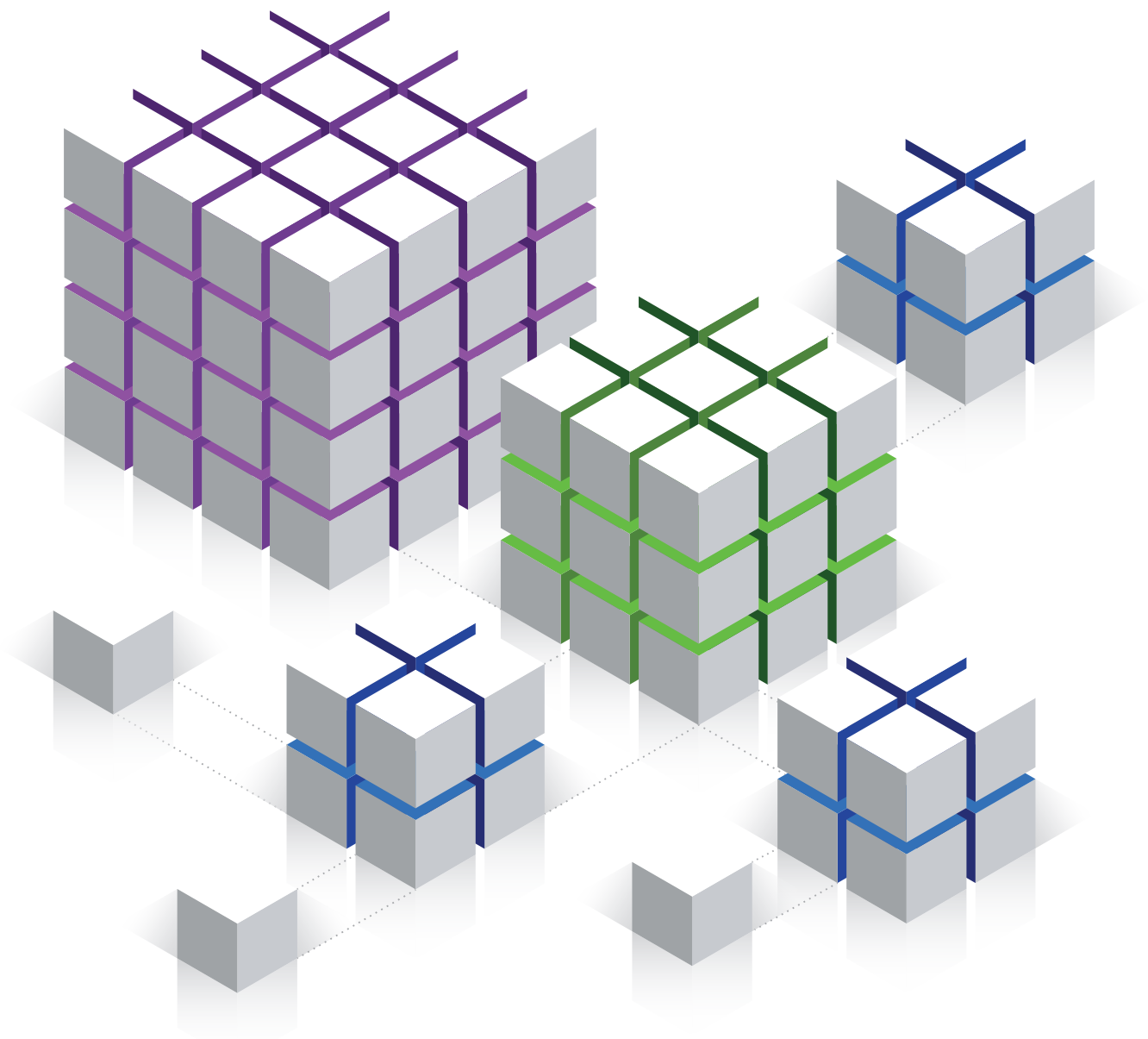




PUBLIC CHAIRS'
FORUM

LESSONS FOR LEADERSHIP

THE EXPERIENCE OF THE LEARNING AND
SKILLS IMPROVEMENT SERVICE



Foreword

Since its establishment five years ago, the Learning and Skills Improvement Service (LSIS) has performed an important role, working to improve leadership, management and governance practice in the Further Education and Skills sector. LSIS will cease to exist on 31 July 2013 and efforts have now turned to making available its legacy in successor arrangements.

A number of reports were commissioned to look at the lessons of leadership from LSIS that can be applied to the Further Education (FE) sector. The Public Chairs' Forum (PCF) was keen to see how these valuable lessons could be applied to the wider public sector, particularly given that many of the challenges facing the FE sector reflect changes that are taking place across government.

This short report shares several thought provoking lessons for effective leadership in the current climate that all public leaders should find useful, whatever sector they may work in. Some interesting themes have been identified that have important implications for chairs, chief executives and boards and the PCF will be working with chairs of public bodies to take these into account.

We would like to extend our thanks to the University of Birmingham for their help in putting this report together; in particular, PhD student Caitlin McMullin, who has researched and written the report. We would also like to thank the Chair and staff at LSIS, for the time they have given to interviews during the development of the report.

We hope that this will form part of a useful legacy, helping to ensure important leadership lessons are not lost, but instead are remembered and built on.



Chris Banks CBE
Chair, Public Chairs' Forum

Key Points

- The traditional view of the 'heroic' leader has lost relevance for public sector leaders. Instead, leadership and governance should be more blended – with focus both on setting strategic direction and on empowering middle managers.
- Cuts to public spending and changes in public policy mean that the skillset necessary for public sector leaders needs to be more geared towards entrepreneurialism, flexibility and creativity rather than managerialism and authoritarianism.
- Good governance requires that boards, and in particular their Chairs, understand their role vis-à-vis the organisation's Chief Executive – in terms of constructively challenging and ensuring the organisation has a clear strategy rather than only auditing or steering.
- The LSIS dual governance model of a board to ensure 'things are done right' and a council to ensure 'the right things are done' has relevance to individual organisations and to sectors seeking to improve.

Introduction

LSIS will shut its doors on 31 July 2013. Established in 2008 with a mission to accelerate the drive for excellence and incorporating the Centre of Excellence in Leadership and the Quality Improvement Agency, LSIS determined to improve leadership and management practice in the Further Education and Skills sector.

Though LSIS is soon to close, the challenges that its programmes aimed to address remain – and indeed, have only increased in many cases. And these challenges are by no means unique to the Further Education (FE) sector – the lessons for leaders brought to the fore by LSIS's development, training programmes and research work have resonance across the public sector.

Reports and studies were commissioned by LSIS to

ensure that lessons learnt and issues identified in FE were not lost. But the FE sector is not unique in the challenges it faces. Many of these challenges are a direct result of changes in government policy and funding which affect the public sector as a whole. This report seeks to investigate two main areas:

- The leadership, management and governance challenges facing the public sector.
- The lessons that can be learned from the work of LSIS and its abolition.

Understanding the Challenges

Today's economic and political climate presents all public sector leaders with a period of transition. The implications for them of recession, cuts to public spending and the Coalition Government's ideology about public services and public bodies should not be underestimated. The Government's emphasis on removing red tape and the restrictions of targets and heavily centralised control – leadership in 'a time of freedom' - means that some leaders of public bodies have more flexibility, autonomy and discretion than in the last several decades. Significant changes in the political landscape have also necessitated changes in the relationship between public bodies and their governance arrangements. Whilst the Government has made quick moves to abolish a large number of public bodies, many of those organisations that remain face an uncertain future and a new rockier landscape.

Work by the Institute for Government (IfG) has analysed the abolition of arm's length bodies, arguing for a more thorough review of form, function and lines

of control¹. The abolition of LSIS provides transferrable lessons for public leaders and their understanding of the role of these organisations and the legacy they leave behind.

Transforming Public Sector Leadership

Reports on LSIS's work stress that good and responsive leadership is essential for organisational and service performance in the FE sector, a finding that certainly applies more broadly across the public sector². A new generation of public service providers must evolve beyond traditional, hierarchical models of leadership and explore the new and complex horizon, drawing on lessons both from previous research and practice, but also from other sectors. This changing context brings tricky challenges for public sector leadership, including new lines of accountability; using public money more efficiently; measuring impact and performance; and being more entrepreneurial.

¹ Gash, T, Magee, I, Rutter, J, and Smith, N. Read Before Burning, Institute for Government, July 2010.

² Tamkin, P. The Leadership Legacy of LSIS; a reflection, July 2013.

1. Relationships, communication and talent management

The research work of the Public Chairs' Forum (PCF) and the IfG, along with the experience, expertise and legacy work by LSIS clearly identifies the importance of understanding various relationships for effective leadership – in particular between public bodies and their sponsors; between chief executives and chairs; and between leaders and staff.

Public bodies exist in a unique situation whereby they are both horizontally accountable to their stakeholders and also vertically to sponsoring government departments. Work by the PCF and IfG highlights the key areas of importance for good working relationships between these actors, notably in clarifying divisions of roles, in ensuring effective communication and managing relationships³.

This understanding and careful management and manoeuvring takes on increased importance with greater autonomy as well as decreased public money – maintaining effective relationships between stakeholders is key to ensuring that the right services are being provided, and being provided at good value for money.

The importance of effective and frequent communication relates equally to the relationship between chief executives and more junior staff members. This relationship gains even more salience when considering succession planning and talent management – a particular issue in the FE sector where a large percentage of principals are facing retirement in the next few years, but one which applies across the public sector when considering the next generation of leaders. Leadership must therefore not only be about leading today, but about planning for tomorrow and developing and nurturing the leadership capacity of the next cohort of leaders.

³ It Takes Two: A Framework for Effective Relationships Between Government and its Arm's Length Bodies, Public Chairs' Forum, March 2012.

2. Models of leadership ...or lack thereof

“ We have come to expect a lot of our leaders. We expect them to have the intellectual capacity to make sense of complex issues; the imaginative powers to paint a vision of the future that generates everyone’s enthusiasm; the operational know-how to translate strategy into concrete plans; and the interpersonal skills to foster commitment to undertakings that could cost people their jobs should they fail. ⁴ ”

The push for leaders to fulfil so many roles has often led them to attempt to emulate various ‘models’ of leadership in order to be effective. However, given the changeable circumstances discussed earlier, one thing is clear – relying on distinct models of leadership is no longer relevant or desirable. Instead, good leadership depends on recognising the skills and competencies necessary for the distinct circumstances in which the organisation is operating, and providing both strategic direction and day-to-day management.

This skillset of capability is changing for leaders in the context of recession and government policy in which public funding is being reduced and bodies are being challenged to operate in more business-like ways. Many public sector leaders are accustomed to

working in an environment where they are ‘done to’ by policy-makers, and their role involved using public money and implementing policies. Now, however, leaders are being challenged to emulate practices of the private sector, and learn to be more entrepreneurial and creative in their approaches to managing their organisation.

This also chimes with the theme of relationship management and communication – leaders need to communicate well and be willing to devolve responsibility and empower middle managers where appropriate. LSIS makes the case for ‘blended’ leadership – e.g. dispersing leadership throughout the organisation as well as providing vision and direction at the top.

“ Followers [of blended leadership] value delegation and direction, they value leaders who are approachable and able to communicate at all levels, who attend to the external world but not at the expense of organisational issues. ⁵ ”

Success as a leader – whether as a principal of an FE college or a chief executive of a local council or public body – means recognising where skills, strengths and talents exist and ensuring that tasks and responsibilities are matched accordingly. This ensures that a culture of leadership is embedded within the organisation, as opposed to looking purely to the top level to lead.

⁴Crowther, C. Leading Learning Organisations: An Analysis of Leadership in the Further Education and Skills Sector, July 2013.

⁵Tamkin, P. The Leadership Legacy of LSIS; a reflection, July 2013.

3. Governance: What role for Boards?

Another key take away from the LSIS legacy work is the crucial relationship between principals and chairs in FE colleges – a lesson which equally applies to other types of public bodies with similar governance arrangements. Organisations where executive leaders and chairs have a clear understanding of their role vis-à-vis the other, and where there is an effective, communicative and meaningful working relationship between the two tend to be better performing.

One of LSIS's contributions to the development of leaders in Further Education was the training and development of boards of further education colleges and training providers. Whilst their focus was specifically on this particular sector, the importance of good governance (whether by elected members, boards of directors or boards of trustees) is one that permeates the public sector as a whole.

LSIS's own dual governance model of oversight and control is worthy of note. Rather than adopting a standard governance model with a Chair and board, LSIS established a dedicated council as well as a

board. The board, comprised of 13 full members and 4 observers from stakeholder organisations, adopted a business-like approach and had overall responsibility for LSIS performance and the decisions that it made. This included responsibility for governance, for providing strategic leadership and for the stewardship of funds and assets.

LSIS's council was made up of 30 members elected from the sector and represented the interest of the broader community. Its primary role was to review the performance of LSIS improvement activities in meeting the needs of its stakeholders, which were to receive the annual report of the trustees, to give consent to the corporate plan and to review the contribution that LSIS made to the improvement of the sector. The complementary functions and composition of both the board and council ensured that LSIS was well-governed and sector-led.

This model may carry benefit to other public sector leaders, their organisations and their stakeholders, helping to strengthen existing governance arrangements and ensure that the voice of the customer is reflected in the decisions that are made. A further breakdown of the roles and responsibilities of the LSIS board and council is outlined in figures 1 and 2.

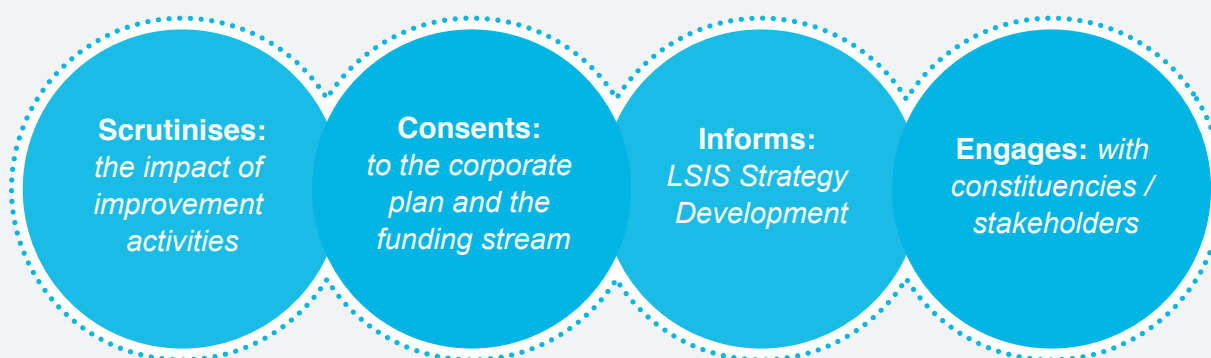
Figure 1: the role of the LSIS board.

Source: Adapted from presentation by Dame Ruth Silver, LSIS Chair, to a delegation from the University of South West China in May 2013.



Figure 2: the role of the LSIS council.

Source: Adapted from presentation by Dame Ruth Silver, LSIS Chair, to a delegation from the University of South West China in May 2013.



The role of governance is key in an evolving context of public bodies reform. Boards serve an important function in providing strategic direction and ensuring adherence to the organisation's mission and values. In the current climate, effective boards should be empowered to provide sufficient challenge to chief executives. Obviously, boards should not see themselves simply as ticking boxes and agreeing to the decisions of the leader, but rather as a critical friend, questioning decisions and working collaboratively to ensure adherence to the organisation's vision.

A further issue in relation to public sector boards is that of diversity and representation of different voices, or ensuring a balanced board⁶. Creating an effective board means including trustees or board members from a variety of backgrounds with diverse expertise. A board of an FE college composed solely of former principals is less likely to be as open to challenge as one including those from other sectors who may have a very different perception of the organisation's challenges. Equally, boards should endeavour to include members from different ethnic, socio-economic and geographical backgrounds to get a mixture of perspectives and to accurately represent their constituents or clients.

⁶ Board Governance Essentials: A Guide for Chairs and Boards of Public Bodies, CIPFA and PCF, December 2011.

4. Training and development: Lessons from LSIS

Many of the issues and challenges in leadership, management and governance highlighted by LSIS in relation to the FE sector are applicable to the wider public sector. And the approach taken by LSIS in addressing these challenges and equipping leaders for the future is useful more broadly.

One of the important lessons of LSIS is that continuing professional development should be focused at staff members across an organisation, not just at the top. Recognising leadership not just at board level but throughout the organisation and fostering that ability through training and development are even more crucial.

Perhaps the key to developing and training leaders in the future will be to adjust the paradigm not only around what leadership should look like, but also in the way that training can and should be delivered. LSIS's approach to development recognised both the evolving role of leaders (through matching skills to context and through empowering different levels of managers), and reflected this in their training

programmes. Combining traditional classroom based learning with peer coaching and forming partnerships was seen by respondents to an LSIS survey as beneficial for entire institutions⁷. Additionally, having cohort-based programmes allowed some participants to network and have a group of peers to reflect with and learn from in years after the programme.

At the same time, each institution or organisation has its own particular challenges and circumstances, prompting many to desire individualised programmes. These opposing pulls will continue to be a challenge for any training providers – whether to focus on bespoke programming or to standardise training and bring together people from different organisations and/or sectors to focus more on peer learning and experience sharing.

Finally, development of leaders means thinking more critically about the aim of training and whether the end goal is to develop the individual, or provide what's best for their organisation. Producing good leaders entails developing individuals' own skills and in helping them to recognise their strengths and weaknesses as a leader which they may apply in any context, but it also means analysing and growing an effective culture and working environment of leadership within an organisation as a whole.

⁷ Nash, I, and Jones, S. A Legacy of Learning, Learning and Skills Improvement Service, June 2013.

Conclusions

Leadership, management and governance are intertwined concepts within the public sector, comprising the ability of individuals to effectively and efficiently steer, champion, collaborate and successfully improve outcomes within an organisation, with a complex political and economic context as a backdrop.

This requires new thinking around relationship building, effective communication both vertically within organisations and horizontally between them, styles of leadership which favour flexibility and responsiveness to circumstances over hierarchy and authoritarian models, and a new outlook on training and development which meets these needs. The challenges facing leaders are, of course, many. The experience of LSIS in developing leaders and producing research around leadership, management and governance in the FE and skills sector is valuable for public sector leaders as a whole. The LSIS dual governance model should be food for thought for all public bodies; it should also be of interest to those seeking to improve strategic direction, accountability and stewardship and deliver a service that is a commission from practitioners, boards and service users themselves.