are the discussions – or lack of them – at the political/managerial interface. Other than the occasional reference to adverse media reports regarding 'awaydays' held in out-of-area hotels proving to be a stumbling block for that type of discussion venue, the data obtained through this research project sheds little light on the issue of engagement with senior councillors. According to the most recent census of local authority councillors, only 21% of them are in full time employment (and even they are entitled to reasonable time off from their employment to undertake council duties); 52.5% are paid a Special Responsibility Allowance to compensate them for undertaking duties above and beyond that of an 'ordinary' councillor; 55.9% of councillors have a degree or higher qualification (compared to 31.2% of the adult population) and the average councillor spent 22.7 hours per week on council or political business (Local Government Group, 2011)¹. Although these figures refer to councillors in general, rather than those holding specific positions of responsibility, it is difficult to see in them any obvious area for concern that would prevent them from holding regular meetings with their senior management teams. It is, perhaps, a matter for further research.

¹ Local Government Group (2011) *National Census of Local Authority Councillors 2010*, London: Local Government Group

The interview data obtained during this research can thus be seen to paint a picture of a local government where the need for clarity of vision, purpose and priorities is well understood by those at the top of the paid service, though not necessarily confined to its role in supporting a learning organisation. Such a long-term vision, though, is largely lacking, despite efforts to create one and despite similar efforts to engage senior councillors in discussions of a strategic nature. Not that this lack of vision and purpose appears to stop the almost constant restructuring of local authorities. The effectiveness of such restructuring must, however, be called into question being based, as it is, on an uncertain view of the future and lacking clear guidance from locally elected members.

Turning, then, to the spreading of ideas and of new ways of working, the interview participants were very forthcoming in naming the routes by which such ideas might enter their authority. As has been mentioned, 19 routes were identified but there are undoubtedly more, as interviewees were asked only to list the top three methods. Of these 19 information flow paths the three most commonly cited accounted for half (24 out of 49) of all those mentioned, the three being Networking; Trade Press, and Local Government Organisations. These three routes involve, as indeed do the majority of the others cited, local government looking to other parts of local government for their ideas; non-local government routes merited only seven mentions.

In listing these sources of information, the Chief Executives were, knowingly or unknowingly, reflecting the findings of the change and learning literature – especially that of the Policy Transfer literature. In the examination of that literature I drew out the importance of similarities in the successful transfer of policies. The emergence of networking as the most commonly cited means of transferring ideas also reflects the relevance of a number of stages to policy transfer, as set out in both Evans and Davies' (1999) and Rose's (2002) stages models. Indeed, Evans and Davies (1999) specifically refer to the establishment of two networks – an information feeder network and a transfer network – while Rose's (2002) steps include where to look for a lesson and investigating how a lesson works there. The establishment of formal and informal networks of like-minded local government officers can therefore be seen to discharge, at least partially, the functions of a significant number of the stages of policy transfer.

The lack of reliance on non-local government means of disseminating ideas is worthy of further mention here, particularly the fact that inspection and external challenge was mentioned by just three interviewees. As mentioned in the chapter on local government modernisation, much emphasis was placed on the inspection regime as a driver of improvement and as a source of information on how to bring it about. Even benchmarking and the seeking out of nominated best practice – presumably from within the local

government family – was mentioned by only four respondents, a number that was far outweighed by networking in which participants could make their own judgement on what was best for them.

The recruitment of staff as a way of bringing new practices into an authority was mentioned unprompted by only one interview participant. It was similarly rare in responses to the earlier question concerning what had been put in place to promote organisational learning within the councils being examined. However, when specifically asked about the practice of secondment, Chief Executives were much more positive about its potential, especially in the flexibility it could bring to the deployment of resources. However, many interviewees expressed the view that this potential was not being realised. As one said:

do we make as much use of that, and get the richness out of that, that we could? I think probably not. (B:166–167)

Another, in stating that his council did not use secondments as extensively as they might, contrasted this with the situation within the Civil Service, where he believed that ‘generalists’ moved around much more often (C:301–303).

As has been mentioned already, two of the small district councils had not used secondments purely because of the small size of their workforce. That size can be an influencing factor in the use of secondments was backed up by the statement from the Chief Executive of a larger council that:

we can take a chance on bringing people in who might be a gamble, but because there are enough people to surround them, we can take that chance. (F:362–363)

Secondments can work in the opposite direction too, and as the same Chief Executive said:

because we seem to have a lot of people, we can afford to lose the odd one for a six month period. (F:361)

In general secondments are, by their very nature, relatively short lived, but the risk of someone seconded to another organisation never coming back was acknowledged by this Chief Executive at least. In a similar vein, another interviewee referred to filling a vacant post on an interim basis, suggesting that the issues around it had been thought through:

as well as doing the task, she’ll contribute that and then go, but leave us a legacy, and one of the things that we ask of anybody who comes is they come and leave us with

others able and equipped with their skills to carry it on, so that there's no resistance in the organisation. It's an injection, but it's not a threat. (P1:270–273)

The use made of secondments is, though, not always as well considered as in this instance, with the literature suggesting that, on their return to their permanent jobs, secondees are not often asked what they have learned while on secondment.

Though bringing in new ideas to a local authority through the medium of new people on secondment (or similar means) is largely underdeveloped in local government, the use of new ideas by existing staff seems, at least superficially, to be a more actively pursued mechanism.

As mentioned briefly above, all but two respondents expressed a keenness for their staff to innovate but accepted that staff needed to be supported in trying out new ways of working. This was a common finding across a clear majority of the Chief Executives interviewed for this research but in some instances mere support was not enough, and a more pro-active position needed to be adopted. This was said to be the case in one of the smaller councils where the small workforce made secondments difficult and low turnover of staff ruled out the bringing in of new people. In this instance, existing staff had to be “cajoled” (D:132) into examining working practices elsewhere. At the other end of the size spectrum, the Chief Executive of the largest council included in this research stated:

bizarrely, I have to literally give permission to people...to do something different, because they've always done it this way. (E:327–328)

Institutional inertia, it would seem, is not difficult to find.

Still, innovation and experimentation were seen in a positive light by all those interviewed – including the two participants who didn't actually practice it – even if they had to be conducted in a measured way and fit within the priorities of the council concerned. One interviewee described her actions as “building a safe enough environment where [staff] can innovate” (P1:217) which begins to hint at a further point, that the removal of negative features that inhibit innovation can be as important as the creation of positive characteristics. The negative aspect raised most often (and also raised during the discussions around Question 10 regarding risk taking) was that of a ‘blame culture’. By this, they meant the situation where, when something goes wrong, the immediate (and perhaps only) response by the organisation is to identify an individual who can be blamed for the failing. Interviewees rightly identified the pernicious effects of such a culture. Not only does it deter people from attempting anything new in the first place; it can also prevent valuable lessons being learned from failure as ‘what went wrong’ is not often the question posed. Thankfully, though, all

references to a blame culture were in the past tense, and it was acknowledged as something that councils needed to move away from. More helpful to organisational learning was the view expressed by one interviewee, echoing the views of a number of others:

the message is: don't be afraid to fail. Because one of the ways in which we will learn is by trying things and finding out and understanding why they haven't worked.

(J:180–182).

Failure, though not something to be sought, was at least seen by the interview participants who mentioned it as something that was, on occasion, a natural consequence of trying out new practices and should be treated as a learning experience as much as success should. As mentioned earlier in this essay, at §1.2, one quarter of those interviewed included 'learning from mistakes' in their unprompted definition of organisational learning.

Though innovation and experimentation by front-line staff were viewed positively it is difficult, from the data obtained, to contend that this was entirely, or even partly, because of any efforts being made to create a learning organisation. There are, no doubt, many reasons why staff engagement should be encouraged, and only one of these explicitly concerns learning. While the question was asked in the context of discussions around organisational learning, the answers did not make an explicit link. More commonly implicit in the interview responses was the view that the greater involvement of staff led to service improvements. As one interviewee put it:

I passionately believe that people who do the job, day-to-day, will know both where the blockages are, where the system gets in the way, and normally can come up with half a dozen good examples, not always deliverable, but good examples of ways that their service or they way they do their job can actually be improved. What we've got to do is get more and more of that out and allow some free experimentation. (E:334–337)

The reality, though, is that Chief Executives' aspirations are not always met:

We employ twenty-odd thousand people and those people are all, largely, intelligent people, who can be creative and actually have this huge, vastly untapped, potential that we need to get into. But actually this is an organisation that doesn't really want that. This is an organisation that, when those hugely creative, intelligent, people come in, we say "do that and then do that and then do that and then do that and then go home". And actually, we don't allow them to say "well actually, if we do it differently, I can actually achieve a lot more". (K:143–148)

That staff experimentation may be being supported for reasons other than for its influence on organisational learning is given some support by the responses to the supplementary question regarding feedback systems. As I have shown, all interviewees believed experimentation was a positive characteristic; fourteen of them encouraged it and one more was moving in that direction. However, only seven of the interviewees could point to robust and embedded mechanisms for the assessment of the effectiveness of any experimentation. In §1.2 of this essay I remarked on the emphasis of cultural factors, to the detriment of procedural issues, included in Chief Executives' definitions of organisational learning, and that bias seems to be reflected again here. However, it is not possible to tell from this research whether there is a causal link or, if so, in which direction any cause acts.

Feedback loops are essential, but not unique, to organisational learning; they occur in the change management literature, policy analysis, and no doubt many other spheres. Many of the uses of feedback mechanisms will be well known to Chief Executives, making their absence in the analysis of new ways of working even more puzzling. If half of the councils examined in this research had not established robust analytical procedures to assess the effectiveness of their actions, then it may be worth spending a little time examining what they had done.

While one interviewee simply stated “no” (M:158) when asked if the results of experimentation were analysed, others were more circumspect, even if their longer answers carried much the same meaning. One interviewee, though accepting of the need for some form of assessment, concentrated more on the people involved and the context in which they were working. Four interviewees declared explicitly that their council did not have an established way of assessing the efficacy of any new actions their staff might undertake. Though three of these stated that this was an unsatisfactory position, only two were actively involved in introducing assessment schemes at the time of their interview. The third of these was the council emerging from recent intervention by central government. The view there was that the council had been far too “over-systematised” (F:282), leading to a reluctance to introduce new procedures in any area. Instead, they relied on ‘cultural’ features, rather than organisational processes, to assess efficacy. The fourth of those acknowledging a lack of any system of assessment also spoke about the culture of the organisation, in this instance, however, it was in regard of his encouragement of “a culture in which people felt rewarded for doing things differently” (O:213). Such a culture was, the interviewee believed, inculcated by his praising and thanking “people who hit the headlines with a new way of doing that got a good reputation for [the council] in the trade press...in the local paper” (O:210–211). This Chief Executive was, though, aware that he did not know – could not know – whether information on unsuccessful attempts at innovation was being withheld from him. In this

example it is clear that the assessments of success and failure were being made by others, possibly external to the council, in some undisclosed way.

Of the two remaining interviewees, one spoke at length about building the confidence of staff to look at things differently, and of supporting people to come up with new ideas, but did not mention any mechanism for assessing any new practices that might come out of such deliberations. The final interviewee spoke about reports on new ways of working being presented to decision-makers (be they more senior officers or elected members) and a staff suggestion scheme, where managers were empowered to accept, or not, the suggestion (which carried with it a financial reward for the person making the suggestion). However, it became clear that these mechanisms all referred only to consideration of whether an innovation should proceed, not to an assessment of any that had been undertaken.

From the above analysis it seems correct to conclude that nearly half of those councils included in this research had not put in place the processes and mechanisms that distinguish a learning organisation. Credit, though, should be given to the two where this was an acknowledged failing and steps were being made to rectify the situation. If being a learning organisation really is 'a journey' as some Chief Executives stated early in their interviews, then at least these two councils are on it, and travelling in the right direction.

It would not be sensible to take at face value the assertions of the remaining Chief Executives – the other half of the sample – that they did indeed have robust assessment mechanisms – learning loops – built into their councils' structures and procedures, so a more in-depth look at their responses will now be undertaken.

Having given an unequivocal 'yes' in answer to the question regarding whether innovative work practices are assessed, one interview participant went on to describe the difficulties of getting people to try out new things "because this place is so rigid in its way of operating...People haven't been encouraged to think here" (K:125–127). Other answers showed that "the right kind of culture" (K:123) was again relied on to produce a situation where, if something were not working, this would be reported to their superiors and, presumably, ceased or altered. Any measurement of success or failure was undertaken through the standard performance management processes of the council. From these answers it is difficult to support the contention that innovative ways of working were treated in any way differently from any other areas of work. The interviewee provided no evidence that lessons were learned from either the success or the failure of innovation, nor was any mechanism for disseminating any information throughout the organisation mentioned. For these reasons I contend that this authority should be classed as one without an adequate mechanism for learning from and sharing the results of innovation.

One interviewee spoke positively about the role of an improvement group (of officers) as a central resource within their council. However, in describing the activities of this group, it became evident that its role was to help others to come up with possible solutions to problems. As in one of the cases examined above, it became clear that this group had a role in helping to produce innovative working practices, but not in evaluating their effectiveness. As was admitted later in the response “we don’t yet systematise that enough...it’s not systematic enough across the whole organisation to pass that litmus test of does it fit the learning organisation profile” (E:363–365). Interestingly, perhaps, he admitted that my asking the question had helped him to come to this view. Again, then, the conclusion I draw is that this council did not effectively evaluate and disseminate any lessons learned from innovation, despite its Chief Executive’s initial claim that it did.

Turning to the third interview to be analysed in some detail here, a more mixed picture emerges. While answering ‘yes’, the results of experimentation were analysed, this interviewee was aware that there was room for improvement – improvement that was promised within the following three months. A “more coherent” process to capture the learning” was, it was said, being worked on (G:145). This improved system would also consider some of the early stages of trialling new practices. Firstly, it would influence the areas chosen for experimentation, ensuring that these were within the priorities agreed by the council: “we don’t want a scattergun approach where everyone goes in completely different directions” (G:147). Secondly, more support would be provided to those involved in innovative working at the time they needed it. It would seem, then, that this council had made the link between clarity of purpose, innovation and the need for evaluation against its agreed priorities. Although not in place at the time of the interview, the promised improvements showed that this council showed signs of making progression on its organisational learning journey.

This, then, leaves five interview participants to consider. In all five cases, the Chief Executives’ claims to have robust assessment procedures in place were supported by the evidence provided. To give a flavour of the mechanisms outlined (and evidenced) during the interviews, Chief Executives commented on: standing processes to share and discuss ideas; discussions on Audit Commission findings; mutually reinforcing, iterative processes; the encouragement of greater and greater creativity, leading to bigger impacts; the triangulation of data; the application of experience in one area to other areas of council activity; knowing at the start how experiments will be assessed; monthly reports showing what has been tried and how it fared, combined with yearly reports stating what innovations will be trialled; empowering staff to make changes; improved communication channels, and innovation being part of team meetings and individual appraisal mechanisms. In short, five Chief Executives showed that they had in place mechanisms and cultures that encouraged

innovation, aligned it to their priorities, assessed its success and shared the learning among other sections of their organisations.

In summary, then, from the evidence gathered through these interviews, I conclude that all but one council encouraged their staff to adopt innovative working practices; of the remaining 16, five had in place good mechanisms through which learning could take place, three were developing such processes – admitting that their current arrangements were not adequate, and eight did not monitor staff activity sufficiently well to enable them to draw, and share, conclusions.

It is a matter of some concern, then, that of the sixteen Chief Executives who, at the start of their interviews, claimed that they wanted their council to be a learning organisation, less than a third of them offered clear evidence that they had put in place the mechanisms necessary for them to achieve that status.

That, then, leaves one question in this section still to be addressed – that of the interviewees' councils' attitudes towards risk taking. As mentioned briefly above, all the participants saw their own council and local government in general as being overly risk-averse. Some, though, perhaps too conveniently, located this risk-aversion safely in the past. Vince and Saleem (2004) link risk-aversion (though they use the terms anxiety and caution) to 'blame culture' already discussed here. Each allows problems to be externalised: risk-aversion is moved to the past; only other parts of the organisation have a blame culture, and blame itself shifts responsibility to other sections of, or individuals within, the council.

Risk, though, comes in many different forms, and can be managed in many different ways. A common comment by interviewees was that, while local government may be good at *listing* risks, it was significantly less good at *evaluating* them. In the absence of any proper evaluation, it was said, local government took unnecessary risks; ones without plans in place to either reduce the risk of something going wrong, or to limit the effects if something did.

From the interviewees' responses to this question, it is clear that they all saw too much risk-aversion as a 'bad thing' and were aware of its negative effects on learning. Why local government should be so particularly risk-averse was not a question that was asked directly, though this did not stop answers being provided. While some thought that this was due to the political nature of the organisations, others pointed to occasions when it had been the officer corps that needed the most persuading to undertake a new venture. One Chief Executive mentioned a particular historical event that still left a mark on his council's willingness to undertake any activity that might entail taking a risk but, understandable though that was in relation to this particular council, it does not explain the endemic risk-aversion referred to by the interview participants. Helpfully for this study, many of the interviewees were quick to move from the specifics of their council (as asked in the question)

to local government in general, and one raised a point that has been mentioned in an earlier chapter of this thesis:

I think this organisation...was overly risk-averse because you weren't allowed to fail, because inspectors judged you in very particular ways and you learned to play to that test and actually I think it stifled innovation and creativity to a certain extent.

(H:130–132)

This, then, points to central points of the modernisation agenda – explicit in the increased use of inspections and implicit in the supposition that councils were 'not allowed to fail' – having the perverse effect of inhibiting a local authority's appetite to introduce a change that might bring about improvement. As another interviewee put it:

I would not describe us as one of the organisations that was willing to take great risks. Our background, our history, our tradition didn't actually see it as necessary. We were never a basket case...for a long time, it was a fairly stable organisation, not necessarily the best in the country but certainly never going to be criticised as one of the worst, and in those circumstances there was less incentive to take major risks. (O:181–185)

As was discussed earlier, success can be a barrier to change as it both blinds the subject to the need for change and leads them to simply repeat the actions that led to their initial success. The situation described above, though, is surely subtly different to this. As amplified by a third interviewee:

we quite consciously try to position [the council] just behind the leading edge of change. We don't want to be famous for being the place which is always doing something novel. We want to be famous for doing the stuff which is producing the right impact. Actually we don't want to be famous, we just want to *do*, so were not up for high recognition, and that means just keeping away from the highest levels of risk, and being conscious of what is going on, spotting the bits which are looking really worthwhile and coming in very soon after. (B:136–141)

These, then, are not councils that are blind to their shortcomings or unwilling to change but ones that have knowingly opted for mid-table security rather than seeking top-place rewards at the risk of bottom-place failure. Innovation can be more safely left to others. By adopting this stance, these councils reacting to the situation that, in much of the public sector, the punishment for failure is often far greater than the reward for success; something that appears to be true at both individual and organisational levels. In such circumstances it is not difficult to see why risk-aversion would come to be a frequently exhibited characteristic.

However, taking the interviewees' words at face value suggests that the 'worst' days of 'too much' risk-aversion were over as individual local authorities and local government as a whole moved towards a more balanced approach, a move that was viewed in a positive light. Why such a move had occurred, or was now underway, was not explained or even hinted at by the interviewees. Certainly none of them made an explicit link to the modernisation agenda; all that can be said is that this change in attitude towards risk took place at the same time as, or slightly later than, the major modernisation initiatives.

If the driving force behind the evolving notion of risk within local government was not made explicit, then at least the benefits were. The picture of local government that emerges from the interview data is one that is changing from a situation where risks are simply listed and then avoided to one where risk became something that was susceptible to management action. As one interviewee told me:

we're defining risk differently. There's a willingness to take managed risk more readily and there's almost a definition of risk as a failure to grasp opportunity to do things differently. There's a new concept of risk, in a sense, and I think we probably now will talk more...about risk and opportunity as two sides of the same coin. (H:133–136)

Local government was then, at least in the eyes of these interviewees, coming to the view that if advances in key areas were going to be made, then risks would need to be taken; and if risks were going to be taken, these needed to be understood better than in the past. Risk was being redefined. No longer was it to be seen simply as something to be listed – and then avoided – but to be understood as a natural part of any change process, with management action being taken both to lessen the risk of failure and to mitigate its effects should it occur. This was, to a number of interviewees, a significant change for local government and helps to explain why one respondent felt that "there's a degree of schizophrenia in any council about risk" (J:143).

Local Government Modernisation

Following the above, general, questions about the participants' councils, the interview turned to a series of questions about specific modernisation initiatives. Three of these were chosen for further exploration: The Beacon Council Scheme; Best Value, and The Comprehensive Performance Assessment (later the Comprehensive Area Assessment). These initiatives were singled out because of their importance, their strategic nature and their likely impact on learning. None of the questions use the term 'organisational learning' in an attempt to avoid any responses being based on the interviewees' subjective knowledge of

the field. Instead, more commonplace terms were used, though the objective of exploring the effects of these initiatives on organisational learning will have been clear to the participants.

The Beacon Council Scheme

The Beacon Council Scheme (more latterly known simply as the Beacon Scheme) was perhaps the modernisation initiative to most explicitly concern councils learning from each other. Participation in it was, though, voluntary. That being said, it was felt to be unlikely that any of the interviewees' councils would not have taken part in this long-lasting scheme in some form; if not as a 'beacon' then as an organisation wishing to learn from others who were. Questions 15–19 were framed, therefore, to explore the participants' experiences and views of the scheme.

Asked to outline their involvement with the Beacon Council Scheme, interviewees gave almost the widest possible range of responses, varying from "we haven't had any involvement" (M:196) to "we were a beacon authority in every round apart from the last one" (C:359). The 'no involvement' answer should, however, not be taken at face value. While it may have been the case that this particular council had never achieved beacon status and, indeed, may never have applied for it, it became clear later in the interview that the Chief Executive had attended beacon council open days hosted by other councils, as had some of his colleagues and "they picked up some ideas from there". This particular response will be examined in more depth shortly.

Most interviewees had, at some stage in their careers, been involved in bidding for and achieving beacon status, and often more than once. Many of these gave answers that showed that they saw the benefits in many aspects of how the scheme operated. However, a minority expressed a negative view of the scheme, and vehemently so. It is to these negative experiences that I turn first, returning to the positive experiences later.

Negative views of the Beacon Council Scheme

The mere mention of the words 'Beacon Council Scheme', before any specific question could be asked, was enough to elicit a strong response from one interviewee:

Rubbish. Complete waste of time. Absolute nonsense, waste of resource, sold under a false pretence. When I was at [another authority] we wasted a lot of time in pursuit of the Beacon competition because...it was sold to local authorities as being an important badge that would bring with it freedoms and flexibilities and it never did. All you actually got was a responsibility to go out and preach to other people. I hated it. Sorry, I'll tell you what I really think. (J:285–289)

Perhaps not surprisingly, this view marks the negative extreme of the spectrum of views on the Beacon Council Scheme. It is, though, a view based on first-hand experience of the scheme and it cannot be denied that certain ‘freedoms and flexibilities’ were promised, but never delivered, to those councils that became beacons (see chapter on Modernisation).

The use of the word ‘badge’ is worthy of note as this was not an uncommon way used to describe the scheme. In every instance it was used in a derogatory way, suggesting some form of superficiality of the scheme and of its beacons. As another interviewee put it:

if you fill in the form in the right way, answer the questions in the right kind of way, you can win something. And actually, it becomes a badge...and the badge becomes more important than what you’re doing. (K:175–177)

The word ‘badge’ was used by the Deputy Prime Minister and the Chair of the LGA in the Beacon Council application brochure and this may explain its fairly widespread use during these interviews. In that instance, though, the intention was that being a beacon would be “about much more than gaining a badge” (DETR 1999, Foreword). The derogatory nature of the word is clear even in that sentence, but the hoped for transcendence of the term by the beacon scheme appears not to have been totally fulfilled.

Another interviewee, even though largely supportive of the scheme, found a different disparaging term to use:

We did several Beacon Council bids, but [this council] isn’t particularly enamoured of those kinds of beauty parades. (P1:315–316)

Clearly, then, the Beacon Council Scheme was not viewed entirely positively by the local government it was intended to help. All of the above quotations are from Chief Executives whose councils had at least taken part in the scheme in some way. There were, though, three interview participants whose current employers had taken a different approach – that of largely ignoring the scheme – and it is worth looking a little closer at their reasons for this.

The first authority has already been mentioned and the claim to have had no involvement has been shown not to be the entire truth. The reason given for not participating more in the Beacon Council Scheme does, however, illuminate one view of the scheme, and another aspect of the modernisation agenda:

We didn’t choose that path, we focused on the Audit Commission and becoming excellent. We didn’t seek to get Beacon badges, as it were, in one or two specific areas. Because what the Beacon issue was about was picking areas of excellence.

What we were actually asked to do was across the board improvement in [Key Performance Indicators]. So we had no involvement in the Beacon Initiative.

(M:198–202)

Taking this with the admission later in the interview that open days hosted by other councils had been attended shows that what this council was avoiding was involvement in the ‘teaching’ element of the Beacon Scheme, not the ‘learning’. The focus on all round improvement suggests that other learning opportunities may have been accepted, not just those circumscribed by being among the limited areas chosen for beacon status each year.

Turning to the second of the non-participants in the beacon scheme, it is clear that their avoidance of the scheme was not total either. As the Chief Executive said:

We submitted a couple of applications in its very early years...Never got anywhere and...then...thought well, we’re not one of the favoured few, let’s just pack up. We haven’t got resources, as a District...So we just said, ‘let everybody else do it’.

(I:169–171)

Deciding that the scheme was “more about spin than substance”, this authority did not encourage its officers to attend Beacon Council open days and, while not going as far as forbidding such visits to be made, this Chief Executive could not recall anyone attending such an event. Such an approach to the Beacon Council Scheme does appear to have more than a touch of ‘sour grapes’ about it and the interviewee’s final comments on the subject do little to dispel such suspicions:

I think we felt that we were probably as good as some of the other councils that were Beacon Status and it was probably...how can I put it?...[this council] was probably almost bordering on arrogant at that time in terms of its management...I just think we felt that from what we saw, what we observed, what we heard, that, yeah, we were doing it – probably not the same – but just as good. (I:186–190)

Again, though, any ‘arrogant management’ was safely consigned to a previous era, before the current Chief Executive was in post.

In the third case of non-participation, the Chief Executive had been involved in the Beacon Scheme while employed by a previous authority and, indeed, had positive comments to make on the scheme’s operation. However, his employer at the time of the interview had decided to eschew the ‘beauty parade’ awards mentioned earlier:

This council here decided that it didn’t want to pursue things like Beacon Council awards...or the Local Government Chronicle set of awards, or the MJ [Municipal

Journal]...it would go for something like Investors in People...pursue those, but not the ones where you just get a badge, and we took the view that a Beacon Council award was a badge. (L:209–215)

Of the Chief Executives interviewed, then, three worked for local authorities that chose not to fully participate in the Beacon Council Scheme. Two of these instead chose to pursue more wide-ranging improvement activities whose council-wide applications were perhaps more obvious. The third, believing itself to be as good as the beacons, adopted a more isolationist position.

This, though, still leaves a sizeable number who did participate more fully and who still had negative comments to make about the scheme. I now return to a more detailed examination of those negative comments.

According to one Chief Executive, not from a particularly 'big' council:

what won were little schemes in little places...and we checked back: had we got it completely wrong? Had we simply failed to read the guidance? No, we hadn't, but we felt that the rules had changed. So I think there was a lack of clarity about the process, I think there was a lack of clarity about what the outcome was that it would bring for you, and I know that other colleagues who put forward Beacon bids...were very, very, very disappointed with the whole process. Very similar feedback; they felt it was unclear, and, above all else they felt that what it brought was a burden rather than a benefit. (J:299–305)

This statement raises two issues worthy of further examination: the clarity of the rules and the alleged burden that beacon status brought with it.

In terms of the 'rules', there was some, though not widespread, support for the views expressed above. According to one interviewee, the process "became caught up in its own rules" (O:255–256), another referred to "over-bureaucratized processes" (B:224), while a third thought it had "quite a bureaucratic structure" (N:215). These are matters that can more usefully be picked up in a later discussion about the usefulness of the Beacon Scheme for spreading innovation and learning.

The suggestion that the scheme imposed a burden on local authorities, especially in the bidding process, was one that was also taken up by other interview participants. As has been mentioned a number of times already, Beacon Councils were promised certain freedoms and flexibilities, though these never materialised. Financial help, albeit on quite a small scale, was provided to Beacon Award winners to help with the dissemination process. That, however, would come later; in terms of bidding for Beacon Status, resources would

have to be found from within individual councils, and normally by people already immersed in providing high quality, innovative services. As one Chief Executive put it:

Neither here nor in [a previous authority] did we give anybody the time to prepare the bid...We dumped it on people in addition to what they were supposed to do, and therefore it became a burden and a chore...We just lumped it on people on top of the day job...So the learning lesson is: if you're going to do it, do it seriously, and make it possible for people to enjoy the process rather than consider it a burden. I think you learn more when you enjoy doing what you are doing. That would be the first, most significant thing. (F:452–463)

Even the Chief Executive of the authority, mentioned earlier, that had been a Beacon in every round but one began to worry about the burden this imposed on his staff, even if these were “burdens that we willingly took on” (C:408). This, though, was “a big authority” with “the resources that go with size” (C:362). One further interviewee saw the preparation of a bid for Beacon Status as “a necessary evil” in the sense that it “tied up resources” (O:267–268) and was not seen as a process that taught the authority much. Differing views of the process of preparing beacon bids will be explored later, as many participants saw this as a positive experience.

Three criticisms of the Beacon Council Scheme that were made during the interviews are worthy of brief discussion here although they were each made by only one participant.

The first of these is that the scheme created elitism. As the interviewee put it:

I think generally my view is that Beacon status had some disbenefits in it because implicit was the notion that these were the best, leading others and showing them how to do it, and it created a certain sense of elitism, if you like, in the system. My view was that that sometimes was counter-productive, because my experience was that even organisations that might have been rated as less than a four star council actually did some things very well. Everybody in a sense therefore had something to trade, something to offer. Even four star councils had areas that they were not as good at and I was much happier in a process of learning from each other which recognised that each had something to contribute, each had something to learn, rather than the assumption that there was an elite cadre of beacon councils who did nothing wrong and their approach was perfect and you just copied it. (H:233–241)

The notion of elitism is perhaps also at the root of the statement, discussed earlier, about withdrawing from the Beacon Scheme because the council in question was “not one

of the favoured few”, but these are the only times the issue was raised. The comments quoted here come from a long-serving, highly respected Chief Executive, yet it is difficult to reconcile these views with the aims and practices of the Beacon Council Scheme or, indeed with the views of his colleagues. Again as was mentioned in the previous chapter on modernisation, the initial (and, as it happened, continuing) emphasis of the Beacon Scheme was on specific service areas, not on good performance across the board (the concept of ‘overall beacon status’ never being realised, perhaps being replaced somewhat by the Comprehensive Performance Assessment). This allowed councils, almost irrespective of their overall performance, to obtain Beacon Status for its well-performing sections. This was seen as a strength of the scheme by many of the interviewees, as will be shown later, in the section on positive attitudes to the scheme. The wished-for position contained in the above quote was, then, present in the Beacon Council Scheme. Indeed, it was this situation – excellence in parts – that led to the withdrawal of one council from participation in the beacon scheme, as was discussed above. The criticism of the scheme on these grounds seems, therefore, to be an aberration on the part of the interviewee, perhaps conflating the Beacon Council Scheme and the Comprehensive Performance (or Area) Assessment.

The second criticism made by just one interviewee is that there were, in the end, “too many beacons” (K:170). This, it was said, was a natural result of beacon status very quickly becoming “a badge that everyone tries to get” (K:169–170). This comment is, however, simply reported here for completeness. How many beacons there ought to be was not stated by the interviewee, nor pursued by me, and is a matter of considerable conjecture. In terms of the dissemination of learning, though, the organisational learning and policy transfer literature points towards the benefits of having a range of authorities, geographically spread, from whom information could be obtained.

The third of these criticisms concerned the perceived narrowness of the categories for which any council could bid in any one year. As mentioned in the chapter on modernisation, the Beacon Council Scheme did not consist of a free-for-all, with councils simply submitting their best performing section for the award. Instead, the Beacon Advisory Panel, in conjunction with the government, would each year announce a small number of themed areas for which Beacon Status would be available. The purpose of this was clearly to drive up performance in areas that the government felt were the most important. One interviewee, though, saw this as problematic:

if you hadn't prioritised your council's work in those areas, or if the way that you were doing it...say you were doing half of one category combined with half of another category, because that's how you structured things, you know you weren't going to stand a chance. So it got to the stage where we stopped applying because it took a lot

of effort to apply and you were sometimes distorting your own priorities in order to be able to apply. (O:257–261)

Of course, whether the priorities of any particular council are being ‘distorted’ by the scheme operating in this way, or whether it is a legitimate act of a government seeking to address issues it believes are important, depends on where one stands. In any case, the Beacon Scheme would not be the first method by which central government sought to influence the activities of local government; grants are regularly made available by central government to enable local authorities to address particular concerns. Strong councils say no to these grants, if they involve undertaking work that is not a priority for them.

That, then, largely summarises the negative views of the Beacon Council Scheme elicited by asking questions 15 – 18 of the interview script (Appendix B). It does, though, leave untouched the negative responses to question 19 – *Do you think the scheme was an effective way of spreading good practice?* However, that question is so fundamental to this research that I shall return to it later, when I will discuss all the responses together. In the meantime, I shall discuss the positive points raised during the interview discussions of questions 15–18.

Positive views of the Beacon Council Scheme

Most of the interview participants had something positive to relate concerning the Beacon Council Scheme; even those quoted in the preceding section had something good to say about at least one aspect of the scheme. Only one – the one who believed that his council was not among the ‘favoured few’ – was entirely negative. These positive views were, however, and not unusually, expressed less vehemently than the negative views outlined above.

It is worth noting that the more positive comments tended to come from those who had participated in the scheme the most often; or perhaps *vice versa*. This point was made very clearly by one, though only one, interviewee:

I think it was a method where you get out of it what you put in. So if you were half-hearted in terms of beacon councils – either trying to get it or to try and learn from it – then don’t be surprised if you don’t get much out of it. But for those local authorities who really trawled it, understood it, tried to learn from what people were doing, had the ability not only to understand what people were doing but then to take it and embed it within their own organisations – I think they will have got quite significant value out of it.

(A:297–301)

Note here the references to ‘understanding’ what others were doing, and ‘embedding’ them in the workings of one’s own authority; both are key stages in learning, change and policy transfer. It also suggests an understanding of the fact that learning doesn’t just happen, but has to be worked at.

Asked to relate their involvement in the Beacon Scheme most Chief Executives, as has been seen above, interpreted this as relating only to their involvement in *becoming* a beacon, even though this is only one aspect of the scheme. One Chief Executive told me that they were “keen to share” (C:361), underlining the one-sided interpretation of the question.

Even with this slight caveat, a number of interviewees took the opportunity to expound on the positive experiences that this involvement had afforded them. To one “That was a very, very positive experience” (G:185). While another spoke of the “very laudable” (O:255) underlying purpose of the scheme. One further interviewee went further, making an explicit link to learning and reflection:

we entered three and we won all three. And I have to say I take a lot of pride in that, in terms of what it says about the organisation and the individuals that were part of the bids and so on...But I also take the view...that it wasn’t so much about us being able to demonstrate how good we are, it’s about how it exposes us to a network which is about learning. So, the very first thing I said with the group of managers [was]...don’t think this is about the badge again, it’s great if we get the recognition, but this is about the learning, this is about us being able to find out whether we are as good as we think we are, and if we are, not only get the confirmation, which is great, but pick up the bits that will allow us to get even better. (E:444–452)

These two points – exposure to a learning network and the opportunity for reflection – were also raised by other interviewees and, as they are also central to the theories of organisational learning, change and policy transfer, they are worth discussing in more detail.

The positive value of networks of officers from different local authorities was raised by a number of interviewees and the role of the Beacon Council Scheme in establishing these networks was acknowledged. As one interviewee noted:

what some colleagues said around the Beacon Scheme and the open days was it allowed them to create networks and relationships that probably they wouldn’t have had before. So it was a mechanism for longer-term collaboration and learning and sharing which they may have done anyway, but that was a catalyst and an impetus for some of that. (P2:359–362)

As was noted earlier, one criticism of the Beacon Scheme related to the limited range of topics chosen each year; if a council had not made that area of its work a priority, it may

not be in a position to apply. However, at least one interviewee had spotted that, whatever the initial reason for creating or joining a network, once a network is established, it can be used to discuss other issues:

[The Beacon Council Scheme] opened the mind to the fact that there were lots of good sources of other ways of doing things and networks and things like that. So, it may have been the topic, but it was also about, then, that social network that you could then ask other questions about other things. (D:207–209)

Whilst not exactly concerning the building of a network, one Chief Executive extolled the virtues of front-line staff being able meet those they were intended to emulate and who had been brought to his council's attention through the Beacon Scheme:

We've got a fairly elaborate first stop shop downstairs which...commonly is regarded as working really well...but front line staff had actually gone and seen how to do this meeting the public malarkey before they'd actually been asked to do it here.

(F:469–474)

Of course, the Beacon Council Scheme always envisaged Beacon Open Days being but a first step in the transfer of best practice, to be followed by the building of relationships and the exchange of more detailed information. The example given here, though, is one of the few instances where such activities were cited during these interviews. In this instance it is an actual work practice, rather than an idea, that is being shared, and the process adopted acknowledges, perhaps unwittingly, learning as a social activity.

Turning to 'reflection' a number of interviewees mentioned this, either explicitly or implicitly, and this was mainly in response to the question as to what involvement in the Beacon Scheme had taught them about their own organisation (Q16). Again, answers to this question seem to suggest that all the interviewees regarded this as relating to the preparation of a bid for Beacon Status, though that was not the whole intention behind the question. As one interviewee put it:

I think there was some benefit in...working through how you then presented that to others in a way that was helpful to them. That did sometimes force you to reflect and look again at what you did in a particular way, so there was certainly some benefit.

(H:253–255)

Another referred to how simply being involved in the scheme stimulated internal reflection:

it told us something about the system and something about the council, I suppose. About the council, it used to be a rather introverted council actually, and that getting

engaged in national processes was good for us. Stimulated thought and got us out of some complacent, 'not invented here' type sort of territory. So, to some extent, quite successful. (B:221–224)

As with the word 'badge', the phrase 'not invented here' is one that occurred in a number of interviews and always in the context of being a barrier to implementing working practices from elsewhere.

In commenting on reflection as a useful practice, one interviewee suggested that there are, perhaps, two levels at which it should be considered:

Clearly, anything that's a reflective piece about what was good, what was not so good, how and who did it, gives you learning...I think for some people it was more broadening of their perception. (P1:328–333)

Meaning, I believe, that not only was the scheme useful for learning from specific instances of good practice, for some people it opened their minds to the *concept* that learning in this way was even possible.

One interviewee commented on the positive aspects of reflection, but also suggested that this needed to be a long-lasting, if not permanent, process:

I think one of the things [preparing a bid for Beacon Status] does is confirm to you that the sort of stuff you are doing is innovative. And it can also help you understand at what point the innovation potentially becomes normal. So...what you can find is that, at the early part of that dissemination process there are a lot of people saying 'how did you do that?' and 'we're really interested in that'. Towards the end of it, or a couple of years after it, you can find that what you are doing is very much the norm, which, if you understand that process, can then ask you the question 'is norm okay now?' or do you need to start thinking about the innovative 'where next?'. (A:251–257)

This quote also points to a belief in the power of the Beacon Scheme to spread good practices widely among local authorities.

Two Chief Executives agreed on the benefits of being pushed by their involvement in the Beacon Council Scheme to examine their organisation more closely, even though the outcomes were different. One found that "we're not as good as we like to think we are, all the time", while another learned "that we knew more than we thought we knew". What both these comments have in common, however, is that the rigorous internal examination and evidence-seeking brought about simply by starting to be involved in the beacon scheme led to the uncovering of information about the organisation; information that was not evident without a period of reflection.

Two further interviewees did, though, have similar experiences in preparing for a beacon bid:

It did make me really understand the service area and also the weaknesses, because when you tread the boards and fill the forms in and did the bit, you knew absolutely when you were telling the truth the whole truth and nothing but, and you also knew where your evidence wasn't as strong, so you knew if you were skating on a bit of ice. And it also did show you how much you relied on other parts of the organisation, so it did start the connect with the other part of the organisation there. (D:191–195)

And:

I ended up with a much more detailed knowledge of that particular area of service and, because I ended up having to write the blinking thing, I ended up having a much broader understanding of the whole of [the] Council, in terms of the corporate side.

(L:222–224)

While all this shows is that two local authority officers who went on to become Chief Executives were prompted to learn by their involvement in the Beacon Council scheme, it is to be hoped that these are but two examples of a much wider phenomenon, as suggested by the latter interviewee continuing that involvement in the process of applying for Beacon Status:

was a valuable experience, I think, for the whole of local government in [the county] in that it helped to clarify our overall approach to [the beacon subject area]...and the Beacon Council process really helped in terms of profile and shared learning across public services, not just local government. (L:227–235)

The concept of sharing information and ideas more widely was taken up by a few of the interviewees. As has been seen, some saw the 'narrowness' of the beacon areas promoted in any one year as problematic; others saw it as an opportunity to build relationships that would outlive any specific beacon theme. However, a third approach involves the spreading of the good practice learned about through a particular beacon theme or event to other parts of the receiving authority or, as the last-quoted participant suggested, across the whole the public sector. As was said by one interviewee, involvement in the beacon scheme provided:

some great lessons for the rest of the organisation to learn...you can pick up lessons that you can replicate in other places, it doesn't have to be directly in just that service.

(G:185–195)

To another “it was a different topic area, but it was the lessons learned” (D:202–203) that proved to be a useful outcome of involvement in the scheme.

These, though, are the only times that any of the interviewees commented on the dissemination throughout their organisation of lessons learned through the Beacon Scheme. For most of the participants in this research, involvement in the Beacon Scheme involved departments learning from similar departments in other councils. There are perhaps two factors at work here: firstly the ‘silo mentality’ of councils, mentioned earlier as a barrier to learning, and secondly, ‘psychological proximity’, as discussed earlier in the section of policy transfer, whereby transfer is more easily achieved between organisations with similar problems, structures and outlooks.

A final example is worth mentioning here, if only for its uniqueness. One interviewee told me how his council, though largely antipathetic to the Beacon Scheme, had used it to further its own ends. Having decided that the use of new technology was something that this council wanted to push internally it was perhaps fortuitous that the opportunity to bid for Beacon Status in the area of e-government presented itself. Bidding for, and attaining, Beacon Status for itself in this area appears to have been the only option considered by the council; letting someone else take the lead and learning from them was ruled out by the council’s beliefs:

there was nothing to learn from people. So you had to lead, shape, so we used the e-government framework in which to be a leader and shaper rather than learning. There was nothing to learn from, it was new. (N:206–208)

Whether this particular council, having attained beacon status, then went on to teach others is something that was not pursued during the interview but it was clear that this was not their main aim:

So I used Beacon Council in [the] Council to drive up the use of technology, so we went for Beacon Council on e-government, and we got it. The end in itself was the title, but we used the validation, the process to drive e-government within the organisation, so it’s a badge. (N:196–199)

This particular use of the Beacon Council Scheme appears, from one viewpoint, to be almost selfish, though it is difficult to use that word too harshly in the context of a council improving its service to its public. Teaching and learning were, though, not uppermost in its collective mind when it used the Beacon Scheme for its own internal purposes. In this one case, it does seem that the ‘badge’ was the aim.

This example does, however, illustrate two general points that are well worth noting: firstly, that whatever the purposes of a process, and however well devised it may be, it will be, at some time, used by others for other purposes; secondly, this council had realised that learning from ‘best practice’ means one can only be as good as the current best. It places an upper limit on performance. If one wishes to be better than the best, then some form of innovation is needed. While the concept of a beacon council may have been somewhat subverted in this case there can be no doubting that the scheme did play a part in driving the innovation and, in theory at least, made this innovative practice available to the wider local government world.

The preceding two sections have examined in some detail the negative and positive comments on individual aspects of the Beacon Council Scheme. So far, though, I have not attempted to balance the vehemence of the negative comments against the numerical superiority of the positive. It is therefore now time to examine Chief Executives’ attitudes to the scheme as a whole, rather than finding fault, or praising, parts of it. As one interview put it:

I’ve worked in a council where we would compete for awards and I’ve been involved in winning more than one award where the thing we won it for wasn’t even up and running...And I’m not really sure what being a beacon does for the people who live in the area, because that’s what you’re there for. (K:174–179)

The questions implicit in this comment, regarding both the purpose and the processes of the Beacon Council Scheme, are ones that deserve answers.

Was the Beacon Council Scheme effective in spreading good practice?

As has been seen, Chief Executives expressed a range of views on the conduct of the Beacon Council Scheme. It was one of the longer lasting modernisation initiatives and all those interviewed had, in some way, taken part in the scheme. Whether they liked it or not, they all had something to say about the scheme and while only one interviewee was unremittingly negative, others were well aware of its failings as well as its successes. With that single exception, all took a balanced approach to the scheme and the interview process uncovered a number of themes that are explored in some detail in what follows.

A scheme that was “fine in its time”

That the Beacon Council Scheme was “fine in its time” (P1:355) was a view put forward by a number of interviewees, though in a variety of ways. One, describing their council as a “frequent responder” (B:215) in the early rounds noted that “enthusiasm

dropped” (B:217) and “these processes need refreshing” (B:250). Not that the Beacon Council Scheme was unique in this latter respect, as he went on to explain:

There’s something...about natural shelf life of these things isn’t there, actually? Even the best ideas only work for a period before they silt up in some way. (B:225–226)

Another commented that “it had some value in the early stages but I think it outlived its usefulness” (H:287) while yet another stated:

I don’t think it was very effective for very long...It was a good idea, well intentioned, but I think it actually was relatively marginal. (O:296–298)

Commenting specifically on the learning aspects of the scheme, one Chief Executive told me:

after a while it wasn’t obvious what the learning was, it wasn’t obvious what the benefits were. (D:274–275)

One of the shorter comments perhaps best sums up those above – “it ran its course” (O:261).

These Chief Executives appear to have opted for a ‘damning with faint praise’ approach. Others, though, were more passionate in their views, whether for or against, about the overall effectiveness of the scheme and provided some insights into views about the very nature of the Beacon Council Scheme.

A positive view of local government

That the Beacon Scheme was about ‘showcasing the best’ in local government, wherever that ‘best’ may be, was seen in a positive light by a number of interviewees. This does, however, raise questions about who was the intended audience of this ‘showcasing’. As one interviewee said:

I think that it was a positive experience...I think it was clear to all concerned that...we had pockets of excellence...all over the show, and that is good for the organisation more generally.(C:374–377)

Before going on to add:

I do think there’s a desperate need for some of the positives...some of the excellent performance in authorities to be more widely diffused...and to be the subject of public

and media comment. My take for some years has been that a lot of the media in the UK are unremittingly hostile to the public sector and more particularly the local government sector. (C:408–411)

Another stated:

I thought that it gave a profile for local government, a positive profile for local government which was really good...But I think that even just having awards which are about excellence in the service...in itself is a good thing and has been valuable.

(L:248–251)

And another:

I think it was a great idea, and it was a great idea because it wasn't based on league tables and, whilst you had to evidence that you were good, so you had to put some statistical information in, it wasn't you could only get a beacon award if you were in the top four of anything. So it enabled good things to be recognised other than that which was on the inspection schedule or in the KPIs [Key Performance Indicators].

(F:493–497)

With one final interviewee adding that the Beacon Scheme provided:

a valuable component in the general picture that local government would seek to present. (C:418–419)

Of course, these few quotations do not tell the whole story regarding people's perceptions of the Beacon Scheme, they do, however, point towards at least some people welcoming the introduction of the scheme because it produced 'good news stories' about local government; stories that could, potentially, come from any local authority in the land.

What is missing from any of these descriptions of the Beacon Scheme is any notion of learning or improvement. The production of positive stories about the successes of local government may well be a good thing in its own right, whether they be aimed at local people, local media or even as morale-raising exercises only for consumption within a particular council. But any such stories would be about current excellence, not about improvement; the now, rather than the future. The raising of the level of consciousness that local government can do things well may indeed aid future learning, it may even be a necessary precursor to learning, but it is not learning and does not ensure learning takes place. For real learning to take place, structures and processes need to be in place and effort needs to be expended in using them effectively. The Beacon Council Scheme, however, did attempt to put such

structures and processes in place and even attempted to ensure that councils used them and it is to these aspects of the scheme that I now turn.

Could do better?

By the time these interviews were conducted, the Beacon Council Scheme had closed, perhaps suggesting that others agreed with those interviewees, noted above, who believed it had 'run its course'. Even amongst the Chief Executives more supportive of the scheme answers to the question as to whether the scheme was effective at spreading good practice were often along the lines of 'yes, but...'. "Could have done better" (D:272), "on balance" (C:406), "generally" (E:483) and "in parts" (M:22) are all amongst the actual responses. What, then, was, at least in the eyes of these interview participants, the scheme getting right, and where was it falling down?

To pick up the point made earlier, regarding the difference between the Beacon Scheme and an inspection regime, one interviewee told me:

[The Beacon Council Scheme] promoted positive learning rather than the inspection regime's...it's back to the carrot and stick issue...rather than the negative impact that Best Value occasionally had, or that inspections can leave organisations and individuals damaged if they're not sensitively applied. (E:483–485)

This is a view that was supported by another interviewee who believed that the positive aspects of the scheme were instrumental in providing a "valuable learning process for many" (L:250). Not that 'learning from the best' was always welcomed, with a minority view being:

perhaps you learn more by focusing on the things sometimes you don't do as well as you'd like. (H:252–253)

This, though, misses the point of the Beacon Scheme and again illustrates the one-sided view of it so often expressed during these interviews.

There can be little doubt that the existence of the Beacon Council Scheme provided opportunities for local authorities to learn from each other. Perhaps that was the most that was ever going to be achieved through a voluntary scheme. Two comments by Chief Executives suggest that pre-existing conditions within a council may affect whether it took part, and the extent to which it took part in the Beacon Scheme. In discussing the barriers to implementing practices illuminated by beacons, one interviewee thought that it was:

"the culture...about how we see ourselves and the confidence we have in ourselves.

(A:276–293)

Although not enamoured of the Beacon Scheme and judged by other measures to be well-performing, the comments by one council's Chief Executive suggest that the Beacon Scheme was used because it suited their already established approach to improvement:

we encourage staff to explore. We want them to keep a dynamic around their service so...huge numbers will have gone to other people's open days from all sorts of different levels and functions and we actively encourage people to look where good practice is and go and find out about it. (P1:343–345)

As I stated earlier, the Chief Executives with the more positive views on the Beacon Council Scheme were those whose councils had participated more fully in it. Statements like the above suggest that it may well be the other way round; that those councils who already had a 'culture' of supporting learning chose to use the Beacon Scheme to further their established ends.

Comments that explicitly linked learning through the Beacon Council Scheme to the ideas and theories of learning and change were few and far between. Some have already been mentioned in passing, but there are others worthy of a more detailed examination. One Chief Executive told me:

If the particular problems facing that council couldn't be easily transposed, then that was another barrier as well. You'd think, well I won't try that one, I'll look at another one instead. (D:218–220)

While another said:

what we did on occasions was to say 'that's very interesting, but we're not sure we could make it work in our circumstances'. I think particularly, for example, because we've got a very large rural area to administer, so you'd look at things which you could see why they worked in an urban setting, but wouldn't necessarily be easily adaptable to the circumstances of a rural county. So there were those sorts of things which were interesting and we said: 'well that's fine. I can see why it works but it won't work for me even if I customised it'. So that was still valuable learning because it did help you understand why you had a particular and unique set of challenges and you may need, therefore, rather different solutions. (H:278–284)

A number of links to two of the areas examined earlier can be seen in these two quotes. In terms of the policy transfer literature, the issues of psychological proximity (Rose, 2002) and institutional similarity (Dolowitz and Marsh, 1996) appear to be at play (though expressed in

the negative in these two quotations), as do the stages of cognition and reception through to evaluation from the Evans and Davies (1999) model, and designing a lesson through to prospective evaluation in Rose's (2002) model. In terms of change management terminology the above quotations are examples of the various stages that were amalgamated into 'acknowledgment' in the consolidated model adopted in Chapter Two of the thesis. In both the cases discussed here, examination of other councils' solutions led to the abandonment of any transfer and the continuation of the search for more suitable solutions. The second case makes explicit the confidence of the council that learning has taken place in terms of gaining a better understanding of both the particular problem and possible solutions.

A further aid to policy transfer is also evident in another of the interview responses:

I think there was one of the Beacons on our doorstep, which was [neighbouring council], with the Beacon that they had around communications and the work there. So that is certainly something that colleagues here picked up and regionally we took advantage of as well. (P2:346–348)

In this case 'geographical proximity' seems to have had an influence on the choice of which council to learn from, but it is easy to read too much into this. The specific case being referred to actually concerns a winner of the Round 9 (2008–9) Beacon Award for 'Transforming services: citizen engagement and empowerment'. Two other councils were also awarded Beacon Status for this issue: one was the same type of council as the interviewee's and also geographically very close, though not bordering; the second was a different type of council (to the interviewee's, but the same type as the one she chose to learn from), but again not too distant (IDeA 2009a)². In choosing to learn from a different category of council, but one "on our doorstep" rather than the exemplar council of the same type only slightly further away (and in the same Government Office Region) seems to suggest that geographical proximity played a part in this choice. This, though, highlights a problem with the policy learning literature; that it is descriptive rather than explanatory, and lacks a theoretical underpinning. Given a choice of Beacons to learn from, and given that the subject matter is not specific to any particular type of council, why would anyone choose to visit anything other than the one "on their doorstep"? To build examples of such practical decision-making into a 'theory' of policy transfer seems intellectually unsatisfactory to me.

To return to the quote, though, the reference in it to the region does suggest the existence of a network for sharing information about this beacon. Whether this resulted in any learning taking place is impossible to say, though the use of the word "region" prompts the following slight diversion. At this point in their interviews, two more participants cited RIEPs (Regional Improvement and Efficiency Partnership) as a source of learning, alongside beacon councils. As was seen earlier in this chapter, RIEPs were also cited by two

² IDeA (2009a) *Round 9 Annual Report of the Beacon Scheme 2008/2009*, London: IDeA

interviewees as a source of information on new ways of working (Q9); interestingly, these were two different interviewees. Also at that point in the interview, two further interviewees cited other regional bodies as a source of information, with one of these now citing their RIEP as a source of learning. Even earlier in the interviews, two Chief Executives (only one of whom is included in any of the above) cited their RIEP or another regional body as a source of information about organisational learning. The importance of RIEPs, and other regional bodies was also mentioned in responses to later questions in the interviews (and therefore still to be discussed). Others might have had regional bodies in mind when they used the term 'networks'. The point of this diversion is simply to note the importance, as seen by a number of interviewees, of regional bodies as a source of information. Of course, the RIEPs especially do not themselves provide services to the public and so cannot be seen as a source of first-hand information on such. What they can, and apparently do, do is act as a hub to a network through which information can easily flow. No claim is made here about this being proof of, or even an example of, the effects of 'geographical proximity' as a factor in effecting policy transfer or learning. Instead, I see it merely as the RIEPs working in the way they were intended to.

Returning, then, to the issue of 'similarity', this was also raised by a critic of the Beacon Council Scheme, this time, though, in the negative:

I went on three visits to other Beacon Councils as part of work within the programme...and because the framework for comparison, if you like, was artificial, what you wound up with was trying to teach apples from looking at pears...What I found much more useful was working collaboratively with organisations which had similar scale, similar scale of issues. (J:317–322)

From this, and the further detail supplied later in the interview, it is clear that this interviewee understands that it is easier to learn from similar authorities but even clearer is his belief that the Beacon Council Scheme did not sufficiently address this issue. He went on to more fully expound on an alternative network that was established and that:

became much more useful to us as being a mechanism for learning...because the issues around urban regeneration, the issues around transport and infrastructure, the issues around economic development skills, the issues around demographic change...housing market renewal and such like, were much more common to us. So, from my area of work it was much, much more relevant to work with a self-identified group of peer organisations with similar issues and similar problems than it was by getting involved with more formulaic structures. (J:324–329)

Again, though, this does highlight the fact that the exchange of information (and possibly learning) is seen as being very issue-specific.

That the Beacon Council Scheme did not provide the best mechanism for building relationships between local authorities in similar situations and with similar problems was taken up by another interviewee. To him the Beacon Scheme:

was more limited in its usefulness than actually searching out others who had something to offer. (H:241–242)

Proponents and supporters of the Beacon Scheme would, no doubt, argue that it carried out this searching on behalf of all local government, thereby relieving them of the need to undertake a significant amount of work – work that would otherwise have to be duplicated in every local authority that wished to be part of any learning network. What this interviewee appears to be saying, though, is that there is something to be gained by each authority going through this process for itself; something that is lost by having it done for them by others.

Finally, for this particular section, one interviewee told me:

I think sometimes, if you compared yourself with councils that seemed to be richer or poorer and where there seemed to be lots of resource available for the activity, that was a barrier. (D:213–214)

There is a distinction to be made between the position being outlined here, and the position mentioned earlier, concerning lack of resources for *preparing* a beacon bid. Here, it is the difference in available resources for actually providing the service that is perceived as being a barrier to effective policy transfer. As was shown in my discussion of policy transfer, ‘resource similarity’ is identified in the literature as an aid and the converse aspect of this is being remarked upon here.

The last few quotations do show that there are links between Chief Executives’ descriptions of the operation of the Beacon Council Scheme and the literature on organisational learning, change management and policy transfer. Perhaps more interesting, though, is that these links were not made explicitly by the interviewees but have been established by me in the course of this exploration of their words. Not that this comes as a surprise, bearing in mind the variation in knowledge and understanding of organisational learning among Chief Executives discussed earlier in this essay. As mentioned at that point, this diversity of understanding, even of the language used, does seem to be a reflection of the diverse nature of the relevant literature and of the nebulous state of the subject as an academic discipline.

Learning about Learning

The responses from four interviewees allow this analysis to move up a level of abstraction. By this, I mean moving away from whether the scheme provided a method of spreading particular examples of good practice to asking questions about whether the scheme taught us anything about the way in which local government learns, whether it gave any insights into the strategic 'learning to learn' that is the focus of this research.

In answer to the question regarding the effectiveness of the Beacon Council Scheme in spreading good practice, one interviewee told me:

I think it probably could have done better about its own evaluation and analysis...targeting the evaluation, targeting the case studies...the push was left to the individual authorities and I think that perhaps it could have been co-ordinated better so that more people felt the need to continue the learning. (D:272–277)

One of her colleagues was even more explicit on what he saw as failings of the scheme:

I don't think the IDeA handled it as well, or supported learning as well as they might have done, and the reason I say that is, we won two...and the dissemination stuff, every time we were doing it in [a previous council], it seemed to be re-learned, that the IDeA weren't able to turn up and say "here's what works", "Don't do a national conference, because they don't work, do a whatever". We didn't seem to get that, they came in, said: "well how do you plan to disseminate your knowledge?" Well, this had been done a hundred times by the time we did one, I'm guessing, making the numbers up, but a few times. By then one would have thought that there would have been certain evidences for things that worked, but we didn't seem to get any of that. So I don't think the IDeA supported the "this is how you share". The...main way that you tended to learn from Beacon Councils was actually a conference was organised, or a workshop or something, there weren't soft networks of stuff, so I don't think the dissemination of knowledge was as effectively done by IDeA as might have made the maximum benefit. (F:496–507)

Another related criticism came from a third interviewee:

what's happened is, since the invention of the Beacon Councils Scheme we've got so many different forms of shared learning across the public sector now in place that there's just overlay after overlay...there is a whole industry sharing practice there.

We've now got green flags from CAA process – we've just got overlay on overlay, all essentially overlapping. My view is that it's become a bit too complicated actually.

(B:250–256)

This view was supported by a fourth:

but [the Beacon Scheme is] in a very crowded market place and if it were in a less crowded market place – with awards and things like that – then I think it would be even more effective. (G:219–220)

These views, then, question the success of the Beacon Scheme by striking at the very heart of what it was set up to do – effectively disseminate good practice. These are, of course, views expressed by only one quarter of those interviewed, but it should also be noted that none of the other interviewees chose to put a contrary view, despite having exactly the same opportunities to do so. If the views of these four Chief Executives are accepted, they paint a picture of a Beacon Scheme that, however good it is at unearthing examples of good practice, doesn't really know what to do with these examples to ensure that the good practices they contain are made more widely known and then embedded in the practices of others. In the absence of any agreed sharing and embedding mechanisms, the Beacon Scheme, in this view, proceeds only to take its place amongst a plethora of other schemes for sharing best practice and runs the risk of being lost in the 'noise' of too much information.

That this outlook exists should come as no surprise, for it is at the heart of the initial contention that is driving this particular piece of research; that implicit in the government's words on local government modernisation was a view that local authorities can, should – and perhaps must – learn from each other in order to improve, but that the government had little coherent understanding about how such learning takes place. In the absence of such clarity, it is perhaps understandable that the government should try out any and all of the mechanisms at its disposal.

Not that this approach need necessarily be a bad one. The final quote I wish to include from a Chief Executive interview puts a positive slant on adopting a multi-faceted approach to the distribution of information on good practice and to learning:

I think that what has to be understood is that one national roll out won't work for everybody in the way that is intended, but that there needs to be a range, a menu, and then we will be able to meet and develop and satisfy people. And certainly networking, peer learning, all of that, that are part of the Beacon Council – absolutely great.

(P1:355–358)

This is, though, a view that has to be balanced against those views expressed earlier, in which the effectiveness of the Beacon Scheme was said to have been compromised by its use alongside a range of other approaches to learning through the sharing of experiences.

Summing Up

The preceding discussion shows that the group of Chief Executives interviewed for this research held, between them, a wide range of opinions about the Beacon Council Scheme, all of which were based to a very large degree on their own personal experiences. Is there, then, anything that can be drawn from this analysis that reveals information about the effectiveness of the scheme in helping councils to learn from the best?

Firstly, but perhaps not surprisingly, the Beacon Scheme was neither universally popular, nor universally disliked by Chief Executives. With one exception, all had negative and positive comments to make about various aspects of the scheme.

Secondly, there does seem to be a positive correlation between a higher level of use of the scheme and positive view of it. A causal link is harder to establish but there is some evidence that any correlation is a result of those already predisposed to learn from others taking greater advantage of the opportunities provided by this scheme's existence.

Thirdly, many of the positive comments stem not from the scheme's primary purpose (the *sharing* of good practice) but from simply *highlighting* good practice. The 'good news' stories thus generated were then used either internally, to raise staff morale, or externally (but still locally) to improve the reputation of the council with its populace and local media.

Fourthly, and connected to the above, the main focus of many Chief Executives was on bidding for and attaining Beacon Status. It is evident both from the answers given to some questions, and the paucity of answers to others, that there was little corporate commitment to the important 'learning from others' aspect of the scheme.

Fifthly, although there are clear links between what the Chief Executives said during the interviews and the theories and language of learning and change, there were few, if any, instances where the interviewees themselves made these links. This probably reflects the nebulous understanding of organisational learning among the interview group, which in turn is a reflection of both the amorphous nature of the subject as an academic discipline and the numerous sources of information on the subject cited earlier.

Sixthly, there is little evidence to suggest that the dissemination throughout the receiving authority of information or learning obtained through involvement in the Beacon Scheme was a widespread phenomenon. Rather, the evidence suggests that involvement in the Beacon Scheme was on a service-to-service footing, perhaps highlighting the pitfalls implicit in viewing any local authority as a single entity.

Seventhly, and lastly, if any work was undertaken on assessing and improving the strategic effectiveness of the Beacon Council Scheme, that is, on improving its effectiveness

as a tool to aid learning, then the results of such work did not permeate the Chief Executive world. In the absence of any clear guidance on what worked, local authorities appear to have been left to reinvent the wheel of dissemination on a regular basis. Even accepting that there was no single 'good' way for a beacon to shine, surely an understanding of which dissemination techniques worked well, in what situations, and why, would have been of significant benefit for those involved.

This, then, concludes my analysis of the research data concerning the Beacon Council Scheme. I now move on to undertake a similar analysis of another major modernisation initiative – Best Value.

Best Value

When asked about the Best Value regime, interview participants proffered responses that indicated little neutrality and which divided them into two camps. The larger group consisted of those who welcomed the *concept* behind the initiative, but who were critical of its implementation and development. The second group were critical of all aspects of the Best Value regime.

As with the Beacon Council Scheme, the mere mention of the words 'Best Value' was enough to elicit two responses before any specific question could be asked: "Christ, even worse [than the Beacon Council Scheme, discussed immediately prior to this]" (K:200); and "Oh dear" (P1:367). Perhaps surprisingly, though, the latter went on to make a number of positive points about Best Value.

Best Value Reviews and Their Internal Use

The first question in this section (Q20) was intended to elicit responses that would illuminate how the Best Value process had been used internally and whether the uncovering of previously unknown information had led to a period of reflection. While one interviewee simply replied "No" (K:204), two others (I and N) avoided directly answering the question, preferring instead to provide responses that showed their hostility to the scheme; a hostility that continued to be expressed in their answers to all the questions in this section. While one respondent believed that the Best Value process had had unearthed "nothing at all" (N:224) about their organisation, the other thought that it had "taught them how to play the game" (I:197), the 'game' in this instance being how to convince external inspectors of the validity of a Best Value review. As he went on to explain:

by God did we learn from it? You spin it, you...I was going to say suck up to the inspector, whatever, don't be honest, don't be truthful, just play the game. (I:207–208).

Three further interviewees also largely avoided answering the question, but were more muted in what they did say. One thought that Best Value was “a very blunt tool” (L:258), and wasn’t as useful as other ways of unearthing information about their organisation, while another thought that:

It helped parts of organisations that were less aware of the relationship between cost and outcome to think about themselves in a different way and in some instances learn and improve. (J:352–353)

The third believed that, while no exception could be taken to the aspiration of providing best value across a range of services:

the...Best Value framework...was so conditioned and so prescriptive that it was a little bit like some of the recent efficiency drives, you know. It almost created a climate of compliance, formally, but with very little change in substance. (C:437–440)

The first of these substantial quotes suggests an understanding that reflective activity leads to learning, and the second suggests that simply learning to undertake a best value review, as if by rote, is inadequate learning, and that a more substantial change must result before ‘real’ learning can be said to have occurred.

The remaining interviewees provided answers that indicated a much more positive attitude to Best Value; more importantly, they actually answered the question, often making the link between reflection and learning, and shedding light on the inadequacies of local government practices prior to the introduction of Best Value. Three examples effectively illustrate this point, with one stating that:

I think it gave us another toolkit, another way of looking at, analysing. I think it was all good stuff. (P1:372–373)

A comment that was immediately followed by her colleague saying:

It enabled benchmarking, which I think was probably quite new then, which they hadn’t done before. (P2:374)

However, the addition of the caveat “I think that they’re useful for a time” (P1:373) serves to emphasise the point made earlier, in the discussion of the Beacon Council Scheme, about the time-limited effectiveness of any intervention.

A second interviewee stated:

Yes. I think it was a way of looking at costs and efficiency of operations which we had been very lazy about until Best Value came in...but did it produce habit of thought, of discipline, which had been absent within certain local councils and the public sector? Yes it did. (B:263–264)

And a third commented that the increased emphasis on performance management in local government:

was a good thing for local government, because I think we had no idea what success looked like and there was no effective benchmarking in local government before this absolutely draconian system was invented...if you don't compare yourself then...well, I can only guess, because all of my senior management life has been in some form of regulated system. So how did authorities get a reputation for being good 25 years ago, 30 years ago, when there was little comparison? I don't know. (F:516–522)

The reference to Best Value being “absolutely draconian” points to an unease with the way it progressed and will be the subject of later comment. It will suffice here merely to say that this was not an isolated view.

The substantive point to draw out from these three quotes, though, is that despite later developments in its implementation, Best Value was welcomed as a new and useful tool that would help local government to improve the services it provided; if not in their quality, then in the economy and efficiency with which they were delivered. That Best Value is seen here as something new and which fills a gap in the otherwise inadequate local government systems is evident from these quotes but, as was seen in the discussion of modernisation, performance management was not new to local government at this time, but had been growing in importance as New Public Management tightened its grip from the 1980s onwards. The apparent inability of performance management to successfully take hold in local government perhaps goes some way to explaining why the government felt the need to legislate in this area. As has been shown, Best Value built on the foundations of New Public Management and on the work of Osborne and Gaebler (1992) in that it was an attempt to move away from the allegedly cost-obsessed CCT of the previous Conservative administration and towards a system that balanced cost with service quality. This point was understood by at least one of the interviewees:

I don't know, sometimes, what my relative costs are, so I get high marks for customer satisfaction, high marks for service quality, but actually, if you are spending a shed load of money, that ought to be the case. The real trick is can I do that and still be as cheap as the best? (H:315–318)

Returning, then, to the initial theme of Best Value helping to uncover information about services within the participants' authorities, a number of responses suggest that this did indeed occur. One was very clear that he:

learned a lot from it, in terms of [the council] as an organisation, and also to a degree as a place...[Best Value reviews provided] examples of ways in which I certainly found a lot of things that you wouldn't have been able to uncover without having that systematic approach to it in that kind of way. (E:495–509).

And another stated:

I actually believe that, at that particular time, the internal review process and the external inspection process were genuine forces for good – certainly in [named council]. It made us confront services that weren't good enough, it made me more aware of services that weren't good enough and it provided a stimulus – a strong stimulus – to improve them. (O:306–309)

Note here, though, the reference to “that particular time”, suggesting, I contend, two things: firstly that Best Value was an improvement on what went before; and secondly that this improvement was not to last. More substantively, though, Best Value reviews were, to this interviewee, providing that first step in learning and change – acceptance that there is a problem that needs to be addressed. That this acceptance of a problem might lead to a period of reflection and, possibly, to action being taken was highlighted by a further research participant:

it genuinely did demonstrate where our costs were higher than comparable councils. And it caused us to pause to think why that might be and, in a few instances, we acted on it. (M:227–228)

Why this interviewee felt the need to add that Best Value reviews only led to action “in a few instances” is a matter worthy of further consideration, as a similar caveat was added by another of his colleagues:

It was fascinating and some massive improvements came from that process...when it was applied properly and really systemically, deconstructing the way we did things and challenged what was actually going on. (G:234–236)

It would appear, then, that to be effective, Best Value reviews had not only to be carried out, but carried out well. As was seen above, 'rote' learning of how to undertake a

review was seen as insufficient if substantial learning was to occur and significant change achieved, and interviewee G appears to be alluding to a similar, if not the same, problem. As has also been seen Best Value reviews were time-consuming (and therefore costly) to undertake. Why, then, would local authorities choose to do them 'badly'? While it may be the case that a speedy, if superficial, Best Value review may be less costly than a detailed and thorough one, one interviewee suggested a more deep-seated reason why some, but only some, authorities might carry out 'better' reviews than others:

I would say it is the context and the culture of the organisation. There were some examples where the answer would probably be yes, it's a process that enabled us to take new learning and understand things perhaps in a way we had not seen.

(A:307–309)

This is a statement that brings this discussion back to its starting place; back to consideration of the 'culture' of a learning organisation. It also echoes the findings of the previous section on the Beacon Council Scheme, where it was argued that those councils already most predisposed to learning took advantage of the learning opportunities provided by that scheme. In the above quote, the word 'enabled' therefore assumes major significance and points to a crucial flaw in the government's approach. While government publications accept the heterogeneity of local government, their legislative actions tend to assume homogeneity; that all councils will respond in the same way to any legislative framework. As has been shown here, this is clearly not the case and hence my emphasis on the word 'enabled'. Best Value (and the Beacon Council Scheme) clearly enabled councils to learn (in the sense that they made available information on how other councils performed better), but how much they learned, how effectively they used the opportunities for learning, seems to be dependent on their pre-existing predisposition for learning, not on the quality of the tools provided by the government. This underlines a point from the literature on policy-making, that the implementation of policy is a crucial matter that should be taken into account during the formulation of any policy and is not an afterthought that can safely be left to others to worry about.

The above section has considered the use of Best Value Reviews within any individual council as a possible route to learning, reflection and action. Implicit in this is that at least some comparison with other councils – most likely their Audit Commission-provided 'statistical neighbours' – has taken place. This analysis now turns to a more explicit examination of that data-sharing element of Best Value.

Best Value and the Sharing of Data and Information

Following the initial exploration of Best Value, the interviews moved on to consider the sharing of information and how that information was used to bring about changes in the way local authorities delivered services. Questions 21 and 22 were designed with this in mind, though answers given during interviews are never quite as clearly delineated as the questions asked. In terms of the Huber's (1991) organisational learning processes, these two questions probe ideas concerning the second and third stages – information distribution and information interpretation. In terms of the consolidated model of Change Management discussed elsewhere, these questions relate to the acknowledgement and implementation stages. The response from one interviewee provides a useful starting point, as it both links back to the discussion on Beacon Councils and moves the analysis forward to a discussion of the sharing of comparative data:

There was an element of civic pride in it, as well as...performance management. You needed to know you were doing better than the crowd next door. That was actually important, but knowing how you compared was vital. Your opinion of yourself is really quite interesting, but not all that relevant really. (F:552–555)

As with the Beacon Council Scheme, where attaining Beacon status was used as a morale-boosting tool, so the best value-generated data appears to be being used here. Of course, this use is one open only to those at or near the top of any data league. While this is worthy of note, it is not surprising and is not central to the analysis being undertaken here. More important is the use of data to drive improvement through comparison with others.

One respondent found that information from outside local government was important, stating that while:

we had our Best Value family...I think that some of the examples and some of the sharper learning was from other sectors but then, yes, looking at benchmarking with others we found that the private sector was just a sharper edge and then we compared ourselves with our family. (D:293–296)

This, though, is an isolated example and probably stems from the specific service area this person worked in at the time – an area that had found itself under pressure to compete with the private sector due to the CCT regime only slightly earlier.

That comparison of specific Best Value Performance Indicators drove questioning was made clear by one interviewee:

so we were able on that one to say, well this is where we are and why is X, Y, Z better than us in that regard? (I:255–256).

That Best Value led to competition between authorities, in terms of league table positions, was returned to by one interviewee, though she quickly moved on to show an understanding of the real purpose of the scheme:

There's all the sort of...jockeying for position but, of course, it's hugely helpful to know whether you're doing a deluxe service at a low cost – yippee...where you sit in terms of quality/cost...will always be key measures...what outcome you're delivering, though, is the end bit of 'do they add up to delivering the right service in the right place at the right time?'. (P1:378–382)

The element of competition hinted at here and more explicitly mentioned earlier can be seen as a natural consequence of comparison, as the previously-mentioned Chief Executive went on to say:

Comparison encourages competition, and without the profit motive, and therefore success or failure, survive or fail, you need another proxy for the commercial obviousness of money. And so comparison is important. (F:561–563)

Competition can be a double-edged sword, though, as one of his colleagues, commented:

in the world of Best Value, it still felt quite insular, that you wanted to be the best but you didn't necessarily want to share. (D:303–304)

One further positive view of the usefulness of the Best Value framework in sharing information between authorities provides links back to points made earlier:

there was some very good networking going on, particularly in housing circles. There was a housing quality network that had been set up at the time of housing compulsory competitive tendering. That was a really good source of information, and various other bodies...could have been better, but some of it was very good. (G:249–251)

The utility of networks was discussed earlier, in the section on Beacon Councils, and it is not surprising that it raised its head again at this point. It is, however, worth noting that the network referred to here was created prior to the establishment of Best Value but is being used to distribute the data generated by Best Value reviews and the publication of performance indicator information. It may well be the case that such networks not only disseminated such information, but provided opportunities for it to be interpreted and understood and so become much more useful. The issue of 'context', as will be shown, was a major issue among those interviewed for this research.

The Best Value framework, though, included an expectation that services would improve, regardless of whether any suggestions for improvement came from another authority or from within any particular council. The framework also provided, through the Best Value Performance Indicators, a way of measuring this improvement, though it was mentioned by only one of the interviewees:

It wasn't just comparison with other organisations, it was also a more disciplined time-series comparison in one's own organisation. You'd look to – have we improved over the last three months, six months, 12 months? So it wasn't just comparing with others, it was also seeing how we'd done. But, as well how we'd improved, or not, you see whether others have improved faster. So it was a mixture of time-series, internal plus external. (O:329–333)

Putting Shared Information to Use

While instances of learning from the working practices of other, better performing, authorities were referred to by some Chief Executives, these were noticeably less common than instances of learning from their own Best Value reviews or performance information. Only two interviewees gave specific examples of authorities acting upon information made available through the Best Value regime to bring about changes in practices and these involved housing management (G) and refuse collection (B). More common were general statements, such as this, where the interviewee thought that the information from other authorities:

certainly allowed you to identify where your own performance was poor relative to others in your family...I think over time that became a more sophisticated, almost surgical approach, where you could target specific areas in specific ways in order to shift them from one quartile to another. (H:324–326)

This approach to targeting specific areas for improvement was explained further, with information from other authorities leading to the consideration of three possible options:

'well I may be poor at this but if everybody else is poor at it, the chances are it's just one of those difficult problems. I'm very good at these things so probably I don't need to worry about them'. It's the stuff in the middle that's probably more interesting – where I am appearing not to deliver relative to others around some of that middle-ranking performance that looks a bit like I'm coasting...where would I best target my energies. (H:327–332)

A similar point was made by another interviewee:

The fact that some of that information unveiled the fact that people were doing things in very different ways, and in some instances with very, very different cost to outcome ratios, did help to drive reconsideration of the way things were being done in some places. (J:370–372)

The important point to note here is that the Best Value regime had, in these instances at least, and through the mechanism of showing that other authorities could perform significantly better, prompted a period of reflection on current practices. Whether this reflection led to learning taking place was left unsaid by these two interviewees, but it is clear that contributed to the first stage of learning and change – accepting that there is a problem that needs to be addressed. This, though, was not always the reaction that followed the discovery of differing performance indicators. Too often the response was not to examine the working practices that apparently produced these results, but to question the validity of the data itself, as will be shown in the next section.

Relevance, Accuracy and a Lack of Trust

If raw data showing relative performance was not enough to drive improvement, then at least councils had been alerted to the fact that higher performing authorities existed and everybody knew who they were. The Best Value regime, then, brought into being the opportunity to examine the practices and policies of these high performers and adopt these in less well performing councils. However, from the data obtained during this research, it seems that this option was one pursued relatively rarely.

If the Chief Executives were relatively happy to carry out and learn from their own, internal Best Value Reviews, why was it that they were much less inclined to make better use of the data generated throughout the rest of the country? An answer to this question may be found in the very strong theme that emerged during these interviews; the data was neither relevant nor trusted.

That Best Value measured the ‘wrong things’ was a point made by a number of interviewees at a number of points. One thought:

its limits though, was it tended to focus too much perhaps on cost and not enough on impact on people’s quality of life...It looked at inputs, sometimes their relationship to outputs, but not enough about outcomes for local people. (H:302–305)

Turning to the matter of trust, no one, of course, ‘cheated’ in the production of their Best Value Performance Indicators; but others did. As one interviewee told me:

people will always say 'we're much more honest in the way we put our data together than such and such a council. Everybody knows that they cheat'. (O:323–325)

Falsifying figures, though, was not the main concern:

It was possible to create impressions without falsifying any figures...I think the number of places where figures were falsified would have been very, very small, but we became expert game players, we knew how to play the rules and we knew potentially nine months before a key indicator was to be crunched, that that particular quarter was very important for that particular indicator, so you made bloody sure that that particular quarter, it was right. What I am not persuaded that it did was drive up, universally, all standards in a broadly equal way. So there were authorities who just became expert in playing the game. (F:567–572)

A number of issues are evident in this response. Firstly, the submission to the Audit Commission of deliberately falsified information was not thought to be widespread. However, outright falsification would seem to be an unnecessary step to take, as the second point that becomes evident from this quote is that local authorities became expert in manipulating measurements rather than bringing about real improvements in service quality or reducing costs. If one Chief Executive knew how to do this, then it can surely be assumed that others did too, hence the distrust of the published performance data. The third point to be drawn from this quote is related to the second, in that it is evident that the process of Best Value has become the dominant factor affecting councils' behaviour, usurping the original aim of improving services to the public. This is a point that was made by a number of interviewees. As one told me:

I think it was overdone; it became a bureaucracy and an industry rather than a networking exchange of relevant information, because the unit costing basis of it became a joke. So, fantastic example, sickness absence: sickness absence is defined and assessed completely differently from organisation to organisation...you're comparing apples with bananas, so why bother? And then the whole unit costing, the average cost of X or Y, the cost per head and so on, just became discredited.

(E:520–525)

It should be noted here, as it is not immediately obvious, that the above three quotes are from interviewees who were largely supportive of Best Value, or at least of the principles underpinning it.

The reference to unit costs in the above quotation should be contrasted with the remarks discussed earlier in this section, where the introduction of a mechanism for

examining unit costs was welcomed, and seen as something new to local government. That such an innovation did not bear the expected fruits was commented on by another interviewee:

the issue for me, ironically, is that we never seemed to have cracked the issue of getting some benchmarking around unit costs, because for me, value for money is going to be this relationship between cost, quality and customer satisfaction. I think that we are now quite strong on performance measures, we are increasingly good at surveying customer satisfaction in a variety of ways but the unit cost stuff is still difficult.

(H:309–314)

The differing ways in which indicators were measured – such as sickness absence, mentioned above – proved to be a bone of contention among other Chief Executives with one complaining that more information was required before figures could be put into context and meaningful comparisons made:

So without taking the comparator data into account, most Best Value comparisons are fairly meaningless. And also the structure of the data was very varied. So, for example, one library service might include the cost of buildings, and one library service didn't. One might include recharges, another one didn't. There was no consistency of data collection. (N:236–240)

Another specific example was provided by one of his colleagues:

benchmarking to me is great if you are all feeding the information in at the same level. Our car park costs were actually way, way high compared to others that we were looking at but then when you drilled down...some weren't charging management overheads. So did Best Value drive improvement? No. (I:235–238)

That different officers in different authorities may, when left to their own devices, measure the same things in different ways was, though, not unexpected. For this reason they were, very largely, not left to their own devices in that CIPFA (Chartered Institute of Public Finance and Accountancy) invested significant effort into drawing up rules that should have been employed across the board, thereby removing many, if not all of the above-mentioned concerns. However, it was obviously not enough, as the same interviewee remarked:

I think CIPFA – and I can say this because I'm a qualified member of CIPFA – CIPFA did their absolute damndest and did a brilliant job in trying to ensure that costs could be

compared from authority to authority. And they did, they had the Best Value Accounting Code of Practice – great. But it still didn't stop people doing things differently.

(I:227–230)

That this lack of faith in the comparability of the data was a contributing factor in the paucity of learning was emphasised by a further interviewee:

The primary piece of learning was that it is almost impossible to make meaningful comparisons...I have a deep loathing of benchmarking. I think it's extremely difficult and I think that Best Value tried hard, people did try hard to understand exactly what the differential cost drivers were and what the differential drivers of outcome were in different places. And all it proved, I think, was that life is complicated and I don't think we learned a great deal more than that, if the truth be told. (J:362–366)

If lack of faith that the 'right' things were being measured, and that those things that were measured were being measured consistently weren't enough to alienate Chief Executives, another issue concerning comparability was raised:

Well, one of the components in that is identifying 'statistical neighbours' so that there's an opportunity to benchmark your performance against that of other comparable authorities. Again, you've got to be bloody sure that the statistical neighbours are sensible statistical neighbours and not infrequently we struggled to understand why we are, say, the statistical neighbour of Stoke-on-Trent, (C:476–479)

It was a point this interviewee had put bluntly to government inspectors:

I just think it needs a more sophisticated and place-sensitive approach more frequently than would appear to be the case. We had a presentation here on infant mortality from the team that came...and one actually said you can perhaps learn, you ought to be looking at high performing...looking at how well East Riding are doing. You know, you take so much of this and then you say, 'actually, with respect, this is total bollocks'. Look at the demography of the East Riding...to then say that a city like [named council and neighbour] should be looking at the East Riding who have none of these demographics is, sort of, it's offensively simplistic. (C:493–503)

Before moving on to say:

it's important not to rush to judgement about any particular area of performance without giving thought...more widely, to some of the possible...factors bearing upon that performance. (C:517–519)

These issues around 'similarity' are well covered in the literature of policy transfer and so should not come as a surprise.

Best Value, then, was introduced as a policy tool that would, through processes of close examination and comparison, lead to reflection, change and improvement. However, it would appear that, in practice, the reality of the situation was that:

it was also a process which became devalued because it became a kind of methodology to justify why things perhaps should stay the same. (A:309–310).

This was a point expanded upon by yet another interviewee:

what [Best Value] also did, though, was to produce a cottage industry of post-rationalisation. The number of meetings I sat in with people where I was being told that there are very, very good reasons why we could not possibly, given our peculiar and unique circumstances, achieve a similar outcome for the same investment that [another council] are making in that particular service. And I thought, well that's great and fascinating, and I really admire your intellectual erudition, but I have got no idea whether or not, actually, some of the differences that are being alluded to here are pure defensiveness or are actually a sensible response to a very, very different and difficult set of comparative data. And I think there was a degree to which perhaps the potency, or the potential potency, of the Best Value framework was not realised as a result of that. I think it became complicated to the point where it lent itself to that kind of interpretation (J:373–381)

Another made a similar point, though more succinctly:

give me some statistics from somewhere else...and if they're better than ours I'll explain why you can't compare them, and if they're worse than ours I'll say 'look how good we are'. (K:234–236)

Again, though, this defensiveness is a point well covered in the organisational learning literature, particularly Argyris (1999), and should, therefore, have come as no surprise.

Councillors and Best Value

The involvement of councillors in the Best Value regime, and its effects on them, were not issues pursued during these research interviews. However, comments on these points were made by a few of the interviewees and these are worth reporting here. The divergence of views proffered does, though, make the drawing of any conclusions difficult, if not impossible. For one interviewee, Best Value:

enabled members to see quite clearly as well, an external perception of the services that were being provided. So, again, it was a useful performance tool for the organisation. (P2:395–396)

While for another:

Local elected members didn't feel, here or anywhere else that I've heard, that it was their inspection system, that it was their system...administered by them. It was something they tolerated rather than supported. And I think...if it's not a universal, it's a common theme. (F:573–576)

Best Value – A Flawed System

Interviewees were not specifically asked about any flaws in the Best Value framework until the fourth question in this section (Q23), though that did not prevent them from making critical comments earlier. While it is the case that many interviewees expressed positive views on the introduction of Best Value and the principles behind it, perhaps more telling is that all interviewees had very disparaging remarks to impart on the way its implementation progressed. A small number of Chief Executives did suggest better ways of achieving the same ends, and these will be discussed shortly.

As has been seen, many of the negative comments concerned what was being measured, how things were measured and the comparability of these measurements across various local government bodies. One interviewee summed up all of the above in one of his answers:

The drawback for me was that it became a bureaucratic process. There was a lack of data consistency; there was a lack of comparator data. So it became an inwardly-focused process. So the principles were right, but the implementation and application were flawed. (N:247–249)

These views were supported by one of his colleagues saying:

of course, some of the indicators of performance were never very good indicators. They certainly didn't make a lot of sense often to local people. They were managerial and inwardly-looking internal measures. (H:338–340)

Adding:

we never succeeded in engaging most local people in a debate around performance indicators because it was just too obtuse for them. (H:342–343)

At this point it is worth remembering the title of the Labour government's first White Paper on local government – *Modern local government: in touch with the people*, (DETR 1998a) and the drive contained in that for local government to be less concerned with internal processes and more outward-looking. Although this document was not the first to introduce Best Value to the local government world, it did contain a significant section on it.

The test for Best Value, though, is not really whether those who had to administer it liked it. More important than whether local government implemented it grudgingly or enthusiastically is whether it achieved its ends in improving service quality. Even this, though, seems to be in doubt:

I'm not sure that it really drove service improvement. I think at the end of the day it all became very process driven. (I:270–271)

One reason why it was not as successful a scheme as it might have been was suggested by one of the interviewees:

it was an imposition that became something that we all had to do and it was imposed on us and anything that's imposed on you, you don't tend to look for the value in quite the same way. (K:208–209)

That Best Value was not 'owned' by local government is evident from the comments of other interviewees:

The extent to which London tried to micro-manage communities and local authorities was stupid...And I think the performance regime and centralisation, the driving from London of "we know what's best" has had lots of unintended consequences. Best Value was a clumsy attempt to do away with what the preceding Government had done. (F:530–535)

The comments of one Chief Executive are worthy of more consideration as they strike at the heart of the very concept of Best Value, never mind its implementation. To him, the major drawback of Best Value was:

the idea that you needed external challenge to generate improvement. Because, if you look over a short period of time with external challenge on a function in a big organisation, and that's the stimulus for change, once that stimulus is taken away, which inevitably after a short period of time it will be, why won't the culture just slip back into where it was previously? If you're going to achieve systemic change you actually need the challenge from within. That could be assisted by external expertise, but the role of the, for example, head of service, or whatever the key leadership role is in that function, needs to be to champion the cause of the customer, not to defend the status quo. And if your organisational culture doesn't enable that, and doesn't require that to happen, then you don't get that lasting change. You get box-ticking and then people slip back into the way they used to be. (G:259–267)

This lengthy quote has been included as it highlights a number of issues around learning and change, and, indeed, leadership and management, showing the interconnectedness of these subjects. Firstly, this interviewee shows an understanding, even if not expressed in these terms, of the increased efficacy of the 'Need Pull' driver over 'Institutional Push' in bringing about change (Leseure *et al*, 2004). Secondly, it shows awareness, though again not expressed in these terms, of the Hawthorne Effect. Thirdly it shows the importance of leadership in bringing about change and lastly it emphasises the need for an organisational culture that is supportive of change. Taken as a whole, these comments present a powerful argument as to why Best Value was always unlikely to achieve the ends desired by its proponents. They also serve to support the proposition that these issues should be more fully considered in all aspects of public policy-making.

Even if Best Value did not fully achieve its ends, a situation probably not uncommon in public policy, the fact remains that, as a concept, it was welcomed by a significant number of the interviewees and therefore it might be argued that it did some good, and at least did no harm. This latter point, though, is called into question by some of the interviewees' responses. As one told me, "In my view it took capacity away from proper management of the organisation" (L:283), while another commented that:

Best Value also...created complexity in organisations, sort of artificial contractor-client splits, wasted a lot of energy on process (B:282–284).

The energy invested in long Best Value reviews was also questioned by an interview participant:

I would have question marks that it didn't become an industry in itself and the length of time that Best Value Reviews took, you know, we can do a lean process review with some serious energy, and people locked in a room, in a week. The same thing done under a Best Value context would probably take a year. (A:315–318)

One final interviewee raised concerns about the number of performance indicators, the size of the Best Value Performance Plan, the relevance of targets and the distractions from other management activities that the production of these required. Best Value, she said, involved “Long, long lists, at times, which missed the point” (P1:390). Her colleague added:

sometimes you felt as though you were hitting the target but missing the point, if that makes sense. That you had a long list of things that you needed to measure and were performance managed on, but actually some of those weren't necessarily what was important to you as a council, you had to do it from a national data set and, from a customer point of view, some of them were completely irrelevant...So, for me, it was about the number of indicators, the relevance of them and the drawbacks were actually time and energy. A lot of time and energy were spent on processing information rather than focusing in on the delivery of services that you wanted to achieve and customers needed. It was a whole industry. (P2:401–411)

Reference was made earlier to the fact that some interviewees put forward what they saw as better ways of driving up service quality. Two very similar alternatives were put forward, both from an earlier period in local government:

when the Audit Commission was about auditing councils...it used to do, on an annual basis, what it called 'comparative studies'. So...they would say OK, this year the study is going to be on housing maintenance Direct Labour Organisations...And it did this audit and at the end of it they produced a guide...on what worked well and what didn't work well, on what was good and what wasn't good in councils. It had a whole host of comparative data, from simple things like comparative bonus schemes to costs for individual bits, and that was hugely valuable, because you could actually say 'here is, in one book, one reference point, an analysis of what goes on across the country and what's good and what isn't good'. Some of it was referenced in terms of Hackney do something really well, or Bolton do something really well, and others were at the other end of the scale. But it actually had a whole host of stuff that was really valuable. Now, I don't think the Best Value regime did anything like that, which it could have done. (K:214–226)

And:

going back to my social services days, I didn't think it was anything like as good as the processes that were used by the Social Services Inspectorate, It was too mechanistic, too prescribed. (L:258–260)

These two comments suggest that there had been previous attempts at sharing good practice throughout local government and that these mechanisms had found some favour. Presumably, though, not enough favour to make them last.

Summing Up

From the data collected through these Chief Executive interviews it is clear that the introduction of the Best Value regime was very largely welcomed, in principle, as a systematic way of acquiring otherwise unobtainable information about the cost and quality of services provided by local authorities. Best Value appears to have filled a gap in the performance management toolkit. However, this new tool of Best Value appears to have been of most use in only one of its incarnations; that of the Best Value review. Detailed reviews of specific services do appear to have prompted reflection and possibly change. Those interviewed for this research made less use of a second part of the Best Value regime; that of the Best Value Performance Indicators, published in the form of 'league tables' with the aim of pushing each council to perform as well as those in the top quartile. Councils, though, seem to have responded to the pressure of league table 'naming and shaming' with less enthusiasm than the proponents of Best Value expected. A third part of the Best Value regime, that of examining the reasons behind another council's high performance and then importing their policies and practices, seems to have received scant attention. Instead, local government appears to have concentrated on the differences between local authorities rather than the similarities; on reasons to stay as they were, rather than why they should change.

The Legacy of Best Value

Whether Best Value left any lasting legacy is but a small part of a wider question about the whole of Labour's local government modernisation agenda. Here, though, the specific question regarding the Best Value framework will be explored briefly. According to one interviewee:

I don't think that there was a particularly well understood construct for it...It didn't live very long, I think it tells its own tale, really. I don't think it was well thought through.

(D:311–313)

That Best Value did not last long cannot be denied, but length of operation is not necessarily a good indicator of whether a legacy remains. The intensity of operation may have more bearing on legacy, and Best Value was certainly intense while it lasted; a matter that was unfavourably remarked on by a number of interviewees. Commenting specifically on the issue of legacy, one interviewee said:

I think it has a legacy...I don't think people can get away with not being able to say how well they are doing, which was possible prior to that. I don't think people can get away with being told why do we issue far fewer library books than other councils? The answer might be because we don't deal in books so much as other media now. Fine, but there should be a proper answer...Best Value hasn't lasted very long – I think it's got a legacy. You might not use the term Best Value any more, but I think there is still a lasting legacy. (O:337–343)

If the legacy of Best Value is simply that all councils now know how well they are doing, then that would seem to be a relatively benign one. From reading the comments of local authority Chief Executives, above, one might be forgiven for thinking that Best Value's legacy consisted entirely of disappointed local government officers. However, it may be that this misses an important point, in that the real effect of Best Value was to ensure that what came after it, in terms of performance management in English local government, was a marked improvement on what went before. In short, its legacy may be that it enabled learning to occur. This leads to the next section of this discussion; on CPA and CAA.

The Comprehensive Performance (later Area) Assessment

It will by now come as no surprise to find that, when asked for their views on the Comprehensive Performance/Area Assessments, the Chief Executives interviewed here proffered a wide range of responses. Although, as will be shown, there were significant areas on which the interviewees agreed, there were differences of opinion on the efficacy of CPA as first introduced, as well as differences regarding the effectiveness of the scheme as it changed and then transformed into the CAA.

The first question in this section (Q24) was designed to elicit information regarding the effectiveness of the CPA framework in uncovering otherwise unknown information about the interviewees' employing councils. That it led to the expression of a wide range of views is largely due to the presence of one outlier. His views, though atypical, are worth noting partly because they illustrate an issue raised the discussion of modernisation and partly because of the inconsistencies they reveal:

It was a catastrophic waste of time and effort and actually CPA made [this] Council worse because [this] Council managed to con the Audit Commission into making us a good council in the first round of CPA and then rested on its laurels for years – maintaining a status of ‘good’, where actually the organisation was completely dysfunctional. Any inspection regime that purports to get under the skin of an organisation and work out what’s really going on and then doesn’t is fraught with danger. CAA was just a mess, CPA was a disaster for [this] Council. It worked for [another] Council, where I was Deputy Chief Exec. (G:278–283)

As was seen earlier, success can be a barrier to change as it can lead to an organisation simply repeating whatever actions led to that initial success. With no need to change or to learn, change and learning do not take place, as is clearly the case in this instance even though any success was purely illusory. It is also interesting to note that, despite working in an authority in which the interviewee believed CPA “worked”, this participant’s view of the process is much more coloured by the negative experience in his current employment. It would also seem that any blame for failure is laid at the door of the CPA process rather than the council, as if ‘being conned’ is a significantly greater sin than of carrying out the ‘conning’ that this council seems to have deliberately set out to achieve. That the same process should produce two such different outcomes in two different local authorities should not, however, come as a surprise, adding, as it does, to the similar experiences of Best Value and the Beacon Council Scheme discussed earlier.

One other interviewee, while not as condemnatory of the scheme as his above-quoted colleague, was obviously not a great supporter of the process, saying:

Same principle as Best Value, Beacon Council – it was a process put in to measure. And you’ve got a question about how you measure and what you’re measuring and the purpose of measurement...If you got a 1 for finance and even if you got 4 on everything else, you were deemed as failing. It was definitely a ‘one size fits all’ process and it was tick box and it was all about strategies, plans and processes. So they would measure the process for consultation and agreeing investment priorities, but they never measured how successful you were on your investment programme – so the process of spending the money, not the outcome of spending the money...So I thought it was a process-driven assessment of performance, it wasn’t about performance. So you would end up with some councils getting Council of the Year and excellent councils when everyone knew, in the industry, they weren’t very good, but they were very good at process and plans and strategies and neighbourhood strategies and all these sorts of

things. But delivery– and delivery was a big thing missing out of CAA – which is what you and I would measure a council on. (N:255–269)

The “one size fits all” comment was one repeated in some form by a number of interviewees, though later in the interviews, and I shall return to it at a more appropriate point.

At the other extreme, one interviewee was full of praise for CPA and saw how it fitted in with the wider local government modernisation agenda:

New Labour’s *raison d’être* was to improve public services and in fairness to Blair he pumped a shed load of taxpayers’ money into it, and public services got better. No two ways about that. Across every single aspect of public services. What we failed to do was to get sufficient bang for the buck...But CPA was probably the most successful tool in terms of – certainly within local government – of improving quality of service. And the reason for that was because you were exposed...And an inordinate amount of effort went into doing two things: one, to be seen to be good, but also to be good as well. That’s by far the most important tool in the kit bag for New Labour over those years.

(M:247–258)

Assessment and Reflection

That CPA was quite as successful in driving improvement as the above interviewee stated was challenged by others, but there was widespread agreement that it helped to generate reflection, and reflection is seen by the organisational learning literature as being an important aspect of the learning process. One interviewee commented on this:

I think the positives were that they did force you to have a look at whether, in terms of those deeper indicators of the quality of life of your local residents, you were actually doing as much as you could to improve those indicators. In other words, it wasn’t about benchmarking you against other authorities, it was about benchmarking you against your own context. (H:349–352)

Similar points were made by others:

The one thing about the CPA and the CAA is that it does generate a natural inquisitiveness to go and find out about the good practice that is happening elsewhere. Unless you are so completely and utterly in your own bubble that is. The CPA brought in a more resident-focused approach, particularly from the managerial leadership of a local authority and it brought with it much greater accountability. (A:333–336)

And:

The one area where I think the CPA was really, really helpful was around the focus, the increasing focus that was carried into the CAA on use of resources and making the local authority think hard about, in real terms, the way in which its assets were being deployed effectively. I think, at the heart of the CPA process, that was genuinely useful. I think it was genuinely challenging. (J:392–395)

Two aspects of the CPA were regularly picked out as particularly good prompters of reflective practices: the self-assessment and the peer review. It is worth noting here that these are both early stages in any individual council's CPA, that is, they come well before any publication of a final report that would set out the detailed findings of the assessment team and give the council an overall rating. This may prove to be an important point, and will be picked up again later. However, to return to the positive views expressed regarding the first stage of any CPA; the self-assessment. Prompting a period of reflection was not its only use, as one interviewee told me:

The best bit of both processes, if we roll them together, was, for me, the self-assessment. So I did CPA in [two councils] and [in one], I was in on a kind of fixing regime, because it was very down and needed sorting and the self-assessment process gave me a lot of leverage within the organisation to do stuff that needed sorting. (E:545–548)

As with Best Value, though, there were concerns about whether everyone was being entirely honest with their data. To one interviewee, the part of the CPA process that enabled them to learn about her own organisation was:

I think probably the self-assessments. And I think in the self-assessments that organisations have been really honest and taken the time to look and followed a series of questions and followed some similar guidelines about how you should assess yourselves. And then perhaps in a more jaundiced way you realise that your honesty might have been a bit more honest than a neighbours...And then you start thinking...'I recognise myself here, recognise my authority here, but I don't recognise that one'. I think then there was more of an honest assessment and then one that you would not want to show all your dirty linen in public, and then another one that might have thought 'ooh well, are we all being equally honest?' (D:319–326)

The peer review section of a corporate assessment was praised by a number of interview participants:

So, self assessment and the peer review, I thought, were really good, very valuable and really did help the organisation learn. They were absolutely useful things to do.

(L:301–303)

you had a group of people who came in because you wanted them to...and they were bright people who came in, people who worked in organisations that were genuinely good at what they did, then there was value to be had from that. (K:245–248)

And:

I think we learned...I'm a great fan of peer review and I think you can actually learn a lot about yourself on the basis of a relatively brief visit by experienced, well-informed critical friends. And often I think that's much better value for money in terms of time spent by people coming into your organisation than lengthy inspection by relatively junior people. (O:349–352)

A number of reasons why peer review was held in such high regard begin to emerge from these statements. First, there seems to be a large element of trust, with the reviewers being accepted as being good at what they do and therefore people whose views should be listened to. The notion of a 'critical friend' also suggests trust and respect, but perhaps more importantly hints at advice being offered in a non-threatening way and so being taken seriously. This was not to be the case in the later stages of a CPA inspection. These are issues to which I will return shortly, though from a different perspective.

Before moving on, it is perhaps important to challenge one of the statements made here, that the peer review team were people who came in "because you wanted them to". Peer reviewers weren't invited in by the council being assessed but, as has been seen, were part of an appointed team conducting an assessment that was brought about, not by local government action, but by Act of Parliament. The fact that, to at least one Chief Executive, it felt as if they had been invited in speaks in support of my contention that trust and the non-threatening nature of the visits were aspects conducive to the acceptance of the advice being offered and to learning taking place.

Peer reviews though, should not be regarded simply as a one-way process. Although raised by only two interviewees, some interesting and important points about learning from others were made:

Several of us, including me, have been peer reviewers for the IDeA or actually on CPA exercises – very powerful. Learning brought back to the organisation. Then in a less intense way has simply been the reflections at the end of each episode of the CPA, to Audit Commission reflections and sort of various conferences and so on which we have been quite enthusiastic engagers with...I was a peer reviewer on the corporate performance assessment of [another council] and brought back from that an approach to information management within the authority which I thought was much stronger [there] than it was [here] at the time and used that to re-engineer a bit of how we operate it. Others have brought back housing stuff. (B:309–320)

Again it would appear that opportunities to learn were not uncommon; more important, though, was the ability to spot them and use them.

I would like to conclude this short sub-section on reflection with a quote from one of the interviewees that has links back to the organisational learning literature, back to questions posed earlier in the interviews (Q7 and 8), and forward to issues of the press coverage of CPA and CAA that will be discussed shortly. This Chief Executive had learned that:

you need to put sufficient time aside for there to be a good understanding between members and officers about what you are doing, and so the thing that I learned in [a former council], but I also was told by successful Chief Execs elsewhere, is you need to have time for conversations with elected members where you aren't actually making today's pressing decision; that you learn the shorthand that inevitably human beings use in language...you learn how to read what really is important and how to dismiss what isn't. You also learn which elected member and which officer can be ignored, because basically they're tossers. And you work out how the ones who have real wisdom can be supported – member and officer. So, time. The best performing places, talking to other people and my own experience has been you need to have that member/officer thing sorted out. What is it we're trying to achieve?: having the confidence not to knee-jerk all over the place; that the next edition of the local newspaper really is not all that important; that our trust in each other is more important than responding to a headline. If you put enough time into that, you can make a difference. (F:628–641)

Assessment Quality

A number of the above quotes, then, provide pointers as to why peer reviews were welcomed. One quote, though, begins to hint at why the CPA or CAA processes in their totality were not welcomed as much as the peer review sections. In that quote, "lengthy

inspections” by “junior people” are clearly not regarded warmly and appear to be thought of as more of a burden than a help.

When talking largely about the CAA rather than the CPA, and about inspection rather than peer review, several interviewees were critical of the way these were carried out in some authorities. It is difficult to argue with the points made by one interviewee:

the way CAA was implemented [here] I was extremely critical of, and it led me to the very sad conclusion...that...however good a process you may have, it can be completely negated by inexpert application. If the people who are running it aren't running it well, then it doesn't matter how good the process is it can be very disappointing. So my own take on CAA – this is very specific to [here], but I know it's not unique – was that a good process was ruined in a lot of places by the way it was applied in year one. Nowhere more so than Warrington...It emerged from CAA, simply because of the work of one particular individual as, in effect, being the basket-case of the country. Absolute travesty of any objective evaluation...It was a good organisation and it was a good borough. And that, to me, just illustrated that a good methodology can be completely ruined if the people running it aren't doing so well enough. That was my sad conclusion on CAA, and I made my views known extremely clearly at various levels within the Audit Commission. (O:388–401)

The specific case of Warrington, which was not one of the places I visited in the collection of these data, was mentioned by one other interviewee, but other problems with the inspection regime were also raised. One interviewee, while generally supportive of the CAA, added:

but in terms of officers and members reposing confidence in the assessment, I do think that the capability and the talents and the perceptions and the insight of the CAA lead are critical. So if you get a CAA lead who leaves leading members and the senior reps of partners unimpressed in terms of the depth of their knowledge of a big and complex place like [here], then that impacts really significantly on the confidence that is reposed on those assessments. There have been issues on that, you know, with us. But I mean, it's the same team across [the county] so if there were issues with us...I am aware there have been issues with others as well. (C:622–628)

Colleagues from neighbouring councils supported this latter point:

The idea that you can get an inspector to cover the whole of [the county] and get proper understanding of the complexity of those places and how they work is just a joke quite frankly and that's how it proved to be. (G:305–306)

the Area Assessment is conceptually actually spot-on. The nervousness of this first round is such that its actual added value is going to be limited because of the insufficient depth of understanding between the assessors and the place. (B:325–327)

But the practice of [CAA] and the difficulty of it is, if you've got regulators and assessors who lack the necessary experience in mapping economics or understanding how local economies can work, you run into the problem of people who really aren't best placed making judgements on some pretty key things and that's the weakness of it. Now, in five or six years' time, if it doesn't get scrapped, then there might be the level of knowledge in the system, but it's not there yet. (A:351–355)

The point to note here is not that all CAA inspectors lacked the skills necessary to carry out their jobs effectively, (though a number of interviewees clearly believed this to be the case at least in their counties) but that a lack of confidence in those inspectors served only to undermine confidence in the whole scheme. On the one hand this is not surprising, bearing in mind the importance of the inspection element to the whole scheme. On the other hand, the fact that Warrington's particular case had become something of a *cause célèbre* (at least regionally) even amongst other councils whose experience of the same process was a good one, shows a willingness to mistrust the inspectors that is in stark contrast to the trust shown to peer reviewers. This situation does seem to bear comparison with that of Best Value performance indicators, where mistrust of the data was shown to be a widespread first response and a serious barrier to learning.

I would now like to return to a point raised earlier as it too concerns the assessment methodology, namely the "one-size-fits-all" criticism.

As was seen at the very start of this section, Interviewee G thought that the process didn't deliver on its promise to "get under the skin of an organisation" and Interviewee N believed it to be a "tick box" process. These views were supported by another participant who, before going on to give a specific example stated:

The other thing that I think was unhelpful and certainly we railed against at the time was what I perceived as an inflexible approach from the Audit Commission in terms of their methodological application of criteria around particular processes. (J:428–430)

One response hit on a tension central to the modernisation agenda; responsiveness to local residents versus responsibility to central government:

quite frankly...if you do more of what your customers want which means you have a poorer rating in the CAA, well, maybe you're doing the right thing, because that's really

what you're here to do. And we're not all in the same set of circumstances and so there are certain things about the CAA that we have deliberately said we do not want to be. We do not want to waste our energy trying to get to excellent or to four because actually, for us, that isn't our priority, it's somewhere else, and so if that means we have to have a lower rating, so be it, which is a brave decision, and a risk. (D:352–358)

Of course, what local government saw as 'inflexibility' would no doubt be referred to by central government or the Audit Commission as 'consistency'; not that this was always achieved in everyone's eyes:

the star system and the ranking of the star system was so inconsistent...I can only speak authoritatively within the organisations that I've been part of, but there were marks awarded – usually higher marks, I have to say, occasionally lower ones – that were just not comparable across the whole system. So when they appeared in the league table, you would see X authority is four star, and you've been in there and no it aint, then it says something about the regime, doesn't it? (E:549–553)

That 'consistency' was an aim seems to have been accepted by one interviewee, even though he seems to doubt that it was a legitimate one:

because it was so controversial, the Audit Commission used to have to put a lot of resources into – what do they call it? – moderation, and making sure that they were treating authorities consistently and that they could back up, with evidence, their judgements. Hugely expensive and, in my view, for no value. (L:308–311)

The Audit Commission, then, and through them, central government, appear to have been on a hiding to nothing in this respect, being criticised both for being inflexible and for being inconsistent. This problem does, though, appear to be of the government's own making. Not for the first time has this study shown the difficulties inherent in treating local government as a uniform whole.

Assessment as a Stimulus for Change

Assessing public organisations and institutions and then ranking them in 'league tables' is a not uncommon practice and certainly not one that was limited to Labour's local government modernisation agenda. Its widespread use enabled at least one interviewee to see it as a prompt for learning and for change:

I think the fact that there were one or two organisations who were consistently appearing at the top of a number of league tables...so [this council] here, [a previous

council]...appeared at or near the top of a number of league tables, but some organisations consistently appeared at the top or near the top in *many* of the tables. And one can't help but wonder 'how is that possible?' So, for me as Chief Exec, it enabled me to identify those places that were seen to be, generally speaking, over a period of time, good at many things, and therefore to talk to those people and say 'what is it about you that is good?' (F:609–614)

Any doubts about the assessment process, or even about the concept of producing league tables, are at least temporarily put aside in this statement as the interviewee appears to be adopting the view that external assessments can't be wrong *all* the time and that there is therefore enough evidence to show that the difference resides in the qualities of the local authority being inspected. As has been shown, though, this acceptance was not always forthcoming and that provided a barrier to learning. In the above quote the converse appears to be the case; acceptance that a different local authority consistently performs better leads, if not necessarily to learning, then at least to an air of enquiry.

Whatever local authorities believed about the shortcomings of the processes adopted by the Audit Commission, at least councils knew well in advance that they were to be visited and assessed. This, according to one interviewee, was enough to provide a stimulus for change:

Yes, I think we did learn some things from [the CPA], but more important – we knew it was coming in 18 months' time. So we became more of a learning organisation. For example...I knew Hector the Inspector would be in in nine months' time, so I immediately go out and say "what are our weak points and how can we fast track improvement? Where can we learn from?" So the fact that the Commission were coming in was a massive driving point. (M:261–267)

So the mere existence of the CPA was enough to drive learning in at least one council, well before any outputs from the inspection and assessment were made available.

That the final CPA reports were used as stimuli for change – as 'leverage' – has already been mentioned (Interviewee E) and was supported by other interviewees. Returning to the first person to be quoted in this section, the person who thought that CPA 'worked' in a previous council, it became clear that this was:

only insofar as it terrified the members into thinking if they weren't prepared to change, then the organisation would be taken off them. We went in as a new management team and we had the room to really get stuck in and sort the organisation out. (G:284–286)

Another achieved a similar result, if in a less dramatic fashion:

if you take my previous authority, the fact that an assessment had been made which was 'poor' presented a baseline and a fantastic lever for me, in terms of creating the improvement journey. You know, you look at that same organisation today and it's been in the top 20 public sector organisations to work for and in terms of the process that we have just been through in terms of the CAA, scored very, very strongly from a use of resources point of view. So would that have been possible without the CPA, my answer would be probably not. (A:377–382)

That a low CPA rating could lead to a period of reflection and act as a stimulus for action and a search for better practices was evident from its effects on one council. It should be noted, though, that the council in question had to be helped through these processes by one of the interview participants being assigned to them as Acting Chief Executive:

if you were a council which hadn't done well in the first round, a good example would be [a neighbouring] Borough Council, it initially had scored 'Fair'. I sat in on their improvement programme and what we did was to say "where are we weak, why are we weak? We need to become more of a learning organisation. Let's go and learn from the best" and we did actively go out and do that, and that would not have happened if it hadn't been for CPA. So the actual inspectors themselves coming in – did we learn much at their knee? That's questionable. The fact that they were coming in to sit in judgement on us...threw off a lot of the shackles of the inherent conservatism and the dead hand of bureaucracy. But it wasn't done primarily for altruistic reasons, it was done because Chief Executives and Council Leaders and other managers did not want to be seen to be a failure, a very public failure. (M:274–282)

Others also commented on the particular efficacy of a low CPA rating as a stimulus for learning, with one stating in general terms:

If you were a one star in a particular service and somebody else was a four star, you might say "OK, we should go over there and see why they are good and why we are not good". (K:258–260)

And one commenting on their personal experience:

Comprehensive Performance Assessment I did for the first time in [named County Council] and it was extremely helpful because that was a relatively poorly-performing organisation. It had just failed its joint review in its education. And so what was really, really good is to have a framework and the key lines of enquiry and to ask ourselves,

corporately, a broad range of questions. And there I did bring on a Director and let him develop, and he went off and did them elsewhere and came back with good practice to the organisation. So it helped me drive change and, actually, justify what was needed, which was a very significant change programme. (P1:425–430)

Note here the second (of only two) references to peer reviewers acting as an agent of transfer back to their home authority.

There is, then, evidence that a low CPA or CAA rating proved to be a prompt for improvement. However, the converse also seems to have been exemplified in some cases. As has been seen in previous chapters and in earlier sections of this chapter, being successful, or at least being seen as successful, can have a debilitating effect on change. As the previous interviewee went on to remark with regard to the CAA:

we had a really good inspectorate team, but we managed it well, we got our four stars again, but in a sense, what it took away was the change momentum that I needed for this organisation that was very traditional. And so it got reinforced for what it was, not for, not for what it needed to think about becoming. So they're great as moments in time. (P1:439–443)

Again the Hawthorne Effect appears to be being cited, though no one ever used that term, or even suggested that they knew of its existence. Instead, other similes were employed:

Because, like all things, they're fine and they have an immediate impact but, as learning organisations know, keeping on too long on the same wheel...you're going to go round like a hamster, rather than actually progressing. (P1:435–437)

Assessments as a Source of Learning

The data collected for this research project show that the CPA and CAA processes did, or at least could, prompt a period of reflection (aided by the peer review) and act as a prompt for change (through the publication of council 'star ratings'). In terms of the stages models discussed earlier, though, these occurred in the 'wrong' order. The next question to ask is, did the CPA or CAA, having alerted a council to the need to learn, provide a means to satisfy that need? One interviewee clearly saw the difference between identifying and satisfying a need:

A CPA itself was seen as a judgement. It wasn't seen as a learning experience. Now there was some learning elements. But, as I say, I could not emphasise enough how

important CPA was to creating a learning environment. If it hadn't been for CPA, there'd have been a lot less learning. (M:284–286)

Clearly, though, this interviewee's council had a one-sided view of learning, as he went on to demonstrate. Asked if an example of good practice had been found elsewhere, through the CPA, and implemented in his council, he immediately came up with an example, though it was "one that didn't so much apply to us because we were good" (M:290). This particular aspect of the council's work was assessed as being excellent:

So immediately after the first round of CPA, those that hadn't done so well, they were signposted by the Commission to places like [this council]. And we had visits from 50-odd organisations. (M:293–294)

However, while this clearly indicates that a 'learning environment' had been created, it does not provide evidence that 'learning' had actually taken place. In this example, the CPA is operating in a similar fashion to the Beacon Council Scheme – and with the same problem; visits do not necessarily lead to the changes in practices and behaviour being implemented elsewhere that would be necessary to show that learning has taken place.

Another interview participant was explicit about her council's use of the CPA-generated data in the search for improved practices:

We've gone to understand how comparatively similar organisations have managed to move in the judgements and the ratings and a neighbouring authority was ranked poorly and became excellent and that journey was over three to four years, so we've spent half a day there in advance, saying 'how did you do it?', 'can you tell us what were the critical things in your journey, in your learning?' etc. Have done that, and do do that and look for other authorities and when we're thinking about our service reviews and what we're trying to do we do look for the excellent authorities, or the ones that aren't, well, why is that?...we don't want to make mistakes. (D:342–348)

This quote contains a number of interesting points. First is the reference to the use of "similar organisations" that has regularly raised its head throughout this thesis; theoretically in the discussions on policy transfer, and practically in the discussions on the Beacon Council Scheme. Secondly, the seeking out of information from other authorities appears to have become widespread within this authority, being used in "service reviews" as well as for any CPA-related activity. Thirdly, there is the only reference within this section of the interview data to deliberately examining the work practices of others with a view to avoiding their mistakes. It is perhaps useful to recall at this point that one quarter of the interviewees used 'learning from mistakes' as part of their definition of organisational learning, as discussed

earlier. This latter point provides an interesting point of departure from the literature – especially that of Policy Transfer – where a decision not to adopt a particular practice is viewed as something of a *cul de sac*, and an end to learning. While it is accepted here that evidence of such examples of non-transfer is, by its very nature, difficult to obtain, the dismissal by the literature of these events as ‘non-learning’ seems questionable, especially in light of the use of the term ‘learning from mistakes’ by a significant number of participants in this research.

Even the person most critical of the concept of CPA and CAA had to acknowledge the part the process played in his council adopting better practices in one instance, even if his subsequent comments still showed his antipathy to the scheme. Asked if examples of good practice had been implemented within his authority after being brought to their attention through the CPA, he replied:

Yes, again because things have been signposted to us. A good example is we had a real problem with Supporting People and we’ve learned...we’ve sorted that, it’s now one of our strengths, but we learned from other people. By CPA/CAA – it would have been CPA at the time – we picked up those authorities that were doing well in particular things we had real weaknesses. But again, if there’s a good intelligence network within local government – and I’d argue that’s what the Local Government Association should be for – then you can do that in any case. (G:297–301)

For another interviewee, the same question provoked – and not for the first time – a ‘damning with faint praise’ response to a government initiative, suggesting that any attempt to share best practice had not been as successful as it might have been:

I’d probably have to think about that. I mean the answer is probably yes, but...I have to say it’s interesting that not much immediately springs to mind of great significance. It seems to me it was much more about getting the right scoring, which we all got better at, funnily enough. (H:381–383)

With the addition of one interviewee’s contention that they had implemented “lots” of examples of good practice that they had learned about from CPA reports (A), this brings to an end the positive comments regarding the CPA and CAA as sources of learning. More common were views along the lines expressed by one participant that seeking out information from a higher-scoring authority:

didn’t necessarily tell you how to provide a better service; it might just tell you how to get a higher CPA score. (O:369–370)

While this interviewee did accept that the CPA/CAA processes helped them to learn about what other councils were doing, this came with the caveat “but I wouldn’t mention it as a huge factor” (O:363). His reasons for taking this view were soon made clear:

What didn’t happen to the degree that...the Audit Commission would have liked – is the notion...if there was an area we weren’t terribly good on, they could point us to a council that was good. They reckoned they were doing this but frankly their knowledge wasn’t particularly good...So I think CPA was a prompt to find out about other councils, but I don’t think the process itself, and the inspectors and the auditors directly did it, it was more an incentive to go and find out. (O:363–373)

This was a view that had other supporters. As one told me:

I think we have actually made that approach to the Commission...our performance manager...did go back to the Commission to ask ‘Well look, are there any areas, you know, from the work you’ve been doing’ – because otherwise we could spend bloody ages looking across all 150 upper tier authorities...So we said ‘are you aware of any other authority that has initiatives that we’ve not been pursuing?’ And I’m not sure we got too much back on that. [There should be] an acceptance of some responsibility on the part of the Commission...for actually encouraging...that sort of learning. I think we had to do that ourselves...I’m not sure we got too much back from that, whereas...at the Commission, that is where all of the learning together ought to be. (C:592–611)

Immediately prior to giving this answer, this interviewee had made the following, related point:

It would be interesting to know, wouldn’t it, how many officers and members across this authority have read the Area Assessments and Organisational Assessments for other authorities. I would guess very few, actually. They’ve probably looked at ours and sought to learn from those assessments, and that’s what we do...but my bet would be that if they are intended as a vehicle for learning from good performance elsewhere, I suspect they have not been used for that purpose. I’d be most surprised if they had. Whether they should have been is a different question, but I don’t believe they will have been used for that purpose. (C:579–586)

That the sharing of information was not built into the CPA process and the Audit Commission were not providing the help expected of them were points made by a further interviewee:

It always seemed that you had to ask the question. So where are the authorities that I should go and look at for the best practice in this area? It never seemed to come out

and be volunteered or be an active part of the process. You had to consciously seek it and even then sometimes you didn't get a lot of help...I thought we could have done a lot more to help learn from others around improvement. (H:368–374)

One interviewee obviously regretted that the CPA lived up to its name and was purely an assessment of a local authority:

unfortunately, CPA was not a process about how do we learn, it was a process of inspection, it's how do we get through this and worry about it again in four years' time.

(K:253–254)

While another commented:

I thought there was very little sharing because you were inspecting a service and that inspection would take place every year, every two or three years, whatever it may be, and it was very much about your service. I think it was very difficult to learn from it, because it just became a scoring and ranking exercise. (N:273–275)

That this approach fell somewhat short of meeting the desires, and perhaps the needs, of some Chief Executives was made clear by a final interviewee:

what I then wanted was someone to say 'and this is how you can improve, this is where you can go to find the best examples, this is what you should be doing'. But the assessment stopped at that point. Nobody came along behind and helped me with improvement, which is actually what I wanted, because...assessment I became increasingly good at myself. Yes, the objective validation was fine, some challenge was useful – always want that – but I think there was still too much emphasis on the assessment and processes seemed to move away from help with improvement. (H:359–364)

Though clearly disappointed in the lack of 'signposting' that was built in to the CPA or CAA processes there is some evidence to suggest that, having been prompted to learn and change, Chief Executives did not remain idle, but sought out the necessary information through other routes. As already mentioned, Interviewee G thought that the Local Government Association ought to be undertaking this role, but weren't. Prior to making that point he had made the unspecific comment "but there's other means, much cheaper means of achieving that" (G:292–293). One of his colleagues was more explicit about her source of information (though in a previous role) and about her attitude to learning:

We joined things like County Council Network. You know, I've always been very open in sharing what I do and I've mentored people coming into the role so that...actually you learn from that as well. I don't know, there's always been, for me, a lot of traffic about "I'll share what I do, and I'll learn from what you do and I'm not precious about being the best and telling you all the good bits of it, I'll tell you the bits didn't work on it". And often therefore get that back from others. And certainly I really went shopping – we'd failed the joint reviews, so one of my fellow County Chief Execs...was...a really, really able guy, so I went and talked to him about it quite a lot. About what did he now do, what had he done and how do you make these things work – similar sort of level of population, similar profile. (P1:462–470)

It is worth noting the further reference to "similarity" being seen as a characteristic that supports learning, but perhaps most important – and not for the first time – is the interviewee's approach to learning.

Another interviewee commented on the efficacy of pre-existing networks:

What did happen sometimes, though, is that through your professional networks you would know that such and such a council had got a better score than you had and you would actually be motivated...to go and find out what it is they did that was different.

(O:366–369)

In the transition from CPA to CAA 'performance' changed to 'area' with the aim clearly being to judge how all the local public services linked together in any area. This provided other sources of learning, as mentioned by one interviewee:

it's the culture – working with partners, sharing with the police, sharing with fire, sharing with PCTs and Strategic Health Authorities, Universities – you know, people all want to be thought well of, so they are willing to share to get that area assessment right.

(D:336–338)

That learning should not be limited to one source – other local government organisations – was also commented on by another interviewee:

very little is new in life and I think as a learning organisation you need to look far and wide and I've seen stuff in private sector, I've seen stuff abroad, I've seen stuff abroad in the private sector that I've thought 'that's good, maybe we should do that'.

(K:264–266)

At least some Chief Executives, then, were aware that there were numerous sources of information and learning that could be mined. If they were less than explicit about what those sources might be at this stage of the interviews, they were more forthcoming later (Q28), as I shall show shortly.

Whatever the aims of the CPA and CAA, it does seem that the outcomes failed to meet the expectations of at least some Chief Executives. In the eyes of a substantial number of those interviewed during the course of this research the CPA and CAA helped them to understand the shortcomings of their councils but, in the end, fell short of taking the next step of providing concrete examples of what could be done to improve the situation. It appears it was an opportunity missed.

The Drawbacks of Performance and Area Assessments

The paucity of sharing of good practice through the CPA and CAA may well have been, in the eyes of some, a missed opportunity and problems with the quality of the inspections were regrettable, but not inherent to the processes. There were, though, other aspects of the schemes that were intentional and which were seen by those interviewed as major flaws. Two were particularly commented upon by interviewees: the CPA's rating of councils and the CAA's awarding of red (and less problematically, green) flags.

As can be gathered from a number of the quotations included already, the preparation for, and the carrying out of, a Comprehensive Performance Assessment necessitated a large amount of work on the part of the local authority. That the work undertaken to assess a complex organisation should, in the end, boil down to a single word being attached to the authority was not always seen as either helpful or useful. As one Chief Executive explained:

at the end of the process, sticking a one word designation on what sort of authority you were. I thought that was totally meaningless. Well, worse than that, because it was so controversial. (L:306–308)

To a further interviewee, the inconsistency of inspection, as discussed earlier, simply meant that “the league tabling became, again, discredited in my opinion” (E:548–549). To another it was a positive barrier to learning:

The naked competitiveness of it, around the star ratings and such like I think was an inhibitor to learning, an inhibitor to genuine transfer of knowledge and...yes, put people into any league table and they just want to finish higher up than their neighbours. And the number of times that I heard from two star [Council 1] that [Council 2] might have

four stars but it's still a shit place, you know, that sort of thing was not the most conducive way to have an open and learning dialogue with said good burghers of [Council 2]. (J:412–416)

While it may well be the case that reducing the operation of a complex organisation such as a local authority to a single adjective is inherently problematic, there is, again, an element of denial running through the above comments. As is discussed a number of times in the thesis, denial is a common, perhaps universal, reaction and one that seriously inhibits learning. Even if the aims of the CPA did not include learning at all, the attachment of a one word rating was bound to be controversial and problematic.

That the government wished to assign a simple designation to each council prompts the asking of the question as to who this information was aimed at. To one interviewee, the CPA process was clearly aimed at protecting government ministers from embarrassment:

The core assessment of the organisation was, I think, very much about inspectorates and the Audit Commission being able to say to government ministers 'I can tell you if there's a likelihood of failure, or a failure happening in this service or in this council and therefore avoid a major problem or an embarrassment while you're the minister'. I think it was very much in those terms of giving ministers that confidence that they weren't going to have a serious failure of child protection or whatever on their hands. I think actually that process failed in a number of cases to do that. (H:388–393)

This, though, was not a widely expressed opinion. More common was the view that the information was intended for the public, or the local media, as a proxy for the public. As the same interviewee went on to say, though this time about the CAA:

The Area Assessment which I think had a different approach which was about feedback to local people about how well their council was doing around quality of life issues. (H:396–398)

That the report was intended for the public, or was at least a public document, was at the root of the problem for one interviewee:

I think it was the whole way in which it was reported. The fact that it was a big, public report I think would be the worst part. (K:269–270)

His reasons for reaching this conclusion were given slightly earlier in the interview:

CPA was ruined, though...because it was a report that was published and the press got hold of the report and would publish all the crappy bits. So if you worked in an organisation where you got a four star CPA rating on the inspection, it would be on page 11. If you worked in an organisation where you got one star, it was on the front page. As a consequence of that, your whole issue was not about how can we learn, your whole issue was how can make this report the best we can, because we know we want it on page 11 rather than page one. (K:248–253)

This ‘managing’ of a CAA report’s conclusions continued under the CAA, according to one interviewee:

in CAA, public relations departments had more say in whether you got a green flag or a red flag than...because if you managed the media well, and didn’t draw too much attention to the things you weren’t doing quite so well, the red flag stuff wasn’t as obvious to the Audit Commission to spot. And then if you just relentlessly kept banging on about ‘we’re really good at atomic physics’ then you won a green flag for atomic physics, if you could produce some basic evidence to support it. So spin became more obvious in green and red flags than it was in a predecessor system. (F:593–598)

That CPA or CAA inspectors could be ‘managed’ into producing a good report was something mentioned by a number of interviewees and does seem to fly in the face of the ‘inflexibility’ of the inspection process discussed earlier. At this point, however, I think a small digression from the general theme of this section is called for to enable the examination of something of a ‘masterclass’ in inspection management to be undertaken. As one particular interviewee told me:

In terms of CPA, I think what helped us learn was knowing what everyone else was doing...[a neighbouring council] got ‘excellent’ and that enabled us to read that report and say ‘what are they doing to get excellent?’ They’ve got a performance management system so we formalised ours, they’d got this document, this policy, a corporate plan. I think it’s fair to say prior to CPA we did not have a corporate plan. It certainly drove us to have a corporate plan. So it was really knowing what documents are expected in best practice, if you take the Audit Commission as giving best practice, were needed in a local authority at that point in time.

...we’ve got a very good...performance management manual, I would say the origins of that were CPA. Things like our governance manual, which is in addition to our Constitution, but again, it’s something we learned. What the inspectors like is nice flashy books. They’ll never read them. [This council’s] got a governance manual and it

tells you all about their medium term financial strategy, their capital investment strategy. Yeah, we've read the first page, brilliant'. So yes, it provided the foundations of how to deal with external inspections...I wouldn't say we played the system, that's probably going a bit too far, but it's telling inspectors what they want. (I:280–301)

This had been achieved by:

Giving them all the evidence. In other words, like giving them boxes and boxes and boxes of stuff that you knew they were never going to read but...The approach we adopted on the CPA inspections was...and I did this when we had a peer review, and I'd recommend this to anyone...not to let items germinate in their mind overnight. Their mind, I mean the inspectors. My previous [Chief Executive] always saw the inspectors every night before they left the building, before they went to the hotel:

"What sort of day have you had?"

"Not bad, we couldn't quite understand XYZ."

"Right, so what are you looking for?"

"Well, we were looking for this"

"We've got that"

"Oh, have you?"

"You'll have it 9 o'clock in the morning". Done.

And that's what it's about. We invited...the Benefit Fraud Inspectorate in because we were so pleased with what we were doing on benefits and we became the only authority ever to get 'excellent' by the BFI after inviting them in. And that is what I did with the BFI inspectors, I sat them down – because I was the then Head of Finance – I sat them down every night and said:

"What sort of day have you had?"

"Yeah, not sure about overpayments"

"What are you not sure about on overpayments?"

"Well, not sure you're actively recovering it"

"I can tell you we are and I'll give you the evidence in the morning"

Right, they go out the door, Anne, who was my overpayment officer at the time, "Right, I want a paper nine o'clock in the morning, boomph. And it's that mindset. I'll tell you what happens, they go down to their hotel and over their pint:

"You know what, they're not very good at overpayment"

"No, no, I know that"

And that's fixed. And once it's fixed in an inspector's mind it's the Devil's own job to get it out. You stop it before it gets fixed in their minds. And I recommend that to any Chief Exec. (I:309–342)

Whether any real learning is being described here it is difficult to tell. In terms of the documents mentioned at the beginning of the quote, simple 'copying' seems a more appropriate term to use and has echoes of the inadequate 'rote' learning discussed earlier in terms of Best Value Reviews. With regard to the latter parts of the above quote, it is clear that learning has taken place, if only in the sense of 'learning to play the game' – a phrase that was used by a significant number of interviewees, and with regard to a significant number of government initiatives. The purpose of the actions listed by the interviewee was, as he clearly stated, to obtain a better CPA rating; there is no mention of any aspect of the inspection being used to improve the services provided to the public. Having said that, Interviewee I does clearly believe that the services provided by his authority are of good quality and that documentary evidence exists to support this view. All that is necessary for him to do is to provide the inspectors with this evidence before any contrary belief takes hold. Not only had he 'learned to play the game' but he was quite openly willing to share this learning with others.

I return now to the main thrust of this section; the drawbacks of CPA and CAA.

The introduction of red and green flags in the CAA was acknowledge as way of providing information to the public, though not in a way that was welcomed by all:

I just regret it was then felt necessary, whether at the behest of ministers I don't know, to say, oh well, we now need red flags and green flags so that the man in the street knows the areas of real concern. But that's not true. You know, the green flag was an absolute nonsense. (C:554–557)

Not that the press would be interested in green flags, only red, as the interviewee had explained to the head of the Audit Commission:

I think you have spoilt, prospectively, a much better system...because all you will get in the media is a focus on those, often quite narrow, areas of poor performance, of inadequate performance. And what you will not get is what this whole change of system is intended to give you, which is that overall assessment of how agents are performing in an area, and they said 'oh well, don't agree...you've got to think again of the man on the Clapham Omnibus and what will this mean'. (C:560–565)

If publishing data in this way was intended to improve performance then this approach was seen as seriously flawed. According to one interviewee the least useful aspect of CPA was:

publishing league tables in the belief that public opinion would drive performance improvement and accountability. It has been my experience that the public are not motivated strongly by performance league tables...So the obsessive publication of league tables with the belief that the public would somehow own them and beat up the poor performers just didn't ever prove to be the case. (F:645–665)

It is worth noting, though, that this view is limited to the public's use of league tables. As this interviewee had already stated, he found such league tables useful as a pointer to the location of good practice.

From the interview excerpts quoted above it is clear that at least some Chief Executives took strong exception to final stage of both the CPA and CAA processes, namely a one word description and the highlighting of poor areas of performance. Of course, neither a performance assessment nor an area assessment consisted solely of such simplistic conclusions, but it does appear that any richer assessment of a council's ability and potential was very much overshadowed by the focus on these comments.

On one level, these reactions may not seem surprising and could be dismissed as merely the complaints of Chief Executives whose organisations have been found wanting by a thorough, methodical and moderated assessment process. However, not all of those Chief Executives who were critical of the end point of assessments were at the helm of organisations whose operations were rated poorly, so their protestations do warrant further consideration. It is also worth remembering that, as shown by the analysis earlier in this chapter, the Chief Executives under consideration here did not comprise a group opposed to the principle of performance management. Indeed, many welcomed it as a further tool to improve his or her organisation's service to the public. Neither, as evidenced earlier in this section, were these particular Chief Executives opposed to receiving information regarding their councils' performance when it was delivered to them by their peers. In discussions concerning the acceptance of peer review findings I drew out three factors that I believed contributed to this acceptance: trust; respect, and the non-threatening way in which findings were reported. As I have shown on the intervening pages, trust and respect were undermined by both the specific actions of certain inspectors and by a more general sense that the inspectorate did not possess, at least not yet, the requisite skills to effectively carry out the task with which they were charged. The design of the final CPA and CAA reports suggest that they were aimed at a largely antipathetic public (but used by a largely antagonistic press) at least as much as a local government audience, resulting in the delivery of messages in a way that was distinctly not non-threatening. The net result of these actions was to provide this group of local authority Chief Executives with the materials necessary to build that most potent barrier to learning – denial. While it is impossible to say that no

learning ever took place because of this, it is possible to say that learning was made less likely to occur because of the way the latter stages of both CPA and CAA were conducted. The sad fact is, though, that all of this was perfectly predictable.

This, however, leads to a dilemma, and one of which a number of interviewees were well aware; the public have a right to know how well their council is performing, even if this has unintended and unwelcome effects on this performance. As has already been mentioned Interviewee M believed this public exposure of inadequate performance was at the heart of what made CPA successful; that councils not only had to be good, but had to be *seen* to be good. He went on to expand on the efficacy of “very public failure”. One interviewee, though in answer to a later question (Q28), commented on the adverse effects of publicity:

I think the other thing that didn't help was the whole of the CPA thing – because it was all done publically, you didn't want to give anybody any information that could show that they were better than you. People became very, very guarded about what they do, It's no fun, you know, if your council gets one star, it's no fun being on the front page of the paper and being interviewed by the local television, because I've done it.

(K:299–302)

This gave me the opportunity to directly challenge him on the subject of accountability to the public, to which he responded:

I agree. There's nothing wrong with public scrutiny, I agree. I agree with that...I think you're right with that, but I think where it gets difficult is that it's very easy for the public...I don't think the public are that interested, but actually, they will pick up a headline. (K:305–307)

Issues of public accountability do, of course, resonate far beyond performance management and even far beyond the modernisation agenda; they take us to the very heart of governance issues and what we expect local government to *be*. For the moment, though, I shall leave these important issues to one side and concentrate on the narrow issue of accountability as a driver of improvement. That bad publicity is, in itself, a driver for change is surely inherent in the publication of any league table – in the ‘naming and shaming’ of councils, schools, or any other bodies. As has already been seen in this research, it is a view that has its supporters and its opponents. Perhaps, though it is not simply the publicity around ‘league tables’ that are being railed against here, but the simplicity of the methodology used to produce them. Three quotes in this section have contained comments that I have, until now, allowed to pass without comment. These are:

everyone knew, in the industry, they weren't very good (N:266)

organisations that were genuinely good at what they did (K:247),

and

X authority is four star, and you've been in there and no it ain't (E:552–553)

These Chief Executives clearly believe that, whatever government-appointed inspectors and assessors – outsiders – might say, they – as insiders – have the knowledge or skill to make other, more valid assessments of the *real* quality of a local authority. What these esoteric skills are, and how they were attained was left unsaid, but it would surely be helpful for these to be more widely understood and disseminated. The existence of such a skill-set, even if illusory, does help to explain the response of Chief Executives to what they saw as an over-simplistic reduction of a complex organisation to a one word description. While this does not fully address the concerns over public accountability it does seem to suggest that Chief Executives are expressing the view that 'if only everyone knew what we know, others may not be so quick to judge'. That such a situation is impossible to attain is freely acknowledged by me at least, but does suggest that a more balanced approach might be able to satisfy both the public's right to information and the Chief Executive's desire for contextual richness. It is difficult to see how it could make matters worse and may contribute to a reduction in the need to 'play the game'. As one interviewee told me:

it sounds like I'm making a case for knowing [performance information] but not publishing it. If you know it, I suppose you'd publish it. But the obsessive promulgation of 'good/bad', when we all knew damn well that Camden, for example, who came out four star since every year ...I think Camden were the only one with four star every year – you talk to Steve Bundred who was then Chief Exec and then went off to be Chief Exec of the Audit Commission – he would freely admit that they were just good at the machine. (F:657–661)

Again a distinction is being drawn between what the CPA inspection revealed about Camden, and what the rest of the local government world knew to be the 'truth'.

Conclusions

As I have shown over the preceding pages, both the CPA and the CAA contained elements of which Chief Executives could be supportive and which, they believed, could produce learning and thence improvement in service quality. However, the way in which both schemes progressed meant that only an environment for learning, not learning itself, was

produced (not that this is an achievement that should be too readily dismissed) and that even this was damaged by the activities undertaken in the final stages of the assessments.

This is not to say that the views of CPA and CAA amongst those interviewed were unremittingly negative. One, though thoroughly aware of the problems of CPA, thought that “overall, CPA, I think deserves a big tick” (O:380) while another made a very positive point preceded, though, by a comment that would no doubt find widespread support amongst his colleagues:

I think that whilst we may never have loved CPA, because of its imperfections, there is no doubt that its overall effect in helping to ratchet up local government performance was very real. It focused us in a way that hadn't been done before, and even though we kicked against it, and cavilled over it, and ultimately, I think, outgrew it to a large extent, we all came to accept that we needed this strong performance culture, and we needed external challenge and better frameworks for shared learning than we'd ever had before. (H:411–416)

When asked whether CPA or CAA helped his council to learn what others were doing, one interviewee replied “yes, CAA more than CPA, I think. CAA has that design in it” (B:307). In answer to a different question, one of his colleagues offered the statement “the CAA is a much better system than the CPA that [it replaced]” (C:622).

Near the beginning of this section I quoted one Chief Executive as saying that “CPA was probably the most successful tool in terms...of improving quality of service” (M:251–252). Very telling, though, is the fact that, within a few minutes of making the above statement he felt the need to say “the whole CAA idea was a joke...I don't think it was worth the paper it was written on” (M:297–301). Similar sentiments were expressed by another interview participant:

It became too tired. By the time they did it the last time, it was dreadful: where they were describing the place, where they were going to give you red and green flags. By then I'd got angry because it just felt a lot of professional people doing a lot of work, and to give them a flag was like, just nonsensical...it's like they almost seemed to...once you were on the way down, they stuck the [red] flags next to you. And I suppose the more experienced of us, and with stronger reputations, didn't get any red flags stuck next to us. But some of the green flags were just laughable by that stage...even anonymised, I'd better not give the examples, but you know, the Chief Execs who got them were sending up the whole process. So, it had lost credibility, I think.

Of course, it could be argued that the end result of happy Chief Executives was the aim of neither the performance assessment nor the area assessment. The aim was to improve the quality of services provided by local government and there is evidence even amongst this interview data that this was achieved. What, then, does it matter if a few Chief Executives were upset along this road to improvement?

In answer to my own question I would make two points. Firstly, there is the practical matter of implementation. If the arguments of this thesis are accepted, in that Chief Executives have important roles to play in the governance and performance of local authorities, then there is surely a limit to the effectiveness of any scheme that can be described as ‘a joke’, ‘not worth the paper it’s written on’, ‘laughable’ and such like by those closely involved in its delivery.

Secondly, there is evidence here that scheme could have been better, and mistakes avoided, if only more use had been made of the lessons regarding learning evident in the relatively small sample of the academic literature I have examined, and if only more attention had been paid to the vast experience of senior local government officers; experience of which this research project has only scratched the surface. Surely local authority Chief Executives deserve to be treated differently, and better, than this.

This, though, brings me back to the central issue of this thesis; that of *learning to learn*. It would seem that there are as many lessons for central government to learn about the way it interacts with local government as there are for local government to learn about the way it interacts within its own sector. Lessons ought to be learned if the epitaph of the CPA, or even the whole of the local government modernisation agenda, is to be more than *could have done better*.

Other Local Government Modernisation Initiatives

The above, then, concludes my discussion of the answers to questions posed regarding specific modernisation initiatives. All that remains is to analyse the answers to two ‘catch-all’ questions where the interview participants were invited to comment on the learning aspects of any other modernisation initiative, and to put forward any views they might have, but which had not been drawn out by the interview questions. Some interviewees also took the opportunity to revisit some of their answers to previous questions.

Asking such very open-ended questions can be fraught with difficulty at the best of times; asking them around the time of a general election, when all eyes were on the future, and the modernisation initiatives were some distance in the past, only added to any difficulties. It is not surprising, then, that interview participants sometimes strayed away from

the central theme of learning, nor that they were sidetracked by various 'issues of the day', such as Chief Executives' pay. Perhaps more surprising – though welcome – is that a small number of themes emerged from the potential diversity. The way these final questions were posed led to interviewees dividing their comments into aspects of the modernisation agenda that either supported or hindered learning and I shall, at least initially, adhere to this division. As I now show, the positive learning aspects of local government modernisation tended to include discrete initiatives or bodies, while the negative learning aspects tended to be more conceptual in nature.

Modernisation as a promoter of learning

It is useful to start this section with one of the few comments made during the course of these interviews that showed a link between local government modernisation and the wider political aspirations of the Labour government:

some of the modernisation came from the thing called the Third Way, didn't it? And I did find that an interesting and stimulating idea. So that certainly made me think...I did find that, at the time, very refreshing. It was a very interesting, thought-provoking idea.

(L:331–334)

As is shown within the body of the thesis, having a clear understanding of the purpose and direction of an organisation is a key element in producing learning and change within that organisation. It is also a useful attribute to possess at the level of a specific service, when contemplating a change programme. That the Third Way made this particular Chief Executive think, and that he found this refreshing, is to be welcomed, even if the fact that he was the only person to mention it is not. It would, though, be dangerous to read too much into the absence of this point from other interviews.

Continuing, for the moment, with very general comments, one long-serving Chief Executive made points concerning an issue that is absolutely central to this thesis; that the local government modernisation agenda has driven organisational learning (in its broadest sense) more than was the case with previous reforms. As he told me:

Well, I chair a group which is the regional local authority Chief Execs' group and it's not very long ago when you could rarely get more than three or four local authority Chief Execs together. Now we have a functioning group which is pretty well attended. I think there's been a growing awareness there that, in terms of authorities facing challenges, we need to do much more by way of sectoral self-help, you know, that the local government sector itself supporting authorities facing particular challenges...I think Rotherham Council have done some good work in trying to put together...a protocol

around all of us – before we hit these problems –...agreeing to both receive and to give support...So I think at that regional level, at the official level, I think Chief Execs and their readiness to support authorities in difficulties or indeed to accept help when proffered elsewhere from the sector is important...building the sense there of agreeing to work collectively on a number of thorny issues and then sharing the learning from that process has been beneficial. (C:635–654)

It is clear from this answer that something has changed the behaviour of at least one group of council Chief Executives over the time-period in question, in that they have become a “functioning group” of people willing to both give and receive support as and when necessary. The interviewee, of course, does not explicitly ascribe this change to the modernisation agenda, nor does he use the term ‘organisational learning’, but it should be remembered that the above quote was proffered in response to a question that did.

One particular section of the above quote is worthy of particular note; that help is to be offered “before we hit these problems”. As it is difficult, if not impossible, to envisage a situation where assistance would be requested before a problem was known about, I take these words to mean ‘at an early stage’, before any problem becomes too deep-seated to be dealt with easily, or perhaps before it becomes more obvious in a very public way. Whichever of these (or other) interpretations is correct, it does point to Chief Executives (and no doubt others) being aware of problems within their organisation well before externally-appointed inspectors point this out to them. It also points to a willingness to receive help and advice if delivered at the right time and in the right way. Both of these points were made in the previous section on the CPA and CAA, but this quote serves to underline the interpretations drawn earlier.

The notion of “sectoral self-help” was something raised by other interviewees, and one, before going on to make a negative comment, thought that:

the concept of sector-led improvement...is close to concepts of learning organisations really. (B:361–362)

Of course, if the local government sector had previously proved itself capable of improving itself, vast swathes of legislation, including the modernisation agenda, may not have been necessary. One statement, though, suggested that local government was becoming capable of taking a harder look at itself:

But, it’s getting the balance right between [government intervention] and, putting it bluntly, weeding out local authorities that are not performing. And I don’t think as a

sector we can allow any authority not to be performing – and when I say performing I mean not only in service delivery but in terms of poor governance. (I:380–382)

Another interviewee agreed that self-help was preferable to intervention:

I'm a great believer in the local government family. I think it's got a lot of assets to commend it. And the self-help side of that. So some of the stuff you've seen around how to support failing organisations should come from within the family rather than through direct government intervention, and I think there's some fantastic material around how that can be done, how it should be done. (E:565–569)

That self-help could even be considered as a viable alternative to direct intervention was due, as the above quote begins to suggest, to the fact that improvements had taken place. The reference to the existence of “fantastic material” concerning the support of failing councils also suggests that learning had taken place. Another interviewee was more explicit about both improvement and learning:

I think the last ten years in particular, it seems to me, have been a very significant journey for local government and there is no doubt that, generally, our practice is much better than it was ten years ago. I think it's also more consistent than it was. Yes, you'll have some services that fail occasionally, some authorities that are weak, but actually they are fewer in number, the spread of performance is not as big, the number of failing authorities is smaller and I think, actually, the ability to turn them round effectively has grown as well, because we understand those processes better and have better systems of support. I think it's acknowledged in that sense now, by national government that local government is one of the best performing sectors of public services and we will deliver most of what a government wants. But I think it is also probably acknowledged that it is that local approach, that local flavour, that local knowledge and understanding that makes the difference, because what we deliver are solutions that are right for our places, not national standardised processes, which I think rarely work in practice. (H:461–471)

All of the statements quoted so far are general in nature and all that links them to local government modernisation, to organisational learning, or to both, are the questions that were asked. However, it is clear from these quotes that local government has changed, that learning has taken place and that the interchange of knowledge is now more explicitly acknowledged as being necessary than it once was. These changes have occurred over the time-period of local government modernisation and it is difficult to believe that this is simply a coincidence.

Having started with the more general comments made by the interview participants, I now turn to some of the specific modernisation initiatives that they felt had made a positive contribution towards learning in the local authority world.

One issue that had been raised in earlier discussions and which was raised again here was that of the Regional Improvement and Efficiency Partnerships (RIEPs). This has strong links with the more general concept of sectoral self-help, mentioned above. As one interviewee told me, “that’s the sector doing it for themselves” (P1:515). I asked no questions regarding RIEPs, so any comments on them come purely from the interview participants. All the comments that were made were wholly supportive of the role RIEPs played in the spreading of good practice, but the fact that not all interviewees mentioned them suggests that some RIEPs made more impact than others, which is not totally surprising considering their distinct geographical natures.

According to one interviewee, by omitting any reference to RIEPs I “had missed one of the core” elements of the modernisation agenda concerned with learning (P1:494), though she admitted “I would say that, wouldn’t I, because I helped devise the national strategy” (P1:494–495). The presence of this person among the interview group, and the amount of work that she and others had obviously put in to making their RIEP a success help to explain the strength of feeling expressed by some, but only some, of the participants.

The national strategy that this interviewee had helped to devise was, she told me:

the better model that says to places ‘you devise your own improvement and efficiency programme’. I mean, I believe in standards, I believe in performance I believe in measuring. But I also believe that a lot of the answers are within the system itself and actually, that was one of the most effective ways that we had – led politically, officer supported – of actually making our own choices about where and what improvement and efficiency we wanted to create...that’s self-learning, self-generated learning and, for adults, we know all the preconditions about changing your behaviour, this comes from within. (P1:495–504)

To another interviewee, RIEPs were:

organisations which are helping improvement and that is something you can look at in a confident and possibly even sometimes confidential manner, where you’re trying to improve as a region or a sub-region and all support and be supportive of each other. And that certainly happens in [our] region. (D:375–377)

These two interviewees came from different regions and therefore had experience of different RIEPs, both, though, show the supportive way in which help – generated from within

– was delivered. The reference to assistance sometimes being provided confidentially also has echoes of the non-threatening way in which advice was offered and accepted following the peer review stage of the CPA and CAA, as discussed in the previous section of this chapter.

Two further interviewees made very brief comments on the efficacy of RIEPs in the sharing of best practice, but as one went on to develop this into a negative argument, I shall examine these two contrasting views in the next section.

This leaves just one aspect of the modernisation agenda that has already been discussed in this chapter and which was raised again by interviewees; the high regard in which they held peer reviews. Not that peer reviews, *per se*, can be classed as a modernisation initiative, rather they formed only a part of broader initiatives, already discussed. Two interviewees mentioned this again, with one commenting:

I think Peer Review, which we've touched on, but maybe not in the depth that we ought to. Peer Review has been great. (E:564–565).

And the other stated:

peer reviews. I mean, that's been helpful. And certainly members being involved in peer reviews as well, for themselves and for other authorities, has been very helpful. And when members get the bit in their teeth, which a couple of our members have, then that is helpful and they bring things back and that works and it also helps them develop. (D:365–368)

The fact that the first of these participants thought that the peer review hadn't been covered in enough depth earlier points to the importance they attached to it. The second interviewee was obviously aware of the importance of peer reviews to members (a much under-reported group in my thesis) in both getting to know their own council and in bringing in ideas from others. Unfortunately she mentions this in the context of Best Value, which did not involve peer review and appears to be conflating two modernisation initiatives. This mistake should, however, not be allowed to detract from the obvious merits of the process in her eyes. That two Chief Executives chose to praise this practice only adds to the positive findings drawn out earlier in this analysis and confirms that it ought to be viewed as a two-way process.

I now turn to two initiatives that were raised as being supportive of the learning process but which have received scant, if any, mention in this essay. Neither was the subject of any specific interview question. The first of these concerns the creation of the

Improvement and Development Agency (IDeA). One interviewee spoke warmly, though in general terms, about the Agency:

I thought the Improvement and Development Agency was a really good initiative. Really good initiative. Extremely valuable and, rightly or wrongly, I give [the government] credit for that. That was excellent and I'm sorry to see it going. I'm not crying over the loss of the Audit Commission...I thought that all the improvement and capacity stuff was like chucking money down the drain but I think that the Improvement and Development Agency was a really top class initiative. (L:318–322)

Another two interview participants were more specific about the good work they thought it had done:

I would say IDeA, so that...you know, some of their projects particularly again for members – some of the mentoring of members – the principle is right. (C:645–647)

the IDeA in our region have encouraged masterclasses for Chief Executives to look at topics, and that again encourages you to look into your organisation and think 'oh yes, how has it been there? How would we react and what would we do?'. That's been quite helpful. (D:378–380)

Although this research project has not generated a lot of data regarding the IDeA, there were no negative comments about it and the work that it had done with both members and officers was welcomed. As with RIEPs, it would seem that the IDeA is regarded as being part of the 'local government family' and thereby allowed to act as a trusted source of innovation and learning.

The second modernisation initiative that has so far avoided mention is that of Cabinet government, and its corollary, the scrutiny system. According to one Chief Executive:

My favourite political initiative of all time is the introduction of Cabinet government. And the reason I think that was the case was because [my previous council] had – you will have heard me say this many times – 88 different member decision-making bodies. Here I think they were well into treble figures. Committees, sub-committees, working parties, joint working parties, business management committees – you name them. Nobody had a bloody clue who made decisions: the public didn't know and the council didn't know, and the staff didn't know. And everybody spent more time second-guessing what the next member body might do with some initiative. It became absolutely clear when the system of Cabinet government was put in place who made

the decisions. They were made, by comparison with the past, lightening fast and were clearly accountable. It had an unintended consequence, and the unintended consequence was Paul Hoey, who wrote the legislation, didn't give quite as much time to the scrutiny function as he gave to the Cabinet system for decision-making. We made decision-making much more efficient. It gave a relatively few elected members the ability to get control of a council that had just been a wild thing that was going all over the place, in most councils. So it was the single best piece of local government legislation of the last 100 years, let alone the Labour...But its unintended consequences have been, now, well understood: disenfranchisement of the back benchers, front line members, however you want to call them, and a de-skilling of most of the officer cadre...So I think we have learned, we've learned how to do things completely differently. (F:673–701)

One of his colleagues made similar points before moving on to suggest a connection between this change and learning:

I personally am a great fan of the executive/scrutiny split...I think we did learn a lot from the introduction of an executive as well as from the introduction of a scrutiny function. I think we saw a lot about proper leadership which was not just in stark contrast to when there had been a committee system, but also in stark contrast to the fact that prior to 1999 [this] Council had been hung for many years. So it was partly the introduction of an executive, partly the introduction of an absolute majority...and it was partly to do with strong leadership of individuals: leadership that would have been much harder to exercise if they'd just been Chair of Policy and Resources. The question is, though, what was learned, and by whom and how? Well, I think a lot of councillors learned from it but would be unwilling to admit it. For officers, there was a slight danger of it being "I told you so, this is the sort of thing we've always wanted, now we've got it and it is working well". So perhaps it's not a very good example of organisational learning because it wasn't the sort of thing that could readily be documented and shared, or even much talked about, but it was still there, I think, for individuals. (O:407–426)

Both of these Chief Executives are making the same case for Cabinet government that central government made at the very start of the modernisation process; that it would bring improvements in leadership, accountability and speed of decision-making. However, there are links – even if no one explicitly made them – with the organisational learning literature in that Cabinet government makes it easier to set the purpose and future direction for a council than would be the case with around one hundred member decision-making bodies. The first of the above two quotes, though, does begin to explore the commonly-cited

problems of this type of governance arrangement; that while the establishment of a Cabinet was well thought through, what to do with the remaining majority of councillors was not. A further interviewee also commented on these points, though his concern centred on the lack of opportunities for his staff to gain experience of working in a political environment:

And yes [Cabinet government] does assist focused decision-making and yes, I can understand it. But I think the downside to that is you now have a number of elected members who question what their role is and are not able necessarily to develop an expertise...But I think it also – and I do feel strongly about this – I do think the same applies on the officer side. I by profession am a CIPFA qualified accountant...but I learned my trade, as I call it, first of all dealing with sub committees then I was given, as I progressed up the food chain...one of the main committees...if Cabinet hadn't come along, I would have ultimately got Policy Committee when I became the Section 151 Officer. How do I now train a person that's done like I have, because I cannot throw them straight in at Executive, but if you go to a sub-committee, there's three or four members, fairly...not light-hearted but not the world and his wife looking at you, and if you make a bit of a gaffe, it ain't the end of the world, but you learn that interaction. Because, to me, the greatest skill needed of any senior local government officer is to deal with the members, because every member is different and how you deal with them both formally and informally...And I just question, and I've said it to some of my members here that have known both systems: how do you train that up-and-coming accountant that ultimately wants to be Finance Director? Because you haven't got sub-committees, committees...And it's not just accountants, it's any professional officer. A lot of what I know now as to how to deal with members, I learned in them early days of yes, making a few mistakes. But you learn by it. If you're prepared to say "well, I made that mistake, but I'll never do it again – ever" you'll learn by it. And I think that's a great...that is a weakness that's crept in by dint of having Cabinet-style local government. (l:353–372)

None of the interviewees offered a workable solution – or, indeed, any solution – to this perceived de-skilling of the officer corps, but in terms of members, some had addressed the scrutiny role and saw in it a method of learning. Asked which parts of the modernisation process had aided learning, one interviewee replied:

Actually I think the scrutiny process has. A key bit of the modernisation agenda, this was balancing between strong Cabinets and strong scrutiny process. Scrutiny has always been highly valued [here], actually, I know it is variable in different places...So we've always had a cadre of quite experienced councillors who aren't actually in the

current administration...and they've got a wide sense of the challenges of the organisation and the place. So we've had very strong scrutiny processes. Some of the biggest episodes there have been major ad hoc enquiries which have drawn on experience elsewhere as well as [here]...we've had one on safeguarding which has been quite complex and has drawn on experience elsewhere, has had external experts brought in to the scrutiny panel alongside elected members – and the richness of learning from that, which we wouldn't have been capable of without that process. Another...[g]rew out of a specific interest of a couple of scrutiny members, brought in quite a lot of external learning – stuff we would not have thought about without them pursuing it. (B:342–355)

Interviewee O had actually offered his views on the use of scrutiny committees as opportunities for learning much earlier in the interview. In answer to question six, he had responded:

I believe the scrutiny committees, certainly in the way they were operated [here] – and I made absolutely sure that they were well resourced. I think, most unusually, in a difficult budget year, when we first set up scrutiny committees, I said to councillors 'I know you lot, you will want to take scrutiny seriously, you must put a big chunk of money aside in the budget, however difficult it might be, to resource the work that your scrutiny committees will do'. Because the scrutiny committees ended up inviting witnesses from wherever it might be in the country, paying their expenses, bringing them in to talk to the scrutiny committees about how other organisations – normally other councils – did things. (O:116–123)

At least two Chief Executives had, then, spotted the opportunity for their councils to learn provided by the establishment of scrutiny committees and had taken action to ensure that it occurred, even if this had involved the expenditure of sizeable amounts of money. Not for the first time has this study shown that, whatever opportunities for learning the modernisation agenda made available, in terms of actually bringing about learning, more important was the predisposition towards learning of those at the council's helm.

Modernisation as an inhibitor of learning

When asked what, if any, aspects of the modernisation agenda had hindered the ability of local government to learn, one interviewee responded:

I don't think anything has hindered, I think it's all been relatively positive. I don't think it's all been successful. (B:359).

This, though, was very much the minority position, and a minority of one.

Two interviewees proffered suggestions as to modernisation's 'biggest failure'. To one:

The single biggest opportunity that has been missed...relates back to New Labour modernising local government White Paper in 1998. In particular, the real focus around partnership working and the creation of local strategic partnerships...it talks about the need for local authorities to move away from just being focused on purely council service areas and to focus on the place. It talks about greater collaboration and working with the public, private and voluntary sectors...in the 2007 Local Government and Public Health Involvement Act we now have a duty to cooperate. I think that tells you that the intent was right, but the actual ability for local government to take that on and see the many benefits of it was mixed, hence the need to legislate. Now we find ourselves in a financial scenario which had we embraced the sort of ethos of what was being talked about in 1998 we might be perhaps in a more robust position, as a public sector, than we are now, with local government at the forefront and leading it. We're now having to do that at great speed as you can see for example with the integration with Health. You can see local authority partnerships, shared services, all now coming at real speed but you have to ask the question 'where was the leadership and foresight to really make this happen when the times were better?' as it is always better to do collaborative type activities when it is not a crisis. (A:398–411)

To another:

one of the single biggest failings of the last Labour Government when it came to public sector improvement was the lack of involvement of the private sector. It was like they didn't exist. And that is, quite frankly, astonishing...By the mid-nineties, every private sector company and their dog had a ripping, snorting, firing on all cylinders call centre. They were also beginning to develop very effective websites. We failed to take, and still fail to take, sufficient cognisance of the private sector. A classic example: I used to bang the drum a decade ago about this and it all fell on deaf ears – I used to say, Australian government research shows that the cost of a face-to-face transaction is 50 Aussie dollars; the cost of a telephone transaction is 10 Aussie dollars; and the cost of a Tinterweb transaction is under one Aussie dollar. Why do we allow and encourage, through a network of local offices, the public to freely contact us this way, and why is it that the private sector are subtly – or not so subtly – shepherding their consumer base away from face-to-face and into this? And the inability of the public sector to in any way engage with or learn from the private sector was the single biggest reason for lack of

progress. We could have moved miles away...And I just think, had we been able to do that in an era when we also had some extra cash, it would have been fantastic. What it could have given us was an ability to have three or four years of significant investment in the public sector, working with the private sector, getting to a level of improvement and a business plan for a five year gradual improvement...So, the lack of engagement with the private sector throughout that period '97 to sort of 2007/2008 is I think one of the biggest causes for regret that the public sector should have. (M:318–345)

These are both examples of a perceived failure to act, rather than action taken that inhibited learning, but nonetheless contain some interesting propositions. Despite ostensibly appearing to start at different points, they both end with the same conclusion; that local government would now, at a time of austerity in the public services, be much better placed to withstand that austerity had it collaborated more with its partners – public and private – some years earlier. What both, in their own ways, seem to be saying is that local government as a whole did not pay sufficient attention to changes in the environment in which it operated. As is seen in the discussion of the organisational learning literature, the ability of an organisation to monitor and adapt to changes in its environment is one of the hallmarks of a learning organisation.

That the world had changed but local government hadn't was, of course, one of the main tenets of the modernisation agenda. That modernisation did not go far enough for some, while apparently going too far for others, is not surprising, given the diverse nature of English local government that apparently raises its head every few pages of this essay. Interesting though it might be to speculate on what could have been, this analysis now returns to an examination of what actually happened.

One interviewee was able to call on his 30 years of experience in local government to set out how he believed its approach to learning had changed over that period. This contextual summation was, as has been stated, the reason for long-serving Chief Executives being chosen as the core group of interviewees. This particular Chief Executive begins his narrative in the 1980s, close to the beginning of his local government career:

Local government was great at actually learning from each other, and the thing that changed that was when we started to get more and more competition, both formal and informal. Because, once people started to go through a tender process...either because they had to, or because they wanted to do, data became hugely valuable. So it became much more difficult to get from an organisation how efficient they are. I'll give you an example:...you might get a council who get a private company in to deliver their payroll service. Now before they did, I could say to them "well, actually, how many people do

you pay? – 10,000 – how many payroll staff do you have? – 100”. So I could very quickly work out, 10,000 divided by a hundred means they do 100 payrolls per week, or whatever it is. And I could also ask how much does it cost you per pay slip? And they could work it out for me, they’d tell me. But once competitive tendering came along, they wouldn’t tell me that, because they were frightened to death that one day they might have to put it out to tender and they were frightened to death that actually that data was hugely valuable for anybody who might bid for what they did. So it turned a very open, positive world in terms of sharing information, to one whereby people were much more guarded with what they did and what they were prepared to show each other. I can still say “can we come and look at something?” and people love showing you what they do, in particular if they do it well. But actually, beyond that it became much more difficult. What you did get with Labour was, you did get the sense of we were taking away some of the competitive bits that are compulsory, which meant that people felt a little bit better about sharing it, but it never, ever went anywhere back to where it was in the early ‘80s. (K:281–298)

For at least one Chief Executive, then, the openness with which local government used to operate played a key part in its ability to learn. This had been largely destroyed with the introduction of Compulsory Competitive Tendering (CCT) in the late 1980s and never really returned to its former state, for although the Labour Government of 1997 removed the strict requirements of CCT immediately on coming to office, competition, as has been shown, remained an important component of their drive for service improvements and efficiencies.

While the above statement may be questioned for accuracy or comprehensiveness, it does paint an all too believable picture of local government over the past thirty years. Whether the proponents of CCT knew, or cared, that this effect on learning would be an outcome is debatable, but it is surely more likely that their eyes were on a different prize, and any effect on learning was simply one of those unexpected outcomes that bedevil anyone’s attempt to do anything, at any time and in any sphere. With this thesis’s concentration on learning, it is easy to lose sight of the fact that, for most people, it is a side issue. When it comes to local government reform, it is unlikely that the sector’s capacity to learn ever has been, or ever will be, of central concern. That this is indeed the case was supported by the next comment of Interviewee K, who went on to say:

I think the best of local government is fantastic, but I think the stuff that you’re asking questions about is a fascinating subject, but I don’t believe that we are encouraged to do that. I don’t believe that we are encouraged as organisations to be learning organisations. I think we are encouraged to do everything...for us all to do the same thing in the same way. (K:326–329)

This latter point found favour with at least one other interviewee, and has profound implications for the spreading of good, or best, practice:

I think one of the biggest difficulties for me of the government's approach in what was a very top-down feeling approach at times, was they tended to fall into the trap of stumbling over good practice in one particular place and assuming it was immediately replicable everywhere. So they had a tendency to say 'this appears to work, I'm desperate for solutions, this appears to work, let's make a template out of it and tell everybody to do it just like that'. Whereas I think the key word in local government is the word 'local': places are different; cultures are different; history is different; the people are different in their expectations. If you don't work with that, with the grain of that local word, then actually you can't often apply a solution from somewhere else without a huge degree of customisation and I think the government sometimes, in terms of taking shortcuts, tried to impose things that simply didn't fit with those circumstances. I think that the ability to devise, therefore, local solutions that fitted that place is actually quite important. I could think of lots of examples where, had the government succeeded in its initial attempts to say 'well, we'll just do it like that, that's the template of the perfect solution or the perfect council or the perfect service in this area' it would actually have killed the very things that made it work...I think that was always the worry for me, that government was always in a hurry, looking for shortcuts, looking for things that they thought would provide consistent solutions and I think it's only now that there's been that willingness to recognise that actually, it's that local adaptation to your local culture, your local style, your local preferences that actually makes the difference. And only the local authority and its partners understand the place that they work in at that level. The government can't do that from a distance and is better sometimes not trying to impose 'one size fits all' approaches. (H:425–454)

That 'top-down' government worked against the improvement it was intended to promote was raised explicitly by a further interview participant:

One of the big problems with the last Labour Government, and I was up front in talking to a number of ministers and senior civil servants throughout the period, was that they got into top-down, directive style of government and initiative overload and that's completely the wrong way to achieve sustained improvement and it also consumed a huge amount of resources and built up bureaucracies all over the place. That isn't to say they didn't do some very good things and the outcomes for the public are better than they were in 1997...but for the amount of investment that went in in the Blair years, the outcomes, the improvement in outcomes, were not sufficient and a large part

of that isn't down to the delivery organisations on the ground, it's the whole framework that we operated within, and it was stifling, quite frankly, with initiative overload.

(G:313–321)

Another interviewee made similar points, though using slightly different language:

one of the things that I think was a genuine barrier to learning was excessive targetry and the fact that people were being very, very reactive to an externally imposed set of criteria, conditions and performance indicators. I think what people learned were techniques for dealing with inspection rather than genuine mechanisms to drive consistent and systemic improvement. Part of that is because of the inherently competitive nature of some of the processes that were put in place. (J:452–456)

Having adopted this stance, central government then found it difficult see that any other approach might be possible:

I don't think an obsessive, micro-managing government would have taken too kindly to any variations on a theme, it just didn't. So insofar as OFSTED didn't manage to get a synergistic approach to win-win between schools and local authorities, central government never seemed to try to find a win-win between itself and ourselves in local government. It exercised a parental approach in which it knew best and almost everybody was a villain...The Government of the era failed to find the partnership between central and local government and constantly exercised division when, actually, identifying with us what success looked like, and partnership, would have been a much better approach. (F:729–740)

Of those interviewees who mentioned the issue of the relationship between local and central government, then, all believed that a 'better' relationship would have been beneficial in terms of the improvement agenda, and all seemed to believe that it was central government that had got it wrong, even though a lack of trust clearly operates both ways. One interviewee was explicit in linking this relationship to learning in that, when asked if any modernisation initiative hindered learning, he replied:

the lack of trust in the central-local relationship that meant that anything that they couldn't evidence from an inspection couldn't possibly be happening. That's just ridiculous, quite frankly, and that's the wrong basis for a relationship between the localities and the centre. (G:325–328)

When specifically asked what structures and cultures enabled learning to take place, one interviewee replied “first of all it’s freedom – far less prescription about the way we do things” (K:345–346). Slightly earlier in the interview he had made a similar point:

I think the best of what we do is fantastic, but I think you get that by recruiting good people, by giving those people freedoms and opportunities to do things, and not being regimented to do things in a particular way. (K:332–334)

I shall return to the issue of the impact of individuals on an organisation’s performance shortly, but to conclude the comments on central-local relations, it is worth noting that not everyone thought they were as bad as has been made out above. Although he began with some critical comments, one interviewee did move on to say that, if things weren’t exactly good, they were better than they had been. His remarks begin with an observation about the CAA:

although it was weak in its ultimate delivery, it was based upon the premise that if local and national organisations can learn together, then there could, at some stage, be a genuine transaction in terms of influence, resource and the rest, Now, very, very little came out of it. The freedoms and flexibilities are words that you spit rather than speak, but I think the principle that it was based upon, that there should be a genuine potential for a transaction based upon a shared set of outcomes, were probably more important in driving change than...much of the other stuff. And I think it was partly because there was less of an external imposition to say ‘these are the benchmarks against which you will be measured’, and more of an attempt to base a framework around a definition of the things that were important. And I think as culturally and organisationally developmental influences they were as good as anything, if truth be told. As good as anything that was managed national to local. (J:460–469)

Based on the interview extracts included above, it would seem that the situation being described by this last participant is precisely, or at least very largely, that which his colleagues would have welcomed. This interviewee is, though, alone in seeing this as the reality of the situation, with his Chief Executive colleagues either taking the opposite view, or expressing no view at all.

Earlier I mentioned that one Chief Executive developed a negative argument around the involvement of RIEPs in spreading best practice and promised to return to it, which I now do.

As was seen earlier, if RIEPs were mentioned at all during the interviews, it was always in a positive way. When asked about aspects of the modernisation agenda that had helped learning to take place two interviewees made similar comments. One listed:

things like Audit Commission, the Regional Improvement and Efficiency Partnerships...the IDeA. (D:374–378)

Another had already mentioned his role in a regional Chief Executives' Group, and this:

together with the RIEP...that is about improvement and efficiency and that is also, I think, about the advisers who can be commissioned under that system always having a goodly knowledge about...how things work elsewhere being helpful. I suppose finally, as well, I would say IDeA. (C:642–646)

Clearly, then, these two interviewees welcome the fact that help and advice were available from a number of sources (though it is worth noting, again, that these are all local government sector sources). The opposite view was, though, taken by a further interviewee. His view was not that his, or any other, RIEP was ineffective as a means of spreading good practice, but that it was simply one of many. Too many, in fact, as he told me:

I think we are dissipating the potential strengths to support sector-led learning across far too many organisations. Certainly in this region. So, inter-sector-led learning, you would say there's individual organisations, there is the Audit Commission and inspectorates, there is the IDeA, there are RIEPS, there are Government Offices, there are issue-specific learning engagements set up by Government departments about big agendas – health improvement being one. Now, you know, that must be five or six different things I've just given you and there are too few good people to spread them across that many organisations, because it's difficult, isn't it? Creating improvement, creating learning, isn't easy. (B:362–369)

Of course, all these bodies do, or did, exist and so, if the above argument is to be believed, must be staffed by people who are less than good at spreading improvement. If so, then this has important implications for the issues of trust and respect that appear to play such an important role in the creation of a learning environment and in the dissemination of good practice.

This is, though, an argument that was put forward by only one interviewee and could therefore be dismissed, or reported only as being a minority view. However, I have chosen to give this more prominence than that as it does seem to contain a large element of truth, or, if not truth, then certainly one explanation that is supported by other findings of this thesis.

“Creating improvement, creating learning” certainly is not easy and, as this thesis has shown, does not occur quite as readily as the Labour Government perhaps suggested in its earliest publications. ‘Something’ very often prevents this transfer of learning and the inexpert application of complex theories may well be one of these ‘things’. It is also worth recalling, though I would not wish to stretch the similarities too far, that early in this essay I suggested that Chief Executives’ knowledge of organisational learning was not helped firstly by the imprecision shown by ‘experts’ in the field and secondly by the multitude of sources of information on the subject to which they were exposed and from which they drew their knowledge. It may well be that clear theoretical understanding, followed by expert implementation would aid both of the situations described here.

Returning to a less speculative view of the interview data, it came as no surprise that one interviewee added to the concerns about data quality expressed earlier by others, and used the data in the same way:

I don’t think there was anything that hindered sharing information; it was the validity of information that was always an issue...So, for me, the [Key Performance Indicators] were little more than: if you did well on them, you told everyone how good you were doing, and if didn’t do well on them, you told everyone it didn’t matter. (N:290–303)

On one level this interviewee is quite right; the sharing of information was not hindered by any of the modernisation initiatives. What was hindered, though not by modernisation, and as he goes on to point out, was the constructive use of this information by others. Though issues of validity did not affect sharing, they certainly affected learning.

Other Issues of Modernisation and Learning

Not all of the issues raised by the Chief Executives at the latter stages of the interviews fell neatly into the categories of modernisation either helping or hindering learning. In some cases the links between the two issues were tenuous, to say the least, while at other times the points raised related only to modernisation or learning, not both. Among these, though, were points that are still worth considering.

The last interviewee quoted did not necessarily link learning with improvement; the latter had occurred, but for other reasons, as he went on to say:

So I can’t honestly think of the learning side of this. I can say local government improved its performance during that period, but I think that was driven by the leadership of Blair and the like saying this is important, education, education, education, the NHS, the NHS, but I don’t think bins got emptied any better, and I don’t

think the streets were any cleaner, other than they brought a more professional leadership approach into local government. But I'm not sure about learning.

(N:303–307)

Leadership, as is shown in the thesis, was a theme that ran through the government's modernisation literature, and the leadership of the Prime Minister is clearly cited here as being an important factor in improving local government performance (though strangely not in refuse collection or street cleaning). The modernisation agenda also seems to be credited with bringing about an improved approach to leadership within local government. How leadership and service improvement are linked, though, was left unsaid by this particular interviewee, but one of his colleagues did discuss the links between organisational learning, individual development and leadership:

the relationship between organisational learning and the development of individuals in organisations is an important relationship. The development of individuals in the public sector, certainly in top-end leadership roles, is still under-developed. We're doing some work [here] and I know most authorities are doing that actually, but the national approach to shared learning across all public sector organisations goes in fits and starts. There are various organisations there, but I don't think they're strong enough. We should have much more shared learning across the whole delivery system from Whitehall to...councils locally. DWP, Job Centre Plus – I think there should be much more shared development of top-end leadership across the public sector...it helps organisational learning. (B:376–384)

This interviewee, then, clearly believes that there is a direct link between the leadership at the top of a local authority (or any public sector body) and the organisational learning capacities of his or her organisation. One of his colleagues clearly believed that the individual, not the organisation, was the most important factor in being able to learn:

it's about individuals and the behaviours of individuals, because you could have a wonderful learning organisation but with the wrong person it ain't going to learn anything, is it? But you can have a very prescriptive organisation but the right people, it can be transformed. (K:336–339)

This, though, is a comment that takes the argument right back to the very beginning and questions the existence of organisational learning as something over and above the sum of the learning of the individuals within an organisation. It is perhaps worth remembering at this point that the interviewees were asked near the start of these interviews for their definition of

'organisational learning' and that issues concerning the actions of individuals did not feature there.

I conclude this section with one final quote, and a discussion about the points it raises. The issue raised in this quote is one that has surfaced a number of times: that of complexity. As one interviewee told me:

I think what we have is: local government is still diverse, too complicated and too complex and until you fix the complexity, you won't fix the learning. To have 450 organisations is too many. To have organisations competing with each other, to have organisations where you trade with each other, and then to have other organisations laid over you, like PCTs and the police and the Development Agencies – there's just endless lists – the way to improve, for me, the learning and shared learning, is to have less things. And complexity is your biggest challenge in learning. So less of them makes it clearer, and less noise. And then to pick the critical things that matter, rather than looking at everything...But actually measuring the really critically important things. And I would think that an organisation even the size of [named council] should probably measure about six things. Six things a month, six things a quarter and six things a year. I think at one point they were measuring literally hundreds upon hundreds upon hundreds...And then I can drill down. If I have hundreds of them, I can't, and a City Council for me should have no more than six. If we all had the same six then you can imagine how much learning could take place. But they don't. That's all. (N:315–334)

To this person, then, complexity takes two forms: structural, with too many local authorities and other public bodies, linked in too many ways; and metrological, with too many things being measured for much sense to be made of the blizzard of data. To him, complexity is the enemy of learning, and one must be defeated for the other to thrive. That someone could hold such a view of local governance and performance management arrangements is not surprising. More problematic, though, is his proposed solution; with no government ever coming close to reducing the number of local authorities, other public bodies and their related performance indicators on the scale proposed, it is very difficult to predict with any certainty that such a change would result in the desired aims. It is safe to say, though, that there would be unintended consequences.

However, at least this suggestion has the merit of seeking to reduce complexity for real. In that regard it is different to the ubiquitous 'stages' models, criticised earlier, which seek to impose a simplified model onto a complex world. On the grounds that this solution is unlikely to be implemented there is little point in discussing it further. A better use of

everyone's energies would be to turn them on the problem that actually exists; dealing with the reality of a complex world.

Conclusions

The final two questions of the interviews carried out in pursuit of this research gave this particular group of Chief Executives free range to talk about any aspect of the local government modernisation and its effects on learning. The end result was the underlining of many of the conclusions already drawn, though with the useful addition of information on modernisation initiatives that had not been specifically pursued through this research.

There can be little doubt that, as far as this interview group was concerned, the parts of the modernisation agenda that most aided the dissemination of information, and which led to learning taking place, were those that involved local government 'doing it for themselves'. Evidence for the corollary of this, that the 'worst' parts were those involving 'top-down' action by central government, has also been provided. In this respect, perhaps the most worrying issue concerns the state of central-local relations, with the view being expressed that local authorities were not expected to learn – other than to learn that which the government had decided was the best way of delivering a particular service.

The issue of leadership and management skills were mentioned by a number of interviewees and the general feeling was that the effects of the modernisation agenda were beneficial in this regard. However, no strong links between leadership and organisational learning were made at this point. One Chief Executive believed that the complexity of the situation local government finds itself in to be a major barrier to learning, but it is regrettable that his solution involved efforts to reduce this complexity, rather than embracing it as a reality and finding ways to deal with it.

A Summary

This, then, concludes my examination of the data collected through interviews with 17 Chief Executives. Running, as it does, to some 50,000 words, it is perhaps useful to provide here a brief overview of the whole.

This group of Chief Executives were unanimous on one point; that they wanted their councils to be 'learning organisations'. How much weight should be given to this, though, is questionable as, although there was widespread knowledge of the concept of organisational learning, the interviewees displayed a wide variation in their levels of understanding of this concept. The primary reason for this appears to be the equally wide – perhaps too wide – range of sources of information on the subject, though the nebulous nature of even the academic treatment of the subject surely cannot help. That Chief Executives were at different

stages of development with regard to organisational learning is reflected in, or perhaps is a reflection of, a similar range in the development of their councils in this regard. Not only were separate councils different, though, as there was also evidence of differences between departments within any single local authority. Variation between councils, or, more precisely, the ignoring by central government of those variations, was to become a recurring theme of this essay. Although ostensibly acknowledged in the government's aim to bring all councils up to the quality of the best, these differences were largely ignored during the implementation of various initiatives. This suggests that central government's view of local government is an unsophisticated one, which is a matter of some regret, as are other aspects of central-local relations that lead, as they do, to central government adopting a 'top-down' approach to local government improvement. Such an approach breeds resentment and aids the erection of significant barriers to learning.

There is evidence in the interview data to support the claim that the local government modernisation agenda achieved its main aim of improving the quality of public services provided by local authorities, even if not by as great an amount as the extra financial investment might have warranted. However, despite local government's request for 'sector-led' improvement to be undertaken, this research has unearthed no evidence to suggest that improvement on a similar scale would have occurred without the prompt of government-mandated modernisation. If local government is indeed now in a position to improve itself from within, it is at that stage because of the journey it has been forced to undertake.

In terms of the reason for this research, there is evidence to support my contention that the modernisation agenda also drove an increase in the interest in organisational learning, though evidence to support any claim that this led to an actual increase in learning is more equivocal.

Those Chief Executives interviewed largely claimed to encourage experimentation among their workforces, discouraged any 'blame cultures' and were developing new attitudes to risk-taking that balanced both risk and opportunity. However, less than one third of these could provide evidence that any innovative work was being assessed robustly and the lessons of such work learned and shared. Such 'feedback loops' are central to organisational learning, both in theory and in practice.

Turning to specific modernisation initiatives, it is not particularly surprising that those interviewed expressed a wide range of opinions on the merits and efficacy of any particular scheme or, more to the point it turns out, parts of schemes. This essay has already drawn out a number of points that relate to the specific schemes that have been discussed during the course of these interviews. More important here is to draw out common themes that apply across those initiatives.

From the interview data, it seems that councils made most use of the early, internal stages of Best Value, the Beacon Council Scheme, and the Comprehensive Assessments.

While councils were willing to learn about themselves, through the vehicles of Best Value Reviews, bidding for beacon status and conducting peer reviews, they were less inclined to learn about, or from, others through comparison of Best Value Indicators, attending beacon open days or comparing CPA scores or CAA flags. When it came to learning, issues of institutional, geographical and psychological proximity, discussed in the policy transfer section of the thesis, came into play, though always with the same result; any other council was simply too different for any learning to be undertaken, or working practices transferred.

In the previous section concerning the CPA and CAA, it was established that local government was more inclined to take notice of messages from others if these were delivered in a non-threatening way by people, or organisations, who were trusted and respected; by and large, from other sections of the local government family. Could it be, then, that similar issues are at play here, across all the modernisation initiatives examined? It does appear that more credence is given to the evidence when it is provided by local government – often from within the same council – and comes in the shape of a Best Value review or Beacon Council bid. Once that information gets out of the control of local government and is re-presented to a council via a Best Value ‘league table’ or the non-acceptance of a Beacon bid, issues of validity are raised, as evidenced by statements such as ‘they measure things differently’, or ‘we’re not one of the favoured few’. As soon as such denial of the validity of the evidence occurs, any chance that learning might subsequently take place diminishes rapidly.

Perhaps the most important common feature established through producing and then discussing these data is that, whatever initiative the government took that contained elements conducive to learning, it was those councils already culturally predisposed to learning that took most advantage of them. Evidence of this has been provided in this essay, with its origins being in initiatives as diverse as the introduction of the scrutiny system and the operation of the beacon council scheme. This has important ramifications if a ‘learning council’ is indeed an aim, as it serves only to widen the gap between the better and poorer learners, with the former improving their ability to learn (and, indeed, their ability to learn how to learn) through constant practice, while the latter simply do not.

In conclusion, then, this essay contains some pointers for improving the quality of organisational learning within local government. It suggests that improvements could be made right the way through from how senior officers learn, or are taught, about organisational learning, to the way an individual council structures its feedback loops to assess new working practices, and finally to the way pan-local government initiatives are implemented. These are lessons that should be learned by local government, those connected to local government, and, indeed, by central government.