

# **LEADERSHIP IN PUBLIC SECTOR ORGANIZATIONS**

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‘Leading ... the multimillion-pound organisations that provide services ... requires business acumen, the ability to connect with communities and, ultimately, the willingness to listen and respond to the needs of people as individuals – not something you see in abundance within the upper echelons of public service.’

Stephen Moir, 2008

‘Staff are being deployed and redeployed across the service to fill staffing gaps in many wards and units, quite often at the last minute...They are being asked to undertake duties without adequate training and are working in different specialities that they have no experience in.’

Wilma Brown, Nurse, and Employee Director in NHS Fife, 2021

# 16

## **LEADERSHIP IN PUBLIC SECTOR ORGANIZATIONS**

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### **CHAPTER OUTLINE**

- Introduction
- Framing public sector leadership
- Distinctive challenges associated with public sector leadership
- The new public management and the rise of transformational leadership
- Beyond transformational leadership: shared and distributed leadership
- Challenges of distributed leadership in public sector organizations
- Leadership and performance in public sector organizations
- Lessons for public sector leadership from the Covid-19 crisis
- Conclusion

### **LEARNING OUTCOMES**

After completing this chapter, you should be able to:

- explain the challenges of leadership in complex public sector organizations and why there has been increasing interest in strengthening public leadership;

- explain and critically analyse the theories of leadership that have informed approaches to public sector leadership;
- engage critically with important themes in leadership in the public sector, from support for transformational leadership under ‘new public management’ to more recent developments in shared or distributed leadership in co-produced services.

## INTRODUCTION

Policymakers have increasingly prioritized building improved leadership skills among public sector managers. As you have seen through this text, organizations face the challenges of managing people and the dynamics of the employment relationship including managing employee performance and diversity. However, it has been argued that managers in public sector organizations face highly specific leadership challenges related to competing performance demands; diverse practice and priorities across multiple professional groupings; and a reliance upon complex networks of organizations, managers, and employees to achieve their goals (Broussine and Callahan, 2016). The ascendancy of what is called *new public management* (NPM) was in response to these specific challenges. NPM is a model of public administration that is founded on private sector management principles and practices, such as competition between administrative units, individual performance appraisal, to achieve targeted outcomes. We aim here to advance your understanding of the leadership process by examining challenges specific to public sector organizations. Two key questions are posed: ‘Is it useful to seek to develop a single, coherent model of public sector leadership?’ and ‘How are the practice and priorities of public service leaders likely to differ from their private sector counterparts?’

This chapter will trace policymakers’ and public managers’ increasing interest in leadership and explore the contested nature of how leadership has been defined and understood in public sector organizations. It will discuss the distinctive challenges associated with leading public sector organizations. We will then note that public organizations have increasingly

focused on leadership development based on arguments that the sector lags in leadership capacity; the chapter will critically evaluate the evidence for such claims. Throughout the chapter, we reflect on lessons from the Covid-19 crisis and later we consider the (at the time of writing, still limited) evidence on the impacts of different approaches to public leadership in response to Covid-19.

## **FRAMING PUBLIC SECTOR LEADERSHIP**

There is no universally accepted definition of the public sector. However, ‘public sector organizations’ can best be understood as those organizations involved in the delivery of public goods and/or services, and having a degree of (local, regional and/or central) government control over their corporate policy or strategy. Public sector organizations include those in central government (government departments and those bodies that deliver departmental priorities, such as executive agencies and non-departmental public bodies); devolved/regional and local government and their agencies; and other public bodies (organizations that are, in whole or part, publicly funded to deliver a public or government service).

Public leadership development over the past 20 years has focused on the potential benefits of transformational leadership; the idea that strong leaders communicating a clear vision can motivate improved individual and organizational performance echoes ideas we first discussed in Chapters 1 and 5 when we discussed leader-centric approaches to leadership. Although there is some evidence of benefits associated with supporting transformational leadership, critical scholars have pointed to tensions associated with this approach to leading public organizations: that the rhetoric of inspiring and transformational approaches is not always matched by leaders’ capacity to break free of the performance demands and constraints associated with NPM. This argument connects with a broader critique of NPM-inspired leadership strategies – that the transfer of private sector management ‘best practice’ to the public sector (a key tenet of NPM) can be problematic. We examine here the evidence of a shift towards post-NPM approaches to leadership and argue that networked, co-produced services

require more inclusive, shared approaches to leadership. In doing so, we return to the ‘shared’ or ‘distributed’ approaches to leadership first examined in Chapter 7, to look at the evidence on networked public service approaches to leadership, identifying both the benefits and challenges associated with this model.

## **PAUSE AND REFLECT**

Think of a specific management practice commonly used in the private sector. What is different about some public sector organizations that might mean we have to pause before copying practices that appear to have worked well in the private sector?

## **DISTINCTIVE CHALLENGES ASSOCIATED WITH PUBLIC SECTOR LEADERSHIP**

Debate on the distinctive challenges of leadership in public sector organizations to some extent reflects broader debates about whether the public sector presents a different context for management and organization more generally (Bovaird and Loeffler, 2016). Despite some common challenges across sectors, there is consensus that public sector leaders face a series of distinctive issues (e.g., Seidle et al. 2016):

- leading across and within multiple professional hierarchies and groupings – powerful professions with their own networks, systems of peer review and institutions throw up challenges to public sector leaders;
- responding to the demands of multiple principals (funders, political leaders, and service users, to name a few) and delivering according to complex and varying performance criteria;
- limited room for manoeuvre due to multiple audit/performance regimes and high levels of formalized constraints on their authority;

- work characterized by goal complexity and ambiguity; the outcomes achieved (by which leaders are judged) may be complex, hard to measure and take a long time to be realized;
- increasingly required to navigate inter-organizational hierarchies and multiple agencies working together on complex policy problems (so that organizational factors external to their own team may impact performance);
- may lead on the design and delivery of services that rely upon ‘co-production’ with service users, so that success will be defined by whether they and their team can secure the ‘buy-in’ and support of relevant sections of the public.

### **Insert Image [New image]**

Image 16.1 Public sector leaders face a series of distinctive issues, including the need to lead across and within multiple powerful professions with their own networks. Their work is characterized by goal complexity and ambiguity, and they are required to ensure delivery according to complex and varying performance criteria.

These distinctive issues facing public sector leaders bring to the fore the notion of ‘place-based leadership’ (see Chapter 17). Building on Portugal and Yukl’s (1994) observation that leaders influence internal and external others, place-based leadership is often external, generative by nature, and highlights those processes that are geared to constructing local conditions for knowledge creation and action. Reflecting on the effect of these unique challenges, Seidle et al. (2016: 604) observe that ‘These factors limit the autonomy enjoyed by public sector leaders to set priorities and allocate resources; they also divert attention away from leading subordinates toward managing relationships with external actors, generating external support for the agency and obtaining vital information and resources.’ Since 2019, the scale of the ‘complex policy problems’ faced by public sector leaders have been all too clear as political leaders, public managers and senior clinicians have sought to grapple with the implications of the Covid-19

crisis (Ansell et al., 2021). Nevertheless, despite the distinctive challenges that potentially inhibit the capacity of senior public sector officials to ‘lead’, recent years have seen a substantial increase in interest in how to support effective leadership in the public sector. To some extent, the changing discourse can be seen as a mirror of broader shifts towards and beyond an NPM, which we will go on to consider next.

## **THE NEW PUBLIC MANAGEMENT AND THE RISE OF TRANSFORMATIONAL LEADERSHIP**

Public leadership studies have increased in number and prominence in the past two to three decades. Previously, there was limited interest in the subject due to a perception that the rule-based practices and bureaucratic structures of the public sector limited the scope for senior public sectors to exert genuine ‘leadership’ (Orazi et al., 2013). In the British context, Spicker (2012: 34) notes the ‘mushroom growth’ in interest in public leadership from the late 1990s onwards. The New Labour government (1997–2010) saw ‘strong leadership as a scarce resource’ (Liddle, 2010: 658) and a series of reports (e.g., Cabinet Office, 2001) argued for the need to invest in and drive up the quality of public leadership. To some extent, this narrative reflected a broader debate within the UK regarding the adequacy of leadership and management skills (BIS, 2012). Under successive British governments since the end of the New Labour era – and among policymakers in devolved and local government – leadership development has remained a key priority (Broussine and Callahan, 2016). Initiatives to support and develop leadership capacity in the public sector have included the development of competency frameworks, substantial investment in leadership training programmes, and the funding of sectoral leadership ‘academies’ in areas such as healthcare and education.

As noted above, increasing interest in leadership in the public sector mirrors a broader shift in management thinking. McCann (2016) reaffirms the observation in previous chapters that the era of modern global capitalism has seen a profound shift in the approach to leading

organizations, from command and control to shared and distributed or transformative leadership. McCann calls this the ‘third spirit of capitalism’ (the other two being globalization and investor capital). He goes on to make a link to specific changes seen in the public sector under NPM ideas that dominated and continue to dominate organizational reform agendas in public organizations. NPM refers to the organizational reform movement that has informed changes to public sector organizations that include: contracting out of services; increased marketization and competition within services in the public sector; a focus on performance management; stronger managerial capacity and control over the work of public sector professionals; the disaggregation and decentralization of organizations and management structures; and a focus on driving down costs while improving performance (Ferlie, 2017).

McCann sees evidence of clear impact on how leadership is perceived in the public sector:

Public sector organizations increasingly became subjected to radical reforms, including deregulation, outsourcing, privatization, and corporate-style re-engineering, as neoliberal politicians repeated a mantra of ‘value for money for taxpayers’, ‘flexibility’, and ‘increased accountability’. Leadership rhetoric and managerialist discourse deeply infiltrated what used to be relatively stable, self-policed bureaucracies, including government and the professions. (2016: 174)

Similarly, Hughes is in no doubt that NPM’s emphasis on empowered managers who are ‘free to manage’ but are responsible for hitting performance targets (two classic tropes of NPM thinking) leads directly to less emphasis on management by formal rules, to a stronger focus on individual leadership: ‘once an individual public manager is responsible, his or her personal qualities – their leadership – necessarily become important in how results are achieved’ (2007: 320).

## **CRITICAL INSIGHT: THE TENETS OF NPM**

Christopher Hood (1991) argued that NPM reforms across the public sector were characterized by seven often-recurring principles or ‘doctrines’:

1. *Hands-on professional management*: meaning ‘active, discretionary control of organizations’ from named people who are ‘free to manage’.
2. *Explicit focus on standards and measures of performance*: meaning that individual and organizational goals and targets should be clearly quantified and measured.
3. *Greater emphasis on output controls*: meaning that resource allocation and rewards should be linked to measured performance and the breakup of centralized ‘bureaucracy-wide’ HRM.
4. *Disaggregation of units within the public sector*: meaning the unbundling of management systems in service-specific business units operating at arm’s length from central management.
5. *Greater competition and contractualism*: aiming to lower costs and improve standards.
6. *Stress on private sector management practices*: the use of ‘best practice’ in HR and organizational management from the private sector and a shift away from a public service ethos.
7. *Greater discipline in resource use*: meaning increasing control and discipline in the labour process and an emphasis on reducing direct costs.

While some public sector leadership theorists argue that these tenets of NPM remain powerful influencers of practice today (see Ferlie, 2017), detractors argue that NPM practices in the health service ushered in a change from ‘just-in-case’ to ‘just-in-time’ contracts which directly caused acute shortages of personal protective equipment (PPE) during the first year of the pandemic (Calvert and Arbuthnott, 2021); see Prologue: Leadership in the shadow of the pandemic).

## **Activity**

**Read:** Hood, C. (1991) 'A public management for all seasons?', *Public Administration*, 69 (1): 3–19 and Davies, H., Pegg, D. and Lawrence, F. (2020) Revealed: value of UK pandemic stockpile fell by 40% in six years, *The Guardian*, 12 April. Available at: <https://www.theguardian.com/world/2020/apr/12/revealed-value-of-uk-pandemic-stockpile-fell-by-40-in-six-years>

Accessed: 18 January 2022.

**Question:** Thinking about examples of PPE shortages during the pandemic or other examples that you know about from the public sector to what extent are Hood's seven tenets of NPM influential? What does this mean for how public sector leaders see themselves and identify priorities for leadership practice?

Many of the actions that have sought to promote leadership development and capacity in the public sector from the 1990s onwards have clearly been informed by thinking around the value of entrepreneurial and transformational approaches to leadership. Reflecting on the transformational leadership agenda promoted under New Labour, it is clear that 'North American models of leadership, emphasizing an individualistic and entrepreneurial approach to reforming public services were an important early influence' (McGurk, 2013: 155). Advocates of NPM reforms also tend to support investing in and developing entrepreneurial and transformational leaders, whom they argue should be granted the autonomy to drive change, and who might therefore lead innovation in public service delivery (Miao et al., 2018). 'Transformational leadership aims to develop motivation and commitment by generating and communicating a clear vision ... to inspire their teams to achieve higher levels of performance and encourage them to accept (or even embrace) change' (Marchington and Wilkinson, 2012: 184). 'They inspire followers to transcend their self-interests for the sake of the collective. Followers become highly committed to the goal of the collective' (Den Hartog and Boon, 2013: 208). Accordingly, transformational leaders in the public sector are seen as providing meaning and a sense of purpose for employees and modelling pro-social behaviours (Orazi et al., 2013). In the public sector, it has been argued that transformational leadership styles – at least when

compared to more transactional forms of leadership – are associated with higher levels of motivation and satisfaction among employees (Oberfield, 2014). However, Guerrero et al.'s (2020) study of healthcare practices shows the extent to which transformational leadership may influence health professionals' implementation of innovative practices as mediated through middle managers.

The education sector in England represents an interesting example of the British Government's support for transformational leadership since the 1990s. Investment in leadership development for Head Teachers, the parachuting in of high-performing Heads to lead schools perceived as failing, and increasing control for senior teachers over their own budgets and practices (and even more 'earned autonomy' for the best performing schools, contrasted with reduced discretion for 'failing' schools) reinforced the view that transformational leaders could turn around educational performance almost singlehandedly. Thus, Head Teachers 'like CEO superstars in the private sector [were] cast in a heroic, transformational mould' (Currie et al., 2009: 1744). While there have been examples of improvement from new leadership in schools, concerns have also been raised that the recasting of the role of Head has undermined professional collegiality, and further embedded classroom behaviours such as 'teaching to the test' to meet the school's performance targets (Currie et al., 2009). Hall (2013: 278) argued that the shared and transformational leadership discourse around empowered teacher-leaders is a distraction to hide the new reality of highly controlled 'target setting' school regimes (Currie et al., 2009). In such a work culture, school leadership is circumscribed and malleable in the face of the doctrine of NPM.

## **PAUSE AND REFLECT**

It's argued that measuring and appraising public services have led to perverse work behaviours (e.g., hospitals manipulating waiting times, police ignoring some crimes, teachers teaching to achieve test results). Do you agree or disagree? To what extent are these behaviours predictable?

## **BEYOND TRANSFORMATIONAL LEADERSHIP: SHARED AND DISTRIBUTED LEADERSHIP**

We examined transformational leadership styles in Chapter 6, and this section extends the discussion by critically scrutinizing distributed forms of leadership in non-profit, public organizations, which appear increasingly to have found traction among public sector leaders (Drumaux and Joyce, 2018).

Given the limitations of NPM-oriented approaches to leadership, the public sector in the UK and many other states has arguably seen a shift towards ‘post-heroic’ visions of public leadership that are much more focused on collaboration, teamwork, and the sharing of responsibility (and reward) for leadership. For Bach and Kessler (2012: 109) ‘an emphasis on team working reflected a shift away from NPM’s emphasis on “heroic” individual leadership towards a more distributed form of leadership involving staff across an organization.’

As we noted in Chapter 7, there are several drivers behind an increasing emphasis on distributed or shared forms of leadership. First, the 2008 global financial crisis generated a general sense of ‘disillusionment with heroic models of individual leadership’ (Boak et al., 2015: 335). For example, in Britain a series of high-profile scandals in which apparently well-led organizations failed to deliver effective public services (the failings at the Mid Staffordshire NHS Foundation Trust is an infamous example) further weakened the brand of transformational public leaders (West et al., 2014). The sense that ‘transformational approaches perpetuate an arrogance and grandiosity that allows leaders to flee from the harsh side of reality’ was increasingly seen as a risk factor in maintaining standards in the public sector (Orazi et al., 2013: 493). There were also concerns that what Beirne (2021: 8) calls the ‘bifurcation of leaders and followers’ under transformational leadership assumes that frontline workers in the public sector need managers to motivate them and that optimistic accounts underplayed ‘critical reactions on the part of followers and dysfunctional behaviour among leaders’. Thus, like many other public organizations, for the NHS Scotland, ‘The model of heroic leadership is no longer

appropriate' (2014: 2). There has been some attempt to resuscitate the transformational public leadership agenda by making claims for a 'post-transformational' leadership that 'differs from the classic concept of the heroic or charismatic leader' but still sees individual leaders as a source of 'inspirational motivation' (Aagaard, 2016: 1173). These exercises in semantics have not proved convincing.

Second, in public sector organizations, this shift in thinking on leadership styles reflects a broader 'post-NPM' movement that argues that NPM's focus on markets, performance management and transformational leadership failed to deliver the promised results and, as importantly, is ill-suited to an increasingly challenging public sector environment where inter-agency networks are required to solve complex, 'wicked problems' (Ferlie et al., 2013). Ayres et al. (2021: 213) have noted: 'Views of public leadership which emphasize collaborative process and relationality have extended understanding beyond traditional hierarchical assumptions about leadership and away from the public choice elements of new public management'. Broussine and Callahan (2016: 275) agree: 'Wicked problems that cross-organizational boundaries can only be addressed successfully by networks of public, private and non-profit organizations, community groups and citizens and other inter-organizational arrangements.'

Increasingly, the new wisdom emerging is that given public agencies must work together, formally and informally, to solve problems in multi-organizational networked arrangements, shared, collaborative leadership styles help to nurture public sector employees' commitment to NPM practices and 'public governance', with a focus on building coalitions of shared leadership across networks (Hsieh and Liou, 2018). For Teelken et al. (2012: 71), 'within the network governance model of public management, there has been a shift in emphasis to leadership as a directing force ... dispersed laterally and vertically through the organization.'

There are implications for the content and focus of leadership activities. McGuire and Silva (2009) argue that it is important that shared or distributed leadership activities focus on: activating resources and support from different stakeholder groups; framing a work environment that validates collaborative problem solving, and mobilizing support from

stakeholders. Senior managers are increasingly required to play a key role in creating opportunities and providing resources that help public service professionals at all levels to collaborate and innovate across organizations and government (Lindsay et al., 2018). It has also been argued that networked public services demand a different set of leadership skills. The new network governance model of public management requires that leaders can lead not only within the boundaries of their own public organization that authorizes them, but they must also give leadership across the boundaries in other public and private organizations, including, for example, government, educational institutions, hospitals, and community spheres in which their influence and actions have no authorization (Sotarauta, 2005). In this context, leaders are compelled to learn new leadership skills not only in administering resources but also in leading dynamic interactive processes. These skills include, but are not limited to the ability to: (1) find new resources; (2) direct resources according to public sector strategies and policies; (3) find common ground and negotiate with external agencies and institutions; and (4) lobby government agencies, fund providers and decision-makers and to creatively use external funding. As Broussine and Callahan (2016: 283) observe, ‘the skills needed to design and lead networks place a premium on the ability to negotiate, to work through uncertainty in funding and to engage a wide range of stakeholders, clients and funders, as well as influencing other public sector leaders.’

So, public leadership has been re-cast (again), this time as a role that involves supporting collaboration and engaging in boundary-spanning networking to co-lead multi-disciplinary public services (Mangan and Lawrence-Pietronot, 2019). A parallel shift has taken place in relation to the ‘who’ of public sector leadership. As noted above, a change in emphasis towards shared or distributed leadership implies a similarly collaborative approach *within* public organizations. In the context of the new network governance model of public management, distributed leadership conceptualizes leadership as an emergent property of a group or network of interacting individual leaders, and suggests openness of the boundaries of leadership, widening the conventional net and role of leaders. The assumption is that ‘leadership skills and competencies are dispersed among actors within teams and public networks’ (Orazi et al., 2013:

493), so that 'post-transformational and distributive leadership strategies encourage senior leaders to share responsibility for leading and driving change with frontline managers and employees' (Hartley et al., 2013: 824).

Gronn's (2002) research identified two dimensions along which distributed leadership can be distinguished from other forms of leadership: *concertive action* and *conjoint agency*. Concertive action flows from institutionalized levels of collaboration and shared leadership roles in workgroups, producing overt learning and its subsequent formalization. Conjoint agency refers to the nature of interactions and extent of synergies among different leaders, and their willingness to engage in reciprocal relationships. For example, in the case of England's NHS, shared leadership, the NHS's preferred term for distributed leadership, is intended to embody both dimensions, as 'a dynamic, interactive influencing process among individuals in groups for which the objective is to lead one another to achievement of group or organizational goals or both' (NHS Institute for Innovation and Improvement, 2009: 1). Thus, the assumption is that leadership is best seen as shared between and across clinical teams and multi-disciplinary groups.

The effective facilitation of shared leadership in the NHS includes consciously involving team members in decision making and delegating responsibilities appropriately; empowering team members; developing and maintaining non-hierarchical structures; providing information required by teams; creating alignment; and coaching colleagues in shared leadership (Smith et al., 2018). Smith et al. (2018: 460) observe, 'for inter-professional teams to work effectively, each team member must accept responsibility as a member-leader stepping in and out of the leadership role when their professional expertise, particular knowledge of a client, or the situation comes to the fore.' This needs a formal leader with overall responsibility for team performance, but who consciously shares the leadership function and facilitates joint decision-making. Accordingly, a key leadership activity is to develop and maintain non-hierarchical, democratic structures, and coach team members to share their ideas. Internal research in the NHS has pointed to a number of benefits of effective distributed/shared leadership in terms of staff engagement and team performance (Storey and Holti, 2013), and more effective change

management and service improvement (Fitzgerald et al., 2013). The most recent studies on distributed leadership in healthcare has focused on managing the Covid-19 crisis. While we should be cautious in drawing conclusions about the range of factors that might impact the effectiveness of leadership responses during and beyond Covid-19, Currie et al. (2021: 6), among others, have pointed to the need for multi-disciplinary and joined-up action – ‘The leadership trajectory for recovery requires a large number of stakeholders from discrete professional and organizational boundaries to be engaged in a leadership response over time’.

## **PAUSE AND REFLECT**

Researchers exploring the different governments’ approaches to responding to the Covid-19 crisis have suggested that shared and distributed leadership may be an important element of their effectiveness. Why might such approaches be effective in responding to the COVID crisis? What sort of stakeholders might be needed to develop multi-disciplinary responses? What might the challenges be in coordinating the efforts across professional boundaries?

## **LEADERSHIP IN ACTION: SHARED LEADERSHIP FOR HEALTH IMPROVEMENT AMONG BME COMMUNITIES**

An innovative initiative saw health professionals share leadership across organizational, disciplinary, and sectoral boundaries. Local NHS organizations had identified the need to improve care for members of the Pakistani and Bangladeshi community suffering from diabetes (with black and minority ethnicity (BME) groups at a significantly higher risk of diabetes). Increasing take-up of retinopathy screening appointments and providing complementary health education were seen as key priorities. Improving the use of these services can lead to early identification and treatment and significantly better clinical outcomes. A two-year project brought together expertise from the local NHS Trust, community-based NHS health services,

the local government leisure organization, a third-sector diabetes support group and other local community organizations. The shared leadership approach is built upon existing NHS third-sector partnerships as well as new relationships, for example, the NHS working with the community leisure centre.

The team worked with five GP practices with low levels of retinopathy screening take-up to increase awareness through easy-to-follow information mail-outs (in appropriate languages), local drop-in sessions and engagement through community groups. The team developed a tailored approach to each GP practice based on networking, targeted research, and trust-building with local GP teams. The project saw increased attendance at retinopathy screening appointments in the target areas. Senior clinical leads from the NHS acknowledged the importance of non-NHS co-leadership to the success of the project, with local community organizations proving innovative and effective at engagement work. At the same time, the inclusion of NHS commissioning representatives meant that lessons from the project could be mainstreamed in future commissioning rounds.

As part of the broader lessons/spin-offs from the project, local NHS providers developed cultural competency training for GP practices, while GPs reported new and lasting networks with local community organizations with expertise in diabetes (and engaging those BME communities at greater risk). The NHS third-sector shared leadership team pointed to several other lessons, including the need to tailor approaches to engaging with different stakeholders (from GPs to local community groups); arrive at a consensus on aims, measures of success and the roles and added value of each partner; and ensure that communication lines remain open throughout the lifetime of the project (Health Foundation, 2011).

## **Reflective question**

To what extent does distributed leadership fit with the shift towards a network-oriented new public governance, discussed above, given its emphasis on pluralism and collaboration?

## **Source**

Author's own interpretation and reflections, adapted from Health Foundation (2011) *Shared Leadership for Change*. London: Health Foundation.

### **To explore this topic further see:**

Bussu, S. and Tullia Galanti, M. (2018) 'Facilitating coproduction: the role of leadership in coproduction initiatives in the UK', *Policy and Society*, 37(3): 347–67.

## **CHALLENGES OF DISTRIBUTED LEADERSHIP IN PUBLIC SECTOR ORGANIZATIONS**

There is substantial evidence of the problems and challenges associated with promoting shared and distributed forms of leadership in the public sector. For example, Martin et al.'s (2014) extensive case study research in the NHS found that those designated as sharing in leadership reported many barriers to exerting concrete action and conjoint agency, including a sense that more junior leaders were not 'heard' by senior management; top-down policy and management prescriptions that were seen as impossible to challenge; and power inequalities according to level of seniority or clinical (versus non-clinical) expertise. Martin et al. (2014: 21) argue that these problems were exacerbated by a 'delusional' failure of senior management to acknowledge the weaknesses of shared leadership processes so that their continued commitment to the rhetoric of distributing leadership provided 'fertile ground for constructing fantasies of the power of others'.

Martin et al. (2014) also found systemic barriers in terms of limited resources, meaning that staff struggled to find time to adopt leadership roles alongside their day-to-day work responsibilities; professional demarcations and silo working that limited inter-professional collaboration; and the scale of organizational structures, which created practical difficulties in bringing people together to share ideas and in creating opportunities for senior leaders to engage with staff at other levels. In line with previous research in the public sector, they also argue that distributed or shared leadership requires sufficient skills among those participating in the

leadership process and sufficient horizontal and vertical distribution of knowledge, and that not all designated leaders can call on such expertise.

To return to the case of England's school system, a recurring theme has been the tension between recent strategies promoting more inclusive and distributed forms of leadership, management systems and residual styles of leadership that reflect the priorities of NPM. Both school Heads and their colleagues invited to share in distributed leadership tasks have reported a tension between, on the one hand, new guidance promoting sharing leadership, and on the other hand, the legacies of NPM. Heads felt they were being held personally and individually responsible for performance metrics (reflecting a real and continuing focus on performance management and individual accountability), while their teaching colleagues suggested that Heads remained 'wedded to an individualistic conception of leadership' and possibly a more 'heroic' view of their own leadership style and performance (Currie et al., 2009: 1747). This example seems to connect with a broader concern that an NPM-oriented emphasis on individual performance and entrepreneurial and empowered management remains a strong theme in the public sector, and is at odds with more recent rhetorical commitments to encouraging more collaborative forms of leadership (Currie and Lockett, 2011).

A further challenge relates to the link between distributed leadership and calls for more networked approaches to leading public sector organizations (see above). A focus on distributed leadership within public organizations often goes together with an emphasis on connecting and networking with other public organizations and including community stakeholders in processes of co-production. For Alimo-Metcalfe and Alban-Metcalfe (2011: 226):

A distributed model of leadership is about enabling individuals and groups to work together in meaningful ways. It has, as its goal, the building of social relationships involving all members of the community, both internal and external to the organization, to respond proactively and effectively to changing circumstances, and thereby achieve organizational and societal goals.

In the context of distributed leadership in schools, this has meant Head Teachers being encouraged to engage with and involve families and local stakeholders in the life of the school and being required to evidence outward engagement with local businesses and civil society. This has again proved problematic, with teaching staff seeing such engagement activities as adding non-core tasks to their workload, and Heads faced with the difficult task of ensuring that sometimes reluctant communities engage with their schools (Currie et al., 2009).

To sum up, the past decade or so has arguably seen a decisive shift in how leadership has been conceptualized in the public sector, with far less emphasis on NPM priorities around ‘freeing’ individual (generally senior) leaders to drive transformation, and more focus on building networks where people at different levels and across diverse organizations can share leadership. This focus on shared or distributed leadership seems a better fit given the complex environments inhabited by public sector organizations, their staff, and managers. Under an emergent ‘new public governance’, managers and public sector professionals are increasingly required to lead through and across networks and bring together the resources of a range of colleagues and stakeholders to attack wicked problems. But we have also seen that a range of challenges – not least the enduring features of previous NPM reforms and resource shortages in an era of austerity – continue to throw up barriers to the full realization of distributed leadership.

## **PAUSE AND REFLECT**

*We have discussed the leader–performance relationship in previous chapters; in terms of leading in a hospital or a university, how can we measure leadership success?*

## **LEADERSHIP AND PERFORMANCE IN PUBLIC SECTOR ORGANIZATIONS**

Attributing the effectiveness of public services to the individual performance of employees, managers or leaders has long been acknowledged as problematic (Bach and Kessler, 2012).

Most often, discussion of public sector leadership performance follows from occasional crises or scandals, such as tragic failings in healthcare or child protection services (Marinetto, 2011). Beyond (perhaps rightly) blaming senior leaders in cases of failure, there is a lack of systematic evidence on how leadership impacts public sector performance. Although Boyne and Dahya (2002: 187) demonstrated a performance bounce within public organizations appointing new chief executives, they also acknowledged that this may be because leadership changes are used to bring about broader reform programmes ‘as outsiders are more likely to implement strategic changes’.

There is some evidence that changing senior managers in local government is positive for low performers (Boyne et al., 2011). However, these authors are careful to acknowledge the limitations of their evidence beyond these extreme cases. Meanwhile, there is limited consistent evidence of individual leaders or even approaches to leadership as encompassing ‘best practice’ in delivering improved performance in some of the sectors that we have discussed above, such as education and healthcare (Currie et al., 2009). Perhaps this is because the rise in interest in public sector leadership during the 1990s coincided with an NPM agenda that, with limited evidence, sought to present an individual approach to leadership as potentially ‘transformational’. As Spicker (2012: 45) notes, given the complexity of public sector organizational and inter-organizational environments, there is little evidence that leadership *must* be concentrated among ‘special’ people: ‘there is no standard of skills, behaviours or roles which is generally applicable to positions of responsibility throughout public services.’

The increasing interest in distributed or shared leadership, discussed above, also perhaps reflects a broader acceptance that much of the leading of the delivery of public services happens through networks of professionals at ‘street level’. ‘There are public services like policing and social work where officers are routinely required to manage risks and take the initiative’ (Spicker, 2012: 38) and, more generally, theories of ‘street-level bureaucracy’ suggest that frontline professionals in these and other areas of the public sector make judgements, ration resources and shape services on a day-to-day basis (Lipsky, 1980).

Perhaps we are left with the conclusion that a careful and gradual shift towards senior managers and other leading professionals training for and supporting the implementation of distributed leadership is our best guess at how to prepare people – across a range of roles in the public sector – to engage in shared and networked forms of leader activities that reflect the collaborative context of public services.

## **LESSONS FOR PUBLIC SECTOR LEADERSHIP FROM THE COVID-19 CRISIS**

Many of the challenges and debates around public sector leadership discussed above have been thrown into sharp relief by the Covid-19 crisis. The case for sharing leadership across organizations and groups of public sector professionals has also arguably been strengthened (Currie et al., 2021). Christopher Ansell and colleagues, reviewing lessons for public leaders grappling with pandemics and other ‘turbulent’ problems, conclude that we have again learned that the public sector can no longer rely upon a ‘transformational leadership that seeks to formulate, communicate, and maintain a particular vision for how to solve public tasks and provide a detailed account of the mission’ (Ansell et al., 2021: 955). Rather, in an increasingly turbulent and uncertain world, where wicked problems are often sudden and solutions elusive and complex, the necessary agility may be more likely to be found where organizations have already built strong patterns of collective and distributed leadership (Dockx et al., 2022). Perhaps another important lesson (encapsulated by public acknowledgement of the crucial role of ‘key’ workers) relates to the potential to co-produce innovative responses with frontline public sector workers. Ensuring that public employees have access to voice mechanisms to share their experiences of what works and what is failing on the frontline is essential if we are to respond quickly and effectively to such crises.

A key priority for public sector leaders should be to continue to build frameworks for collaboration between professional groups, organizations, and sectors, ‘allowing the problem or task to set the team rather than asking which part of the organization should run with it’

(Ansell et al., 2021: 959), while also de-risking distributed leadership that devolves decision-making to frontline professionals so that they can co-produce agile solutions with service users.

Another lesson from recent experience would appear to relate to the integrity and consistency of public communications. In times of crisis, citizens have the right to look to both political and professional public sector leaders for clear and accurate information. During the Covid-19 pandemic, there has been considerable variation in the capacity of different countries and leaderships to provide useful guidance on public health risks and mitigations, the rationale and evidence behind policy decisions, and evidence of what has worked in responding to the crisis. Lessons need to be learned for the crises to come.

## **PAUSE AND REFLECT**

What sort of practices can public sector leaders deploy to ensure that the experiences of frontline employees inform decision-making processes? What are the challenges associated with drawing on employee voice channels to inform leadership decisions, especially in crisis situations?

## **CONCLUSION**

Leadership theorists have struggled to nail down what a model of effective leadership in the public sector might look like. Part of the explanation covered in this chapter lies in the complexity of public services, the public sector, and its organizations. Public sector leaders arguably face a unique set of challenges as they seek to respond to wicked problems in turbulent times. The Covid-19 crisis has demonstrated again how such problems can place considerable pressures on traditional decision-making and leadership structures. New approaches to public sector leadership emerged with the rise of new public governance theory, and alongside this collaborative new public governance, which generated increasing interest in distributed leadership. There are signs that such collaborative and distributed leadership is a better fit with

what public sector professionals themselves see as effective approaches to running public services. But progress remains difficult to evidence.

Leadership in the public sector is always going to be a contested space. Public sector leaders are compelled to engage with and respond to the myriad demands of stakeholders (policymakers, powerful professional groupings, trade unions and public service users) to a much greater degree than leaders in private-sector, for-profit organizations. Arguably, it was a mistake for the public sector to try to ape the transformational leadership fad that dominated some private companies. More recent developments towards distributed leadership models seem to offer a better fit with the need to build networks of complementary professionals and stakeholders, with leadership shared among them. However, it remains to be seen if these collaborative approaches can add to the limited evidence as to what effective leadership means in public sector organizations.

## **CHAPTER REVIEW QUESTIONS**

1. What sort of specific problems and challenges do leaders in public sector organizations face?
2. How have NPM ideas challenged and informed approaches to public sector leadership?
3. What do you understand by the term ‘distributed leadership’, and why might this approach be effective in leading public sector organizations?

## **RESEARCHING LEADERSHIP: HEALTHCARE**

Senior healthcare administrators’ transformational leadership is associated with significant influence on frontline staff delivery of health practices. Yet organizational research suggests that hospitals are complex organizations characterized by multi-level decision making, multiple

subcultures and collegiality hubs capable of collective independent agency. Search the Internet to identify innovative practices developed to treat COVID patients.

## Questions

1. In multi-level complex organizations, what are the barriers that health service leaders face in leading in complex organizations?
2. What sort of strategies might they deploy to try to overcome impediments to sharing leadership?

## Sources of additional information

Guerrero, Erick G.; Frimpong, Jemima; Kong, Yinfei; Fenwick, Karissa; Aarons, Gregory A. (2020) 'Advancing theory on the multilevel role of leadership in the implementation of evidence-based health care practices', *Health Care Management Review*: 45 (2):151-161 doi: 10.1097/HMR.0000000000000213.

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## **ETHICAL SPOTLIGHT: ROLL OUT THE PORK BARRELL**

For many countries, national leadership is attained through democratic processes and public elections. The countries' leaders, as elected by the population, are expected to collect and

distribute levies and taxes, public money, for the good of society. However, the use of public money for political advantage is neither new nor is it particularly transparent. The term “pork barrelling” is applied to the practice where government expenditure is targeted to political advantage. This involves providing funding to those constituencies that are marginal or to those constituencies that are held by the government. Targeted expenditure programs for political gain are dressed up as special programs to support infrastructure, regions, or communities. Coincidentally the distribution of funds from these programs happens to favour government-held electorates or marginal electorates that the government wishes to retain or win over from opposition political parties. The criterion for allocating funds is often vague or left to ministerial discretion. Access to public expenditure is determined by location and the political leader of that location.

**Stop and reflect:** Read Pascoe (2021) and:

- Identify potential conflicts of interest that are associated with the practice of pork barrelling.
- What are the responsibilities of the political leadership for the integrity of targeted public expenditure programs?
- What should be the accountability processes for programs that do not have a clear underlying rationale.

### **Sources and further reading:**

Pascoe, M. (2021), Unrepentant, the Coalition Pork Barrel rolls on with building better regions fund, *The New Daily*, 12 October. Available at: <https://thenewdaily.com.au/finance/2021/10/12/michael-pascoe-coalition-pork-barrel-building-better-regions-fund/> [Accessed 15 February 2022]

## FURTHER READING

Drumaux, A. and Joyce, P. (2018) 'Leadership in Europe's public sector', in E. Ongaro and S. van Thiel (eds), *The Palgrave Handbook of Public Administration and Management in Europe*. Basingstoke: Palgrave.

Guerrero, Erick G.; Frimpong, Jemima; Kong, Yinfei; Fenwick, Karissa; Aarons, Gregory A. (2020) 'Advancing theory on the multilevel role of leadership in the implementation of evidence-based health care practices', *Health Care Management Review*: 45 (2):151-161 doi: 10.1097/HMR.0000000000000213.

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## CASE STUDY: SHARED LEADERSHIP DEVELOPMENT IN SCOTLAND'S NHS

### Background

An innovative project in Scotland was awarded resources to develop strategies to improve diabetes care. The project sought to improve the quality and reach of diabetes care in GP surgeries and areas (including rural communities) and support the development of shared leadership and partnership-based structures to achieve improved care outcomes.

The project was led by a lead clinician within the main NHS organization and included another seven core members taking in other relevant clinical leads in acute care, primary care practitioners (i.e., GPs), a public health consultant physician, a clinical network manager, a healthcare planner, and a patient representative. These lead partners were charged with

coordinating and aligning activities within their own teams and spheres of professional expertise.

The project focused on developing a shared leadership model, bringing the partners together to develop a common vision and framework for collaboration to improve services; agree on an accountability framework where different partners' roles and required actions were detailed; and deploy 360-degree appraisals to allow for reflection on project participants' contributions linked to one-to-one coaching sessions designed to support collaboration. Collaborative leadership development coaching and mentoring were also provided. Responding to evaluation research, the project participants recalled overcoming traditional silo thinking to make discussions more action-focused and efficient. Improved information sharing resulted in a better-shared understanding of the 'patient pathway'. Participants also discussed taking new (shared) leadership skills back to their own day-to-day work.

## **Benefits**

Participants reported significant service improvements during the period of the award: there was collaboration on clarifying and revising 'patient pathways' to improve care and referral procedures for specialist advice; expanded diabetes screening services and improved patient information services were developed and piloted, and participants suggested that there had been improvements in patient voice and a better understanding of patients' perspectives as a result.

In this and similar projects, there have also been reported improvements in team working among health professionals, focusing on 'getting things done', minimizing and managing conflict, and understanding others' roles and challenges (and how to influence and build consensus with other key stakeholders).

In terms of the development of a shared leadership model, participants reported a range of views: there was a consensus that the project had a clear (single) clinical leader, but that in complex clinical services this was often necessary to ensure clear lines of accountability and responsibility, but there was also a sense of improved shared voice among all participants (especially more junior and non-medical staff). Leadership development activities were seen as

delivering gains in confidence, and individual participants felt better able to take leadership responsibility in their own professional sphere.

## **Facilitators and challenges of the shared leadership project**

An evaluation found that the project benefited from being able to draw on existing relationships of trust between the professionals involved, clear leadership from the clinical lead professional and a well-functioning administrative and communications infrastructure, facilitated by a clinical network manager who was responsible for supporting connectivity across services and enabled by effective IT systems. Beyond the additional resources allocated for partnership working, participants were able to commit extra time – a sign of their shared commitment and the buy-in of senior management colleagues.

Project leadership and membership remained relatively stable, which allowed for the retention and sharing of learning. Unlike NHS organizations in England, which have seen a series of re-organization initiatives under successive waves of NPM, the project also benefited from a stable policy and organizational context in NHS Scotland – as Boxall and Purcell (2016: 217) note, ‘Scotland has been less enthusiastic about NPM’ – and this stability supported collaboration and shared leadership.

Evaluation research identified a few challenges that the project faced including the perceived dominance of tertiary (i.e., specialist) clinical services; disruption caused by frequent (if minor) organizational changes; and time and resource pressures that limited opportunities for collaboration.

### **Case exercise**

In small groups or individually, identify the key lessons from the case study and address the following questions:

1. The project developed a range of partnership-building and learning initiatives to support shared leadership. Reflecting on the discussion of the challenges of

shared or distributed leadership earlier in this chapter, are there any other leadership skills that should be incorporated into leadership development activities linked to projects like this one?

2. The case study implies that the relatively limited impact of NPM ideas in the NHS in Scotland created more fertile ground for shared leadership. Based on the case study and the discussion in this chapter, do you think that shared/distributed leadership and NPM are incompatible? If so, why?

### **Source**

Author's own interpretation and reflections, adapted from information drawn from Burgoyne, J., Williams, S. and Walmsley, J. (2009) *Shared Leadership for Change Award Scheme: Evaluation and final report*. London: Health Foundation.

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