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UNLEASHING CHANGE IN GOVERNMENT

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This chapter will explore organisational change in government with the aim of enhancing productivity or bringing about service delivery improvements. Specifically, in the context of government austerity and budget cutbacks, I will discuss how we can unleash change as a response to those conditions. In particular, I will focus on how we can initiate a change process and then how we can consolidate it to good effect. My perspective will be one of a manager at any level, from a Director-General or Minister right down to a frontline supervisor. The chapter is based on my book *Unleashing Change* (Kelman 2005).

Do public servants really resist change?

I start with the proposition that it is usually difficult to change ideas in government or in large organisations, because people in general resist change. If change is difficult precisely because people *resist* change, then I would argue what managers or leaders need to do is change the attitudes of those who resist.

Broadly speaking, there are two methods advocated by consultants, advocates and scholars about how to get people to overcome their resistance to change. One common view—a kinder, gentler approach—is to encourage employees to

participate in the change process. This is an idea that extends back 60 years in the academic literature. The article 'Overcoming Resistance to Change' (Coch and French 1948) was first published in 1948, but is still widely read today. It involved a field experiment by two social psychologists at a pyjama factory, who were researching how to introduce changes in the production process. The control group of employees was told that there was a lot of competition, and as a result production processes had to be changed. The experimental group was told the same thing, but also asked for their ideas about how to design the new jobs. The control group resisted, and did not change their processes, whereas the experimental group did change, and their productivity increased. There is now a whole strand of literature about how to introduce change to improve performance.

There is also a harder approach, which is that those who resist change in organisations will do so until they confront the metaphorical 'burning platform'; the image evoked is of some oil workers operating out in the ocean who are so set in their ways that they will only change if the platform they are on is actually burning. The presumption here is that people will only change or respond when the circumstances are dire, even life-threatening.

But I want to query the underlying assumptions behind these arguments and beliefs. If, for instance, we hypothetically presume that government civil servants in general resist change, then that would suggest to me that those people in government must be very different from people in general. For in everyday life, it is obvious there are some people who resist change but also some who welcome it—for example, in fashion. There are people with conservative taste in clothes, but also trendsetting, 'fashion conscious' people who seek and embrace change. Think also of technology. There are some people who resist change in technology, but others who welcome change and are 'early adopters' of new technology. Similarly in politics, there are some who resist change, and others who welcome it. So, I would contend that in normal life we do not consider that people *in general* always resist change—that some people do, and some people do not.

This message is my starting point; that many civil servants do resist change—but similarly many do not. My argument grows from the empirical context of my own experience and research on trying to improve procurement systems in the US to assist the government. Now, most outsiders would have said that if you want to look at a prototypical activity of government where people will resist change, look at a procurement system, especially if you are trying to deregulate and free up the system. Most people would argue that this is precisely the source of their authority—telling people they cannot do this or that—so why would they ever want to change that? But, surprisingly, that is not what I found when I started working on this project within government.

Initiating a change process—the ‘change vanguard’

In this paper, rather than begin with a purely academic argument, I will start by giving an illustration. As part of my work with the government, I visited a procurement office that was part of the Department of Defence responsible for buying field clothing. In the course of the trip, I met a career civil servant whose main job was to purchase uniforms for soldiers. He had been a civil servant for 30 years, having gradually moved up the chain until he became the senior uniform purchaser—the so-called ‘czar’ of uniform purchasing. What would be your image of this person and what kind of person do you think he would be? His business card that he showed me might surprise you. It included the usual basic contact details, but in addition, this unusual civil servant had listed his position title as ‘Starship Captain’ of the Field Clothing Branch of the Defense Logistics Agency of the Defense Supply Center. The business card also contained a photographic image of Doctor Spock from *Star Trek* giving his famous salute; this image was subtitled ‘We Are The Force’.

My point is that not everyone fits our stereotype. What I discovered when I came to work in government was that even in the procurement system, there existed what I call a *change vanguard*. When using the term ‘change vanguard’ I am pointing to the reformers who advocate change before reform occurs. It can include people of all levels inside the organisation, who themselves support new ideas for change within the system. They support change not because external consultants or clients are pushing them to make changes, but because they believe it worthwhile themselves. In my case, when we began this research project we in no way had to coax or persuade these change agents, they were there before we arrived, and had good ideas. From my research, I estimated that about 15 per cent of frontline employees, and about one third of frontline managers in the system, make up the ‘change vanguard’. This group is far from everyone in a large organisation, and it is usually not even a majority—but equally it is not nobody.

So, why would a person be in this ‘change vanguard’? My research found that the most obvious reason was that they did not like the way the organisation was working at the time. These people often felt they wanted to be able to use their minds and not be so passive in just applying the rules. There were also people who believed in the mission of the organisation for which they worked, but felt that the system was not helping this mission.

In a survey of frontline and supervising procurement professionals, I asked some questions that were not only unrelated to procurement, they were also unrelated to government. I asked them to state whether they agreed or disagreed with the following statements:

I can't understand people who like to climb mountains.

When I go to a city, I like to explore the city without a map.

When I did the data analysis, the single strongest predictor associated with whether or not a person was in the *change vanguard* was their response to the questions above. These people had an individual personality trait of being more open and adventurous. Similarly, their response to the following question was further indicative of whether they would be in the *change vanguard* or not:

I consider myself to be an idealist more than a practical person.

Idealists were more likely to be in the *change vanguard*. These were not people who were charged with running the present system, they were a little on the outside of the system, but had been ground down by it. These were the kinds of people who were ready to change even before we arrived.

The key here is that it is very easy for us to operate under the assumption that we, as managers, are the ones with the vision, trying to introduce change, and everyone is against us; and that we do not have any allies. Before anyone in an organisation makes the assumption that everyone will resist change and therefore we must get them to participate or scare them, remember that a 'change vanguard' exists. It is not that we will have to persuade them to change, they are already open to these kinds of reforms. The first question then as managers we need to ask as we begin a change process is: Who are the people in our organisation who can act as the 'change vanguard'? And the second question is: How do we use them to bring about a change process?

The additional message I want to emphasise when an organisation is initiating a change process is that a 'change vanguard' cannot institute a change purely on their own—perhaps because they are too few in number, or because they are not senior enough. In my research I found that some of these managers actually did try to do things on their own but were silently hoping for change from above. Nor can the leaders do anything on their own—they rely on the people at the coalface, the ones who actually do the work. Both groups need to work together to get the change process to happen. The way a change process gets started is that the 'change vanguard', when a change effort is announced by leaders, sees this initiative as the opportunity for change that they wanted but could not effect themselves. So when the leaders announce the change, the 'change vanguard', on its own, gets going.

As a university professor, I believe in the power of words. I think managers fixate too much on the word ‘resistance’. So, instead of talking about ‘overcoming resistance’, I prefer to talk about ‘unleashing change’. Instead of worrying about how to convince those who do not agree with the intended changes, I prefer to focus on the change vanguard that doesn’t need to be convinced. If we can encourage them to translate their verbal agreement with the changes into action, that will produce a huge change by itself. This is a lesson on priorities for leaders.

Consolidating a change process

Turning to consolidating a change process, how can managers transform a new idea into a part of the way the organisation does ordinary business? If a change effort does not actually eventually improve productivity or service delivery, it will not be consolidated—and, indeed, I would argue it should not be consolidated. There are many change efforts that seem like a good idea worth trying, but they do not work in practice. Sometimes they are bad ideas in the first place. But there is a lot of evidence showing that the initial effect on productivity of a change effort is almost always negative, because there is a learning curve effect. There will be an initial decline in productivity even if it eventually becomes a more efficient way of doing things. However, if productivity keeps falling, perhaps there is cause for concern.

Beyond the obvious that changes that don’t improve things won’t become consolidated is the interesting idea that change can feed on itself. That is, the very action of initiating an effort and persisting with it can set forces in motion that encourage the effort to consolidate itself and keep expanding. A number of years ago, some social psychologists from Stanford University did an experiment where, in stage one, they went to a random sample of houses in a neighbourhood and showed the residents a petition that said ‘we support safe driving’. Everybody signed up. In the second stage they sent a different group of researchers to the neighbourhood—half went to the houses from stage one, the other half went to a different group of houses. This time the researchers went with large, sloppily-made signs for people to place in their front gardens that read ‘drive safely’. Of the people who had not been approached earlier, only 20 per cent agreed to place the sign in their yard. Of those who had signed previously, 62 per cent agreed to put the sign outside their house (Freedman and Fraser 1966). This phenomenon is known as the ‘foot-in-the-door’ technique—if you can earlier get someone to undertake a small change, it becomes easier later to get them to agree to a big change. The take-home message is that if you

can get people to commit to the simplest, most uncontroversial part of your change program, it then becomes easier to get them to make more significant changes later on.

So the lesson for managers is: don't get bored as the change process unfolds. This is simple to say, but hard to do. I believe that most change efforts fail because the leaders of the effort abandon the campaign too early, and thus lose the opportunity.

Change in the context of austerity

Let me conclude with a bit about change in the context of austerity. The 'burning platform' concept contains an underlying argument—it starts with the idea that those in government have it too easy, because government is a monopoly with no competition, and that people cannot be easily fired. So how do we remedy this and bring about change in government? One way is to introduce more competition—there is a lot of evidence that suggests that competition spurs better performance, at least in reference to innovation in the private sector—or we could frighten people through job layoffs and budget cuts, with the hope that they will be scared into improvement under this pressure. To what extent and under what circumstances is either of these methods a plausible mechanism for producing change?

The answer in short is not always clear cut. We often do not know enough to be definitive about which types of pressure work most effectively, and I for one hope to do more academic research in the future on the impacts of different kinds of pressure. However, there is some relevant research in this area.

The first finding, from over a century ago, is the 'Reverse-U' impact of stress (see Yerkes and Dodson 1908). When stress levels are low, increasing them improves performance, but only up to a point; at very high levels of stress, performance starts going down. It is hard to know in advance where you are on that U. This is a well-established finding in social psychology.

Moving to competition in government, it is important to note that competition in the private sector has both upsides and downsides. There are upsides if you do well in the competition. But research shows that among companies that are doing badly in competition, downsizing has a negative impact on productivity. So in a government context, if the only benefit is avoiding being fired, it is unclear whether this will have the same positive effect on performance as it would in the private sector.

There is a lot of other research showing that high stress over a long period has negative health impacts. There is also evidence that threats may get people to work harder on existing tasks, but reduce their creativity. They will concentrate their efforts and lose their peripheral vision. It makes them narrowly focused. So there is substantial evidence to say that productivity goes down in a threat situation.

Accordingly, how managers 'frame' a crisis is crucial, because the performance impact of stress depends on the extent to which people who are subject to stress can conceive of it as a threat or a challenge. Framing stress as a challenge leads to better performance. Managers should think about what they and the organisation do to frame the stress. The bad budget environment in the US has demoralised a lot of civil servants. A person who allows this to get to them, to discourage and annoy them, is only hurting themselves—they will not make the austere budget environment go away by feeling depressed about it. Instead, they should think about how they can respond to it creatively, how they can fight back and improve the situation.

These kinds of austerity crises may provide a window of opportunity, not so much in relation to changing people's attitudes, but by encouraging them to focus more on the fact that their organisation has a tough financial situation and they may want to do something about it.

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