Henley Management College

For the NHS Leadership Centre

Literature Review:

Evidence of the contribution leadership development for professional groups makes in driving their organisations forward

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June 2004

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1. Introduction

1.1 Background

As part of its overall strategy towards improving leadership in the NHS, the Leadership Centre has commissioned a literature review to look at what is known from the literature about ways in which leadership development for professional groups has an effect on change in organisations and the ways in which such development can drive organisations forward. A team from Henley Management College was contracted to undertake this work.

1.2 Aims of the literature review

The aim of the review was to answer the question, what evidence is there of the contribution leadership development of professional groups makes in driving their organisations forward?

Key issues addressed by the review include:
- What is known about the ways in which leadership development for professional groups has an effect on change in organisations?
- Are there ways in which such development can move organisations forward?

2. Methodology

2.1 Breadth of searches

The review looked for examples in the UK, Europe, the US, and globally. It covered:
- The NHS
- Other health systems
- Other public sectors
- Private sector
- Professional organisations

2.2 Sources used

Extensive searches were undertaken of business and management and social science databases. These included:
- Business Source Premier
- Academic Search Premier
- Proquest Direct

- Science Direct
- Web of Science

Further searches were also undertaken of the publications of specialised and professional organisations including:
- CIPD library and databases
- Institute for Fiscal Studies
- Emerald database
- Institute for Employment Studies (IES)
- The Evidence for Policy and Practice Information and Coordination Centre at the University of London, Queen Mary College (EPPI)
- OECD
- WHO

2.3 Methods used

Over two thousand abstracts were viewed during the search process. From these, about 140 articles and other publications were selected as the most relevant. These were then read in more detail and reviewed for the relevant content they contained. Those articles and reports which were most useful and interesting in relation to the themes to be examined in this review were then summarised and further analysed.

The report includes both general conclusions arising from the wider literature and particular examples drawn from the most relevant studies.

3. Executive Summary

There is no more delicate matter to take in hand… nor more doubtful in its success, than to set up as a leader in the introduction of changes. Machiavelli 1469-1527

3.1 Overview

The evidence from the literature indicates that leadership development for professional groups can be effective in driving organisations forward. Leadership development does however need to be of the appropriate kind, to be both work-based and programme-based, and to take into account organisational culture. Not all leadership development will be effective for all individuals. Even when it is effective, leaders may be prevented from driving change forward by the structure and culture of the organisations within which they work.

Change itself is likely to be stimulated by outside events – political, social, or economic. The evidence shows that leadership development can enable leaders to respond to change and to lead through a changing environment. Leaders need to learn to take responsibility for the management of change. They also need to be able to work within different phases of change and to understand that these may require different kinds of leadership skill.

Leadership development for professional groups tends to be of two kinds. Much leadership development for professional groups is focused on a particular problem and the need to introduce a specific change. It is therefore leadership development in a localised context. There is considerable evidence for the effectiveness of this kind of development. Other leadership development forms part of more general overall development offered to a professional group and is less specific in its effect. It is harder to find any evidence for the effects of this kind of development.

Where leadership development is effective, it can be a crucial factor in driving organisations forward. Key elements in making leadership development effective as a tool for change include ensuring that development is adapted for the particular context, involvement of line managers and senior managers in the process, attention to the 'people' factors involved in the implementation of change, and the recognition of the need for the *leadership* of change rather than its simple implementation.

3.2 Leadership through change

- Change is normally stimulated by an external 'trigger' of some kind
- Change has three distinct phases – 'unfreezing' the status quo, changing people's values and attitudes, and 're-freezing' back into stability
- Leaders need to understand the politics of acceptance for change to happen in their organisations
- Leadership development can help leaders understand and manage the dimensions of change
- Different kinds of leader may be needed at different phases of change; leading in times of stability requires different skills from leading in times of innovation

- Change agents can effectively overcome people's feelings of anxiety at change, their uncertainty and their lack of a sense of ownership of change
- Leaders need to achieve 'buy in' from those affected by the change; they must know how to empower and inspire

3.3 Change and the organisation

- Introducing major change which involves the core business of the organisation is fraught with difficulties from the human angle
- Leaders need to understand the culture of the organisation, and its current levels of capability, in order for change to be successfully introduced
- Change must be congruent with the strategic objectives of the organisation
- Support from senior managers is crucial
- Change often brings low morale, disinterest, lack of enthusiasm and tense interpersonal relationships in an organisation
- Leaders can overcome these problems by using carefully designed strategies
- Change must be managed proactively, not just assumed

3.4 Leadership development for change

- Leaders must learn how to be change agents
- Both transactional and transformational leadership skills need to be developed
- Development which has work-based and task-based elements is most effective
- Both programme-based and work-based development should be used
- Programme-based leadership development is more effective if it includes operational assignments during the programme and follow-up sessions after having returned to the workplace
- Leadership development must happen not only at the level of the individual but also at the level of the team
- Leadership development which seeks to make tacit knowledge explicit can enable leaders to step outside their taken-for-granted world and become more effective
- Programmes which are based on implementation and action around the change rather than on competence building can be most effective for specific situations
- Line managers must support those undergoing leadership development
- Leaders can be coached on dealing with conflict, learning to tackle it early rather than suppressing it

3.5 Some successful strategies used by leaders for implementing change

- Identifying opinion leaders
- Working with small groups of professionals
- Setting up change teams which involve both managers and professionals (eg clinicians)
- Creating mechanisms for those involved in the change to share experiences
- Using particular techniques, such as the Plan, Do, Check, Act cycle

- Focusing development on implementation and action rather than formal competence building
- Developing small scale achievable targets in order to introduce change

3.6 Lessons from a variety of professions

- There are many examples showing that leadership development does work
- Public sector approaches to change tend to neglect the people-management aspects
- Leaders need to be encouraged to be innovative and engage in new behaviours
- Project-based learning is essential if lessons are to be transferred to the workplace
- For the introduction of change, pre-prepared programmes are less effective than those tailored for the context, and that start from where people are, not from where other stakeholders wish them to go
- Well planned cohesive programmes seem to work better than pick-and-mix approaches
- Learning needs to be applied to problems at work; classroom learning is not enough for leadership development
- Explicit responsibility for developing their staff needs to be assigned to senior leaders
- There is a new type of role emerging: the 'hybrid manager' who retains professional identity alongside managerial identity; leadership development needs to recognise and build on this

4. Contexualising issues

The aim of the review has been to answer the question, what evidence is there of the contribution leadership development of professional groups makes in driving their organisations forward? In addressing this question, there are wider issues which are needed to contextualise the findings of the research and these are included in the discussion in this review. These are issues concerned with the nature of change in organisations, the management of change, and its relationship to leadership development.

The findings of this review suggest that while change itself is not *initiated* as a result of leadership development for professional groups, leadership development for professional groups does *enable* change to be driven forward. Change is generally precipitated from outside. External forces, whether political, technological, social or economic, make change an inevitable part of the life of the modern organisation. Change is not optional but essential and organisations must adapt or die. In the private sector failing to change can lead to financial deficit and going out of business. In the public sector, failure to change can lead to failing to meet targets, being 'reorganised' out of existence, or cuts in funding.

It is these external pressures to change with which professional groups have to deal. Research indicates that their leadership in responding to these changes can be effective in driving those changes forward. Leadership that drives organisations forward is therefore leadership in times of change. Leadership development needs to relate to an understanding of the management of change and leaders need to be aware of the overarching issues which the management of change involves. In this review examples are drawn from a variety of sectors to illustrate how leadership development can drive the management of change. Some international examples are also given and issues related to the particular needs of different professional groups are included.

5. Leadership in times of change

5.1 The management of change

Change is stimulated not by leaders from within professional groups having experienced leadership development but by outside stimuli. In a study of change within the civil service, Brooks & Bate (1994) found that major change was best stimulated by a real or perceived crisis which serves as a trigger. The external trigger then creates a situation within which leaders within the organisation need to promote and manage change. In conjunction with the external crisis acting as a trigger, there is a need for leaders to pay careful attention to the politics of acceptance. The necessity for change needs to be accepted by those within the organisation. This means that change agents must be able to diagnose the current state of the organisation and its culture, as well as having a vision of the desired future state. (Brooks & Bate 1994)

Much has been written about the successful management of change. One classic analysis (Lewin 1947) describes three phases of successful change. Leaders need to understand this sequence and to be able to lead through these different phases.

> *Three phases of change*
> 1. Unfreeze phase
> 2. Change in values / attitudes phase
> 3. Re-freeze phase
>
> (Lewin 1947)

Another author describes (Eccles 1994) the leadership strategies which are needed for change to be successful (see box). Eccles' findings indicate that different kinds of leaders are needed at different stages of change. At the beginning an innovator is needed, to unfreeze the status quo. Change agents are then important at the second stage to overcome issues of anxiety and ownership. Finally, the subsequent maintenance and development of a project will require different skills (Eccles op cit). One leader or one strategy will not necessarily meet the needs of all phases of change.
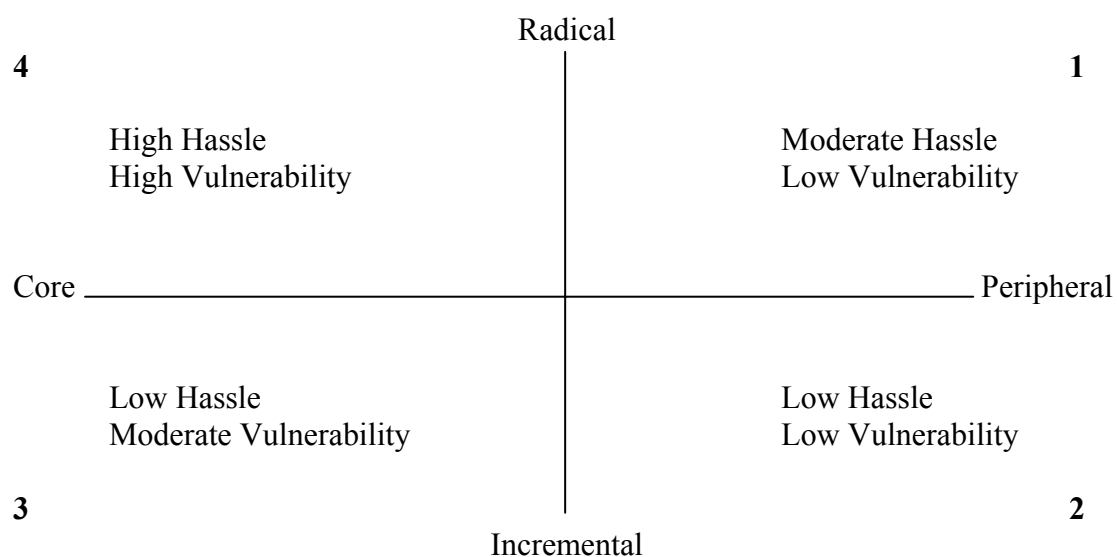
> *Four leadership strategies which will enable successful change*
> - Having a clear purpose
> - Ensuring concordance and trust
> - High-calibre leadership, supported by appropriate structures and resources
> - Building on successful action, with rewards for commitment and track record of achievement
>
> (Eccles 1994)

5.2 Complex organisational change

How effective leaders can be in driving change forward will depend both on the organisational culture and on the kind of change which is being introduced. Buchanan & Boddy (1992) have developed a useful four-quadrant model of organisational change. This shows how levels of hassle and levels of vulnerability vary with different kinds of change. Radical change at the core of the business involves both high hassle and high vulnerability. However, radical change at the periphery of the business is much less hassle and has low vulnerability and will be far easier to achieve. Incremental change will also be easier to achieve than radical change. These findings are illustrated in the diagram below.

<div align="center">

Radical

4   **1**

High Hassle   Moderate Hassle
High Vulnerability   Low Vulnerability

Core _____ Peripheral

Low Hassle   Low Hassle
Moderate Vulnerability   Low Vulnerability

3   **2**

Incremental

The four-quadrant model of organisational change (Buchanan & Boddy 1992)

</div>

Introducing change in Quadrant 4, involving radical change which affects the core business of the organisation, is the most demanding kind of change and causes the most difficulty. It has both high hassle and high vulnerability levels, is likely to meet various kinds of resistance and to encounter a series of problems in its implementation. On the other hand, peripheral and incremental changes which offer low hassle and low vulnerability, are easier to introduce and are more likely to be successful. Incremental change will take longer to introduce but will meet less resistance. Peripheral change will be easier to introduce but will have less effect on the core business of the organisation. (Buchanan & Boddy 1992)

Hierarchy of difficulty in introducing change
- Radical change to core business: high hassle, high vulnerability
- Radical change to peripheral areas of the organisation: moderate hassle, low vulnerability
- Incremental change to core business: low hassle, moderate vulnerability
- Incremental change to peripheral areas: low hassle, low vulnerability

(Buchanan & Boddy 1992)

Strategic change in health care organisations will tend to fall in quadrant 4 (Boggust et al 2002). This in itself can be expected to bring problems and to impede the effectiveness of leaders in trying to drive change forward. In order for change to be successfully implemented leaders will require an understanding of the culture of the organisation, and of its current levels of capability and capacity. Leadership development for professional groups will not of itself enable the change to be driven through. Leaders need to be able to identity the quadrant within which it is appropriate to work in a particular context and to work strategically within this quadrant within the context of the organisation. (Boggust et al op cit).

5.3 Some examples of the successful management of change

Cicmil (1999) identifies several key factors in the successful management of change, the 'what', the 'how' and the 'why' of change (see box). He found that leaders who could successfully work along these three dimensions were those who were able to drive change forward.

Critical factors for success were the ability of leaders and managers to
- Define and to communicate tangible and measurable deliverables/ objectives of a project from the outset (the 'what' aspects of change)
- Design a set of tasks which will enable the development of competence, expertise and participation so that those objectives can be accomplished (the 'how' of change)
- Put in additional effort to facilitate a systems view, together with strategic congruence (the 'why' of change)

Cicmil (1999)

Cicmil also identifies the notions of *hindered learning* and *organisational resistance* to capture the dynamics of behaviour which can impede change. These concepts reflect the author's findings that resistance arises when participants feel confusion because they do not know what the tangible, measurable objectives are (the what), or do not understand the implementation process (the how of individual and team

involvement), or both, and this causes low morale, disinterest, lack of enthusiasm and tense interpersonal relationships. Leaders who have been able to drive change forward are those who have been able to overcome these impedances.

Leadership development is an essential part of achieving change. A study of a change initiative in a Norwegian health care setting (Heiberg et al 2002) found that one of the main factors responsible for the success of the programme was having appropriate leadership development. In this programme a particular technique was used in the change teams, the PDCA cycle (Plan, Do, Check, Act). Use of this technique enabled the change teams to sustain change and to take renewed action as necessary. It provided leadership development for management teams at different levels, involving both clinicians and top management teams, and included as an important aspect the introduction of network meetings for the exchange of experiences. It focused on implementation and action rather than on formal competence building. This kind of work-based and task-based leadership development can be a very effective tool.

Change teams in a healthcare setting
- Work-based task-based leadership development is effective
- Use of regular meetings to share experiences of the change
- Implementation and action rather than competence building
- Technique involving Plan, Do, Check, Act cycle

Heiberg et al 2002

Businesses in the current global and economic climate are having to face situations of constant change. A case study of changes introduced in a medical collaboration situation in the UK found that complex change involving partners across organisational and functional boundaries was challenging, in particular because of its unpredictability and because of ownership problems (MacFarlane et al 2002). The success of the project was found to be largely due to the presence of change agents - individuals committed to the changes and enthusiastic about them (see box). The four main problems encountered were conflicting aims, interface issues, organisational problems and leadership tensions. Apparently trivial things such as the timing of meetings posed huge obstacles. Having effective change agents was the key factor in successfully overcoming these problems and driving the change forward. (MacFarlane et al op cit).

It was found that change agents were able to overcome
- People's uncertainty
- Problems arising from lack of clarity
- Feelings of lack of ownership

(MacFarlane et al 2002)

A case study describing the introduction of a conflict management system in a Norwegian hospital illustrated how changing the ways in which disputes between managers and professionals are handled can help with conflict resolution. The new system was devised on an action research basis and succeeded in creating change through dialogue and through making maximum use of local expertise. When the new system was introduced, managers were specifically coached not to suppress conflicts, to approach conflicts early, and to increase their use of negotiation. The programme succeeded in creating a higher level of awareness among managers and a

more conscious effort on their part to deal with conflicts. Further continuing
education and supervision groups for managers who have been trained in this
programme have since been requested by these managers. In addition, other groups
have also started to request the programme. The fact that non-managers have also
requested the training is an example of how successful initiatives can spread
throughout an organisation in ways that were not originally anticipated.
(Skjørshammer 2001)

Conflict resolution in a healthcare setting: Leaders can be successfully coached to
- Make conscious efforts to deal with conflicts
- Be more aware of incipient conflicts
- Not to suppress conflict
- To deal with conflict at an early stage
- To use negotiation skills

(Skjørshammer 2001)

The economic downturn of 2000 had deep effects on the telecommunications
industry. Cisco was a company that responded by shifting its strategy and
restructuring (Ruddy 2002). In the new structure, the business heads of each internal
organisation are responsible for setting business initiatives within their own
organisations. The HR department supports this, determining the type of skills
needed in each area and developing existing talent to meet these goals. By
encouraging employees to move within the company Cisco benefits from the
alignment of talent to key growth areas, and from productivity gains arising from
having more cross-functionally experienced employees.

An article about leadership development as a vehicle for change during a merger
(Hyde and Paterson 2002) finds a number of key factors for success (see box). The
most important element for successful change was support from senior managers.

Key factors for successful change
- Change must be managed proactively
- Clear objectives for the change that are aligned with the company's strategic
  objectives
- Clear objectives that also meet participant needs
- Ongoing senior management support

(Hyde and Paterson 2002)

An initiative at Parke-Davies Research is described in Jones et al (2000). The
company initiated a development programme to enable scientists to step up to the
challenge of leading others. Executive education sessions at a business school
coupled with follow-up sessions were used to help managers shift their perspective
from following the science to leading other scientists. The programme focused on
four areas (see box). A key factor in the success of the programme in helping
managers develop greater competence, confidence and courage in meeting their
leadership responsibilities was found to be the follow-up sessions. These transformed
the learning events into an ongoing process.

> *Example from the private sector of successful leadership development for change*
> - *Imagination*, how to generate new value-creating ideas
> - *Leadership*, creating a working environment and relationships that engage and mobilise colleagues
> - *Application*, putting leadership concepts and ideas to work
> - *Community*, creating an environment where all members understand their personal responsibilities to each other and their shared responsibilities as members of the wider organisation
>
> <div align="right">Jones et al 2000</div>

At Samsung Semiconductor external forces had created a need for change. However, the Korean culture of obedience to supervisors made it difficult for people to challenge and be creative. The key lessons from this programme were that managers needed to take responsibility for coaching and developing their staff, and that 'buy-in' at all levels, from senior management down to individual employees, was crucial. (Anon 1998)

Conger & Fulmer (2003) examine a number of successful private sector companies and their succession planning. They find that top performers need to be given assignments that stretch them, and that the organisational culture needs to encourage candour and risk taking at the executive level. Managing future talent is crucial to business success. Succession planning and leadership development need to be undertaken in tandem and not treated as separate and distinct functions.

5.4 Problems with introducing change in the public sector

Research by Maddock examines change initiatives in the public sector in the UK. She finds that while the government genuinely seeks change, how to achieve that change has been insufficiently attended to (Maddock 2002). Government approaches include legislation, setting up of programmes, introduction of partnership working, and other initiatives. Such methods are however likely to be ineffective she finds unless more attention is given to the people-management aspects. More leadership development is needed if leaders are to sufficiently drive change forward.

Her research shows that there is a lack both of leadership in the public sector and of expertise in how to achieve transformation or change. Policy makers need to focus more on managing the transformation process. She concludes that a more radical way of organising the pubic services is necessary to their survival. She has several findings about why change attempts in the public sector are often ineffective (see box).

> *Why change attempts fail in the public sector*
> - There is a lack of inclusive management framework which acknowledges staff as stakeholders
> - Innovative staff in the public sector are penalised for risk taking and innovation
> - People do not know what modernisation means, or that it must involve both staff and citizens
> - Continual restructuring does not result in the modernisation of relationships
> - The public are encouraged to expect a risk-free world and perfect systems; neither is attainable
> - Investment in services and recruitment is not enough; there is a need for investment in learning which supports mutual adjustment, emotional literacy and collaborative relationships
>
> Maddock 2002

5.5 New models for the management of change

Further research suggests (Gill 2003) that the failure of so many change initiatives may not be due to poor management of change but to poor leadership. Gill proposes a new model. He sees the *management* of change as involving planning, monitoring and control, a focus on achieving concrete steps and milestones, and taking corrective action as necessary in response to monitoring feedback. *Leadership* on the other hand in this view requires vision; strategy; the development of a culture of sustainable shared values that support the vision and strategy for change; and empowering, motivating and inspiring those who are involved or affected. This model has been successfully applied in leadership development programmes in a number of organisations and indicates that leadership development can indeed be effective in driving change forward. (Gill 2003)

An article from the journal CMA Management (Clemmer 2001) points to the constant experience of change with which businesses are having to cope and discusses some of the issues which this raises. This author also criticises the concept of change management, and concludes that change can be resisted, responded to, or capitalised upon but not managed. Clemmer draws in his discussion upon a consideration of the Chinese character for crisis. This character has two parts, one representing darkness, disaster and danger, the other representing opportunity, renewal and rebirth. Crisis has both these positive and negative aspects and responding to these is part of the task of the leader. As Darwin pointed out in his famous treatise on evolution it is not the strongest or the most intelligent who survive – it is the one that adapts to change. Leaders need to lead this adaptation. Adapting to change is an integral part of modern leadership.

Managing professionals is often said to be like herding cats (Economist April 2002). Professionals resist regimentation and are deeply sceptical of new initiatives. Although organisations talk about people as their greatest assets, in reality a focus on people needs to be matched with a focus on performance (Pepper 2003). A leader has to lead people in such a way that business performance is maximised. In Pepper's view the old mechanistic models of management are giving way to new models drawing on the science of complexity which see organisations as organic,

evolutionary and emergent. Such organisations are flexible and able to change in response to changing circumstances. Business units may divide or merge, or new units may come into existence, as a natural response to the environment rather than because change has been imposed.

Standard approaches to management can create friction when applied to those in professional careers. Professionals value their own autonomy and skill (Schein 1993). If attention is not given to the state of mind of those who provide the goods and services, the management drive to improved performance can lead to a decline in service quality rather than improvement (Huselid 1995). Performance targets alone will not lead to improvement. Professionals need to be enabled to change in order for organisations to move forward. One intervention which was successful in developing a useful technique for this purpose created a self-management tool to enable professionals to manage themselves and their work effectively. It showed that proactive self-management strategies can be taught, and that applying them to daily work practice can enable professionals both to maintain high work satisfaction and also to improve service quality (Brightman 2000).

5.6 The individual and the team

Arising from the literature on change a number of ways of analysing change have emerged which look at the multi-levelled nature of change. Leaders need to have the vision to address change issues at all the different levels within the organisation: the level of the team, the individual and the wider organisation. They need to understand both the dimensions of change and the levels within those dimensions.

The literature on change in health care delivery has been fully reviewed in a summary article (Goes et al 2000). These authors conclusions are based upon a wide range of change interventions studied. They find that change can be categorised along three main dimensions (see box).

Dimensions of change
- Level of change – whether within organisations, or involving multi-organisations, or whole industry
- Type of change – incremental or radical
- Mode of change – top down or bottom up

Goes et al 2000

Within these dimensions there are various levels at which change operates (Ferlie & Shortell 2001). Ferlie and Shortell use an analysis which looks at multi-levelled change. The multi-level approach involves addressing change at four different levels (see box). Leaders need to work within these different levels in order for effective change to take place.

> *Four levels of change*
> - The individual
> - The group or team
> - The overall organisation
> - The larger systems of which the organisation is part
>
> Ferlie & Shortell 2001

Individuals vary in their attitudes to change. Research shows (Shankman & Malcolm 2002) that there are likely to be three groups of staff when major change projects are introduced (see box).

> *Different staff responses to change*
> - Early adopters/enthusiasts (around 20%)
> - Pragmatists (around 50%)
> - Sceptics/traditionalists (30%)
>
> Shankman & Malcolm 2002

Early adopters/ enthusiasts will already be on board and therefore effort aimed at them will not be particularly useful. At the other end of the spectrum, trying to convert sceptics and traditionalists takes a great deal of time and energy and may not achieve results. Shankman & Malcolm recommend therefore concentrating change effort on the pragmatists, the group who tend to take a wait-and-see position but will give their support when they see that the change is going to work. Once this group is engaged, there is a sufficient critical mass for the sceptics/traditionalists to be gradually brought along. (Shankman & Malcolm op cit).

Another author (Rogers 1983) has found that there are five different categories of individuals in terms of their attitude to change, ranging from innovators to laggards. This may be partly why research shows that programmes aimed at *individuals* in health care are seldom effective in producing change. Examples drawn from continuing medical education and the dissemination of guidelines and protocols to physicians illustrate this finding (Davis et al 1995, Greco & Eisenberg 1993). The reasons for this may be that health care is largely practiced as part of a group or team embedded within a complex organisational structure and strategies aimed at the individual may not therefore be useful (Ferlie & Shortell 2001).

A randomised controlled trial in a health care setting found that change only occurred when individual approaches were combined with staged interventions in which opinion leaders within the organisation were first identified, and then small group meetings with physicians and nurses were used throughout the organisation (Soumerai et al 1998). Examples like these show how the role of professionals within change is not a simple matter of leadership development. The kind of development and the way in which it operates at group and individual levels are both important.

Ferlie & Shortell (2001) look at the healthcare systems in both the USA and the UK. They provide further evidence to show that work with teams alone is not sufficient – change needs to be addressed at the organisational level as well. Not only do teams need to change, but they need to work together for change. They are also part of a wider overall structure and need to work within the changes happening at a wider level. These authors conclude that in the UK, with its historical centralised approach

to healthcare, there is a need to encourage more innovation at the local level. In the USA, in contrast, there is a need to balance its decentralised pluralistic approach with more national standards and accountability.

A recent study of the public sector in New Zealand sought to investigate the organisational factors that are important for leadership in the public sector. This study concludes that leadership development is needed at the level both of the individual and of the team, and that the organisational culture needs to be understood if leadership is to be effective (see box). This is particularly important in the public sector because of its largely transactional culture and low levels of innovation. (Parry & Proctor-Thomson 2003)

Public sector leadership for change
- In addition to understanding the culture, there is a need to free up the cultural climate within public sector organisations to encourage individuals to display leadership
- Rules and procedures need to be changed so that they reward improvement rather than conformity
- Finally, decisions should be driven by values and beliefs, not by rules and procedures

<div align="right">Parry & Proctor-Thomson 2003</div>

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6. Leadership development which can drive organisations forward

6.1 Tacit knowledge

There is a considerable academic literature in the area of *tacit knowledge*, the kind of knowledge which is known at a practical level but not consciously articulated (Polanyi 1966, Schön 1983). Effective leadership development needs to include work at both the tacit and the conscious levels. Identifying and assessing tacit knowledge can be a useful developmental tool.

Eraut's work discusses at length the notion of tacit knowledge (Eraut 1994, 2000). Tacit knowledge was defined by Polanyi (1967) as "that which we know but cannot tell". The most commonly used example of tacit knowledge is that of riding a bicycle: most people who can do it are not able to describe how they do it, for example how they compensate for impending unbalance or how they take into account the steadying effect of the motion of the wheels. Maintaining balance and steering are fully automated activities. Much managerial knowledge is of this kind.

Eraut uses Geertz's terms (Geertz 1973), *thick* and *thin* description (coined by Geertz to describe the findings of ethnographic as opposed to other research methodologies), and applies them to these kinds of knowledge. He suggests that *thick* tacit knowledge coexists beside the *thin* knowledge which is the managers' explicit knowledge about their actions. While the thick version is what is used in practice, the thin version is what is used to describe and justify the practice. Eraut holds that it is the task of educators to help the learner to understand the large role that tacit knowledge plays in their lives and to help them avoid what he calls the 'delusion of hyper-rational interpretations of professional action'. He also claims that if people's tacit knowledge

and implicit learning are not valued, their confidence diminishes and their interest in and use of more formal knowledge will also suffer. Making tacit knowledge explicit in propositional forms can, according to Eraut, help to draw managers' attention to the conditions or the context where it is appropriate to use them.

Another well known model of learning, Kolb's active learning cycle, also involves encouraging leaders to reflect (Kolb 1974, 1984). In the Kolb model, learning arises from reflection on experience, and through this reflection knowledge which might otherwise only be tacit becomes explicit knowledge. This is a very different approach to that of classical decision making theory, often taught on leadership development courses. Classical decision making theory, unlike theories of tacit knowledge, relies on the construction of mathematical models of decision-making situations and the calculation of best options. This approach can be useful if the model approximates sufficiently to the actual situation, and if the outcome data are appropriate. However, these conditions are often not met and caution is needed when trying to use the technical-rational paradigm (Schön 1983).

6.2 Single and double loop learning

Argyris and Schön (1974) made what is now a classic distinction between *espoused theories* and *theories in use*. These are the theories which managers hold as beliefs, and those which are manifested in their practice. These two kinds of belief are often not the same. According to Argyris and Schön, the central problem for managers is that they are intellectually and emotionally committed to espoused theories which describe the world as they would like it to be, but which do not accurately describe their own actions. They thus are able neither to understand or indeed perceive the effects of their actions. Rather, they tend to perceive what they expect to perceive, which gives them self-confirmation of their actions, and this mis-perception leads them to develop false theories about their actions. The authors suggest that this problem can only be solved by what they call *double-loop learning*, as opposed to self-confirmatory *single-loop learning*. *Double-loop* learning enables managers to step outside their taken-for-granted world of espoused theories and seek genuine feedback about the outcomes of their actions.

Argyris and Schön argue that managers need development which will help them become aware and responsive to feedback through double-loop learning. Management developers need to help managers to step outside their taken-for-granted world and seek genuine feedback about the outcomes of their actions. When they rely on single loop learning, a simple feedback loop, this often reinforces their espoused theories without calling them into question. Double loop learning offers wider feedback and enables managers to move beyond their perceptions of their espoused theories.
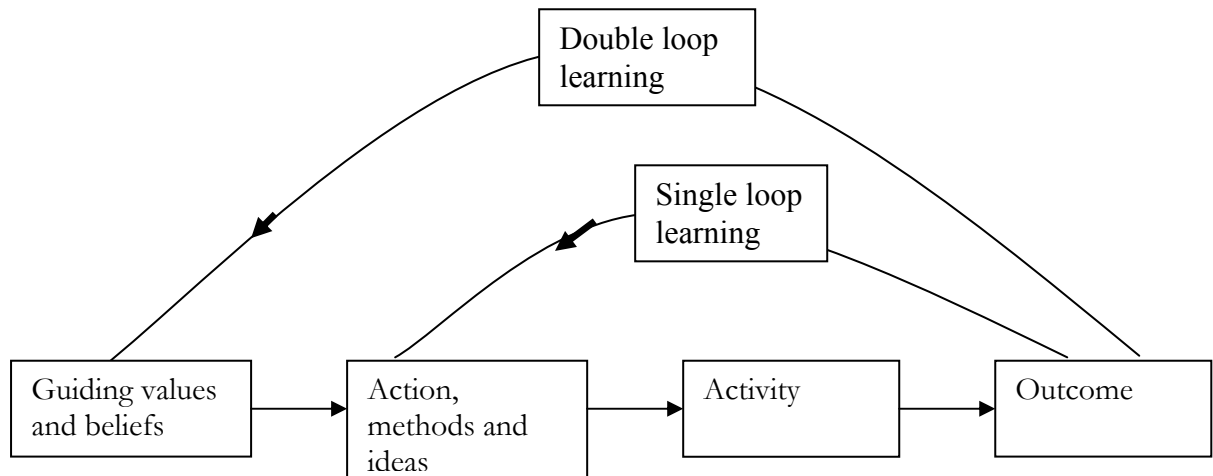
Figure 2: Single and double loop learning model

Source: Argyris and Schön 1984

Eraut further argues (1994) that the mismatch between *espoused theories* and *theories in use* is a consequence of the nature of professional education. In his view, espoused theories are developed in educational settings, and their acquisition is rewarded through assessment. In addition, they support the way managers would like to see themselves and to present themselves to the public. Theories-in-use on the other hand are developed in response to the demands of workplace practice and even if articulated would not be considered suitable for public airing as they would diminish the image of the profession. Espoused theories not only preserve the gap between theory and practice, they also give managers a form of professional conscience which encourages them to judge their work by unachievable criteria. This can, according to Eraut, lead to frustration and burn-out.

6.3 Transactional and transformational leadership

One of the defining characteristics of leadership is the ability to develop and implement appropriate responses to a variety of situations (Mumford et al 2000). Senge (1990) in his seminal work found that managers need four kinds of learning (see box).

Managers need to learn
- To attain personal mastery
- To surface mental models and challenge them
- To build shared visions
- To facilitate team learning.

Senge 1990

A number of authors have written about the distinction between transactional and transformational leadership (see for example Burns 1978). Transactional leadership has command and control, or 'engineering' assumptions (Alimo-Metcalfe 1999). These involve a reliance on notions of power and control, task orientation, short-term targets, quantifiable measures, and an emphasis on a machine metaphor (Morgan 1986). Transactional leadership works within the status quo and existing rule structures. It tends to be incremental in nature and to rely on 'single loop learning'

(Argyris & Schön op cit). Transformational leadership on the other hand works to change the status quo and existing structures, and seeks a new way of doing things. It challenges existing assumptions and tends to use 'double loop learning' and seek 'breakthrough' changes.

Edmonstone & Western (2002) in their study of leadership development in the NHS find that the NHS needs both transactional and transformational leaders. They also found that leadership development needs to be both work-based and programme-based. There has also been a recent movement towards the notion of shared or distributed leadership (Brown & Beech 2000). It has been argued that leadership is collective, is shared across large numbers of people and is "everybody's business" (Kouzes & Posner 1988).

Leadership development in the NHS
- The NHS needs both transactional and transformational leaders
- Leadership development needs to be both work-based and programme-based

<div align="right">Edmonstone & Western 2002</div>

An interesting study of the private sector in Russia looked at Russian companies over the period of great change which the country has seen since the death of communism (Elenkov 2000). It found that transformational leadership positively and directly predicted the organisational performance of Russian companies, more than transactional leadership did. Organisational support for innovation and group cohesiveness were two other key factors.

6.4 Effectiveness of leadership development

Alimo-Metcalfe and Lawler (2001) studied a range of public and private sector companies to discover what lessons could be learned for the NHS. They found that the term 'leader' is widely used but ill-defined and in practice is nebulous in content, and that the terms management and leadership are often used interchangeably. They also found that the transformational leadership model is becoming increasingly current. Private sector organisations generally saw leaders as going out into new markets, fighting off the competition, and being concerned with shareholder value. They did not see them as developing 'people skills', motivating the workforce, et cetera, yet these are the qualities that leaders need if they are to drive their organisations forward.

Alimo-Metcalfe and Lawler found that in order for leadership development to be effective, and to be transferred to the workplace, four things are needed (see box).

For leadership development to be effectively transferred to the workplace
- Strong action-learning approach to development required
- Use of direct personal and business issues as the focus of learning
- Expecting participants to implement changes in their working environments *during* the development programme
- Strong support from both line managers and senior managers

<div align="right">Alimo-Metcalfe and Lawler 2001</div>

Leadership development is not a single event, or series of events, but must be an integrated process that supports the business and is supported by it (McCauley et al 1998). Support from the line manager is crucial if learning is to be applied in the organisational setting (Giber et at 1998), as is the involvement of senior managers and the existence of support networks (Conger & Benjamin 1999).

Alimo-Metcalfe and Lawler (2001) found that in practice none of these things happen (see box). These authors found that although leadership development can successfully develop an individual, impact on the organisation is negligible without effective support from senior managers.

Why leadership development fails
- little support is provided to those on leadership programmes
- managers are reluctant to release staff whom they can ill afford to do without
- leadership development is often seen as an add-on for the select few rather than as part of a whole-organisation philosophy

<div align="right">Alimo-Metcalfe and Lawler 2001</div>

An important factor in successful leadership development is also related to the HR function (Alimo-Metcalfe and Lawler 2001). HR processes (appraisal, development reviews and succession planning) were found to be crucial to its success.

Currie (1997) examined the contribution of management development to culture change in the NHS. He found that the management development programme in the Trust which he studied turned out to be ineffective because of the mismatch of expectations of stakeholders. While the HR department and the Executive Directors sought to create professional managers with generic competences, the participants were resistant to the culture change desired. They felt that the context within which they worked was insufficiently taken into account, and the managers being developed did not see managerial ideology as the 'obvious way to do things' as the facilitators and senior managers did. The off-the shelf competence programme did not work and led to managers distancing themselves from the organisation rather than feeling part of it. Currie concludes that it would have been better to have a programme which rather than being pre-prepared started from where managers are and not from where other stakeholders wished them to go.

Leadership inventories can also be used as part of a development programme. In one example Bowles & Bowles (2000) studied transformational leadership in nursing situations. They used the Leadership Practices Inventory (LPI) developed by Kouzes and Posner (1988). The found that the LPI, which has been largely discredited as a postal questionnaire, worked very well as a schedule for telephone interviewing. They concluded that the LPI has considerable potential both as a tool for development and as a tool for research.

Leadership development has also been used successfully with construction project managers. The Chinese have an expression which translates as *The marketplace is a battlefield* (Pheng and Lee 1997). Taking this as their starting point, Pheng and Lee combine ancient Chinese wisdom about the management and governance of a nation with modern Management Grid theories (Blake and Mouton 1964). They apply this combined theory to the field of construction project management. The main problems

facing the construction industry were found to be lack of co-ordination among the various trades on site, poor communication (both among trades, among different consultants and between the consultants and the main contractor). The essential skills for a project manager were that he/she needed to be able to resolve conflicts and unify the team. For effective project management there were three key criteria which the *project manager* needed to meet (see box). The key criteria which the *team as a whole* needed to meet were MBO (management by objectives), resolving conflicts and open communication.

Leadership development for project management skills in the construction industry
- Ability to provide strong leadership
- Planning skills
- Ability to work with the team

Pheng and Lee 1997

Work-based learning centred on learning through problems which are located in a working context has also been a successful technique for leadership development (see for example Lave &Wenger 1991, Rogoff 1990, Resnick 1989). One study of leadership development in a South African health service (Dovey 2002) successfully used collaborative work-based project methodology to develop team members' capacity to solve difficult workplace problems and to implement strategy in a challenging operational environment. The author concludes that work-based methods can be particularly appropriate in situations where there are complex service delivery problems.

7. Some professional groups

7.1 Leadership development for engineers

Engineering leaders have a particular need to understand technological change. They must also be able to cope with the increasingly stressful business environment which the constantly accelerating pace of change brings with it (Todd 1996). Engineering leaders are in a particularly strong position to shape technology and its uses. However, engineers they often have poor interpersonal, leadership and decision-making skills. The engineers of the future need to be educated in the broader issues surrounding technology, develop communication and teamworking skills, and to be able to see the big picture. They need to become able to provide the leadership to achieve technological excellence that is required for the future. Not enough has been done to provide leadership development for engineers which will enable them to develop these broader skills (Todd op cit).

A study of leadership development for engineering professionals (Kaman & Mitchell 1999) found that a simulation based format for leadership development used with transportation engineers in the USA was very effective in motivating managers to try out new leadership behaviours. Managers in government departments tend not to be risk takers. The fact that they have been successful in rising to senior positions in a bureaucratic government organisation makes it less likely that they are the kinds of people who will attempt new leadership behaviours on the job. The research found that the use of simulations encouraged them to expand their repertoires of leadership behaviours. The simulations also allowed managers to experience in a new way the

reactions of stakeholders – citizens, staff and employees. The simulations required them to work in teams with others from different organisations and backgrounds and with different interactional styles. However, the authors caution that a simulation programme needs to be supported by an organisational culture that will support and reward managers for taking leadership roles. The programme alone will not be enough to encourage change.

7.2 Leadership development for health professionals

Leadership development programmes in a health context can be very effective. A US study of leadership training for public health found that the leadership programme had a positive impact on leadership effectiveness. The programme lasted for one year and involved a mixture of activities including input from scholars and senior public health officials, and training in leadership skills (see box). Methods were various with some full-time elements coupled with ongoing year-long support, peer consultation, networking and electronic seminars. The findings from the study showed that both personal effectiveness as a leader and community and organisational effectiveness were improved as a result of the programme. Respondents also reported enhanced professional networks and commitment to the training and mentoring of others. (Woltring et al 2003)

Leadership skills training for public health leaders
- Leading organisational change
- Community building
- Collaborative leadership
- Leadership in training others

Woltring et al 2003

A further initiative introducing leadership and management programmes in the public health area in the US was set up in response to a variety of studies showing that while they had technical competence, public health managers had low levels of management skill. The evaluation of the programmes found that project-based learning was essential for the lessons of the programme to be taken back to the workplace. Learning needed to be applied to real problems at work if it was to be effective; classroom learning was not sufficient on its own. (Setliff et al 2003)

Elements of successful leadership development
- Learning must be applied in real-life projects during the development
- It is important that the training provider responds to participants' needs
- Training must be customer focused
- Careful attention to peripheral factors such as the training environment is vital

Setliff et al 2003

Putnam et al (2001) have discussed in a recent book the marked decrease in participation in voluntary and community activities in the US. This has effects on the wider society. A report from the American Orthopaedic Forum (Simon & Stautzenbach 2003) takes up this theme of lack of community involvement. In a study of orthopaedic surgeons it found that where once leaders in orthopaedic surgery were few in number and needed to excel only in research, teaching and clinical care, now far more leaders are needed because of the huge expansion in medical care and

these leaders need other and additional qualities to those traditionally required. Orthopaedic surgeons need leadership skills to help them act productively outside as well as inside the practice setting. They also need to learn about leadership in relation to business issues, community involvement and governance affairs. Leadership can be learnt, in the experience of these authors. Special leadership programmes are now being developed to enhance and develop these leadership skills for this specialised group, orthopaedic surgeons.

A study of radiographers developing management roles within the NHS used domain theory to look at the tensions in the role change experienced. They found that the radiographers maintained their clinical identity rather than taking on a managerial identity. They saw themselves as clinicians first and managers second. They managed the role change and the tensions involved with relative ease. These authors suggest that a new type of role is emerging, the hybrid manager, and that the 'clinical manager' is a new kind of domain both straddling and complementing the professional and the managerial domains. (Forbes & Prime 1999)

It has been argued that most quality improvement strategies in health care in both the UK and the USA have depended on narrow, single-level change programmes and that these have been largely unsuccessful (Blumenthal & Kilo 1998, Shortell et al 1998). Ferlie & Shortell (2001) argue that if change is to be successful there is a need for a more multi-level approach with four key elements (see box).

Key requirements for successful change
- Leadership *at all levels*
- A pervasive *culture that supports learning* throughout the care process
- Emphasis on the development of *effective teams*
- Greater use of information *technologies*

Ferlie & Shortell 2001

Leadership must be more than the reliance on a charismatic individual, especially in multi-stakeholder systems like healthcare. Leadership needs to be seen at a multilevel and professionals need to recognise and work within this (Ferlie & Shortell op cit).

7.3 Leadership development for the military

The armed forces have been very active in the area of leadership development. Some key examples are discussed in this section.

7.3.1 Elements of leadership development

The US army has developed a leadership development framework with three main strands, formal training, operational assignments and personal self-development (see box). Although all the elements are important, the key to the success of the programme is the element involving operational assignments. These are actual pieces of work in which the trainees engage in order to put into practice what they have learnt. The assignments make actual the theoretical learning. It is also recognised that at the more senior levels of leadership the third element, learning through individualised personal experiences, becomes more important than formal or operational learning.

> *The three 'pillars' in the US Army's strategic Leadership Development Framework:*
> - Formal training and education, which includes leadership theory, role playing, case studies and computer simulations
> - Operational assignments, seen as the key element in turning what has been learnt into behaviour and attitudes
> - Self development, the processes by which leaders analyse and respond to both training and experience
>
> (Department of the Army 1990)

7.3.2 The responsibility of senior leaders

Battalion Commanders have the responsibility for developing subordinate leaders. The US Army's Leadership Development Programme (LDP) provides them with the tools to do this. The Commander has an obligation to deliberately develop leadership abilities throughout the unit. Planning and executing subordinate leadership development is expected to transcend more urgent but less critical day-to-day operations (Craig 1999). This articulated and recognised policy is a key element in the success of leadership development in the military.

> *Responsibility for leadership development*
> - Developing others is recognised as being a crucial part of the Commander's role
> - Commanders know that they must prioritise it above day-to-day tasks, however important these may seem at the time
> - This is seen as the key to effective military leadership development
>
> Craig 1999

The military also has some experience in leadership development based on making tacit knowledge explicit. As has been discussed above, there is a considerable academic literature in the area of *tacit knowledge*, the kind of knowledge which is known at a practical level but not consciously articulated (Polanyi 1966, Schön 1983). Identifying and assessing tacit knowledge can be a useful developmental tool. A study by Hedlund et at (2003) developed a Tacit Knowledge for Military Leaders inventory and suggest that this could be usefully applied in other fields such as medicine, law enforcement or teamwork. It is widely accepted that on-the-job experiences play a key role in the development of management and leadership knowledge and skill (Davies & Easterby-Smith 1984, Keys & Wolf 1988, McCall et al 1988). Tacit Knowledge inventories can build on leaders' experience and make a significant contribution to effective leadership development (see box).

> *Value of Tacit Knowledge Inventories*
> - Help leaders identify areas in which they need further development
> - Stimulate thinking about important leadership issues (eg how to manage one's anger in front of subordinates)
> - Help leaders to develop the skills to learn more effectively from experience
>
> Hedlund et at 2003

7.3.3 Organisational culture

Organisational culture may be simply defined as 'the way we do things around here'. A recent article about the US military (Bullis 2003) discusses the difficulties involved in trying to change a culture or modify beliefs about 'the way we do things'. Unconscious assumptions about the 'right way' to do things are solidly embedded in military units and understanding and changing these assumptions is hard. The author lists some of the direct ways in which senior leaders can learn to influence culture (see box). He also talks about how the leader can influence culture by institutionalising the stories, legends and myths that unit members tell.

Skills in which senior leaders can be trained to influence culture
- How leaders role model and how they coach subordinates
- What leaders pay attention to, measure and control
- How leaders react to critical incidents in the unit
- The criteria used for rewards

<div align="right">Bullis 2003</div>

7.3.4 Preparation for uncertain and changing external environments

It is widely recognised in the literature that both public and private sector organisations are facing an increasingly complex, turbulent and uncertain working environment and that leaders need new kinds of skill to respond to these circumstances. The US Army War College (Viadero 2000) seeks to prepare its up-and-coming leaders for an uncertain working environment. It uses the acronym VUCA for volatile, uncertain, complex and ambiguous – all the things which characterise the working environment which their officers will be facing. Leaders are trained to be prepared for these conditions, to be able to plot strategy, take a broad view, negotiate and lead by persuasion rather than command.

Two things differentiate the War College from other organisations providing leadership training: firstly, they are able to offer training which is very costly. In this particular case (Viadero 2000) one programme involved mounting complex crisis simulations and other expensive training options. In addition there were residential costs. Secondly, the programme involved taking potential leaders out of their working environments for nearly a year's full time training experience. This represents a significant investment in terms of working time foregone. Although this programme was very effective, few other organisations would be able to invest this amount of resource. Expensive options like these would need to be adapted for other organisations which do not have the resources to mount such comprehensive programmes.

8. Other issues around leadership development for professional groups

8.1 Issues in the public sector in the UK

The public services in the UK have seen many reforms in recent years. These reforms are based on principles of accountability, the development of a framework of standards, more devolution to local levels, building local capacity and offering more

choice for customers. To respond to these changes and pressures, managers in the public sector need different skills from those needed by managers in the private sector. This is particularly so in the areas of partnership working and dealing with the political dimension (Charlesworth et al 2003).

A large survey of public sector managers was carried out by Charlesworth et al. More than half the respondents in the survey felt that recent reforms had directly improved service delivery. However, managers in the survey did not appreciate the importance of partnership working and less than half regarded it as a key public leadership skill. Nor did they appreciate the importance of having the skills to develop effective relationships with politicians. Less than a quarter regarded having the skills to manage the political dimension as a key public leadership skill. There was also a lack of creativity and innovation both within top teams and among line managers.

Public sector leaders and managers do not seem to be responding to the need for new and more flexible ways of working and thinking. There is also a tension between the emphasis on standards, targets and procedures and the need for creativity and modernisation. There are no rewards for creativity and innovation. Public sector managers are often stifled by the structures and regulations within which they work. There is also the problem that in many cases recent reforms have meant devolved responsibility without devolved authority or budgetary control. Without more real devolution it will be hard for managers to be effective.

Charlesworth et al also found that public sector organisations continue to rely on traditional formal methods of leadership development and have not introduced methods which focus on the impact of individual behaviours or which build in time for reflection and feedback (see box).

> *Kinds of leadership development needed for the public sector:*
> - Mentoring
> - Working across different environments
> - Specialist support or coaching programmes to develop communication and enabling skills
>
> <div align="right">Charlesworth et al</div>

Leaders in the public sector need above all to learn how to work in partnership with other organisations and how to work with the political dimension.

> *Leaders in the public sector need to learn:*
> - How to see and communicate the 'big picture'
> - How to broker political and strategic relationships
> - How to be credible with different groups
> - How to communicate and enable others
> - How to develop the skills to be able to create practical frameworks that will put users and citizens at the centre of the change agenda
>
> <div align="right">Charlesworth et al</div>

Although a wide range of performance indicators has been put in place in the public sector, but there appears to be little or no research relating these to management or leadership development. Charlesworth et al's report indicates that leadership

development in the public sector tends to be old-fashioned and out of date, and that leadership development is given a low priority in the public sector.

8.2 Effectiveness of management and leadership development programmes in the UK

A number of reports from the Institute for Employment Studies (IES) have looked at the need for management and leadership development. Tamkin et al (2003) find that there are four main requirements which are needed by managers (see box).

> *The fundamental requirements for managers*
> * Managing performance
> * Managing change
> * Managing teams
> * Managing motivation
>
> <div align="right">Tamkin et al (2003)</div>

They found that the demands made on managers are changing and that leaders are having to operate in conditions of increasing uncertainty.

> *Managers are increasingly expected to be able to:*
> * Create strategy
> * Have a vision for change
> * Manage the process of change
> * Design new ways of working to respond to these changes
> * Develop others
> * Maintain morale while at the same time maximising performance
> * Work both within a team and also across boundaries
> * Focus on customers both internal and external and to build relationships with them
> * Have both technical and generic skills
>
> <div align="right">Tamkin et al (2003)</div>

Tamkin et al find that while manufacturing and high-tech companies have responded vigorously to the need for their staff to develop more people-management skills, professional groups and retail have been much slower to take this on. They examine six case studies including a coaching programme for middle managers in a government department, a transformational management development programme in a health authority and a development programme in a medium sized manufacturing company. They found that undertaking development programmes did have a significant effect on managers' behaviour (see box).

> *Effects of development on behaviour enabled managers to:*
> - Work differently
> - Change the way in which the job was done
> - Be more resilient to set-backs
> - Improve delegation
> - Listen more to others
> - Be more flexible in their approach
>
> Tamkin et al (2003)

Tamkin et al found that the executive coaching programme they studied (one-to-one coaching, 360 degree feedback, positive learning environment) was less effective than a longer programme (5 day residential, action learning sets, projects, workshops, cohort meetings).

They also found that pick-and-mix programmes (where managers had access to a variety of development and chose individually what they would go to) had less coherence than planned programmes and that the effects were variable, with mixed opinions about their value. These programmes had several characteristics which reduced their effectiveness (see box). Well-planned cohesive development programmes seemed to be more effective than pick-and-mix approaches. Successful development events were those which took considerable care to ensure that development was embedded in the workplace.

> *Problems with 'pick and mix' leadership development*
> - Not integrated into the workplace
> - Not supported by senior leaders
> - Often took place in a culture that did not favour development
>
> Tamkin et al (2003)

8.3 Lessons from developing countries

Collins et al (2000) looked specifically at reforms in the UK and what can be learnt from developing countries. Policy makers from other countries have expressed close interest in UK NHS reforms and there is much they can learn from the UK. However, Collins et al highlight a number of areas where the UK could also benefit from learning from developing countries. The first is in the area of community involvement. Many low and middle income countries have a wide experience of community participation at district level. There is a growing body of literature, reviewed by Zakus & Lysack (1998), on this point. An example of the way in which lessons can be shared is offered by Rifkin in discussing the use of rapid participatory appraisal in both the Cameroons and a low income area in Edinburgh (Rifkin 1996). There have also been a number of experiments with different models of community health care (Thunhurst & Ruck 1991). Collins et al argue that the UK can learn from developing countries in terms of managing the political struggles around the development of progressive healthcare and open decision making.

These authors recommend several ways forward.
- A wider range of consultation to broaden the consideration of options for reform. This could take the form of a biannual conference for the NHS involving user groups, community associations, political parties, local

> government, voluntary sector groups, health workers, health managers and policy makers. This could propose and discuss new options for change and allow different stakeholders to put forward their views.

- Fact-finding missions for UK policy makers to review the experience of developing countries in primary health care. The WHO would be one of the organisations which could facilitate interchanges between countries. The UK could also work with Ministries of Health or their equivalent from both industrialised and developing countries.
- Analytic understanding of context would be needed. 'Best practice' cannot be simply traded around the world – what works in one place may not work in another. Policy makers need to scan the international environment selectively, looking for ideas and adapting them for the UK context.

8.4 International public sector experience

An OECD report on public sector leadership (OECD 2001) underlined the importance of leadership for good public governance. It finds three major trends in OECD member countries:

- Increasing development of comprehensive strategies for leadership development (eg UK and Norway)
- New institutions for leadership development being created (eg Sweden and US)
- Existing management training being extended to include leadership training (widespread in several countries)

The report concludes that there is no single best model for leadership development because each country has its own unique public sector values, and also the management systems differ between countries. However, looking at trends in the member states it finds four key factors for successful public sector leadership development (see box).

Successful public sector leadership development requirements internationally
- Defining the competence profile for future leaders, which may not be the same as for present leaders
- Identifying and selecting potential leaders, and deciding whether to seek these from outside or within the public sector
- Encouraging mentoring and training
- Sustainability, which includes having comprehensive government programmes, performance incentives linked to better leadership, and managers spending more time developing leaders

OECD 2001

The report also notes three dangers (see box).

Problems with public sector leadership development internationally
- Pursuing leadership development without a clear diagnosis of national challenges being faced and an understanding of the characteristics of the public sector culture currently existing is likely to be ineffective
- Any successful leadership strategy involves culture change, but culture change is very difficult to achieve; there is insufficient information about how effective leadership development strategies have actually been in changing behaviour
- An elite leadership cadre can become out-of-touch with the national interest

OECD 2001

9. Conclusions

The overall findings from the literature reviewed here indicate that leadership development can be an important factor in driving organisations forward. All organisations and the professional groups within them are subject to broad external pressures, social, economic, technological and political. It is this wider environment that stimulates the necessity for change. Within this broader picture, leaders are needed who can respond to the challenge of change. Leadership development can be effective in helping them to understand and manage change and to lead their organisations forward.

Many examples are given in this review of leadership development which has been effective and has been an essential tool for enabling leaders to drive their organisations forward. While different professions may have different needs, the overall qualities of leadership and the need to be able to manage and promote change cross over all professions.

Development needs to be located in the professional and work-based context for it to be effective as tool for change. Development for different professional groups can be very important in this context. In conclusion, the answer to the question posed at the beginning of the review is that there is considerable evidence that leadership development does contribute to enabling professional groups to drive their organisations forward.

10. Summary of recommendations from the literature

10.1 Leadership for change

Triggers for change
- Major change is best stimulated by a real or perceived crisis which serves as a trigger
- The external trigger than creates a situation within which leaders in the organisation need to promote and manage change

Three phases of change
- Unfreeze phase
- Change in values / attitudes phase
- Re-freeze phase

Different kinds of leaders are needed at different stages of change
- At the beginning an innovator is needed, to unfreeze the status quo
- Change agents are then important at the second stage to work through the change and help people to overcome issues such as anxiety and ownership
- Finally, the subsequent maintenance and development of a project will require different skills, those appropriate to stability

Leaders as change agents
- Change agents can be the key to successfully achieving change
- Change agents have been shown to be effective at helping to overcome people's uncertainty, sense of lack of clarity, and lack of a sense of ownership

Key factors for successful change
- Change must be managed proactively
- Clear objectives for the change that are aligned with the company's strategic objectives need to be articulated
- Clear objectives that meet participant needs also need to be explained
- Ongoing senior management support is vital

10.2 Organisational culture

Organisational context
- Leaders need to understand the organisational context of the change
- Leaders need to pay careful attention to the politics of acceptance
- Strategic change in healthcare organisations will be difficult to carry through because it is likely to create both high levels of hassle and high levels of vulnerability for people
- Leaders need to be aware of and work with these issues within the organisational culture
- Incremental and peripheral changes are much easier to carry through than radical changes or those which affect the core business of the organisation

Organisational culture, or 'the way we do things round here'
- There are many difficulties involved in trying to change a culture or modify beliefs about 'the way we do things'
- Unconscious assumptions about the 'right way' to do things are solidly embedded in operational units
- Understanding and changing these assumptions is hard
- Development has been shown to be effective in enabling senior leaders to learn ways in which they can influence the culture

Changes to behaviour
- The achievement of changes in behaviour on the job (as opposed to what is actually learnt during the course of the development) is affected by external factors
- The organisation's climate and culture will determine whether what is learnt is put into practice

10.3 Effective leadership development

Leadership development for change
- Leadership development is effective at enabling leaders to drive change forward
- Leaders can be developed so that they are able to overcome resistance to change and work with people's confusion and lack of understanding
- Successfully driving change forward requires change through dialogue
- Conflict management can be taught
- Leadership development needs to be both work-based and programme-based
- Both transactional and transformational leaders are needed
- Support from the line manager is crucial if learning is to be applied in the organisational setting
- Although leadership development can successfully develop an individual, impact on the organisation is negligible without effective support from senior managers

Kinds of programme
- Programmes with an emphasis on feedback and learning support are the most effective, particularly when they take place within a carefully crafted learning event
- Successful development events are likely to be those where the emphasis is on the individual, their reactions and their impact, rather than on imparting knowledge
- Reflective learning events work better than non-reflective learning events
- Operational assignments can be the key element in turning what has been learnt into behaviour and attitudes

Requirements for leadership development to be transferred to the workplace
- Strong action-learning approach to development
- Using direct personal and business issues as the focus of learning

- Expecting participants to implement changes in their working environments *during* the development programme
- Strong support from both line managers and senior managers

Why leadership development fails
- Little support is provided to those on leadership programmes
- Managers are reluctant to release staff whom they can ill afford to do without
- Leadership development is often seen as an add-on for the select few rather than as part of a whole-organisation philosophy
- Insufficient or inappropriate HR processes (appraisal, development reviews and succession planning)

Evidence of the effectiveness of leadership development
- Undertaking development programmes does have significant effects on managers' behaviour
- Development enables them to work differently, change the way in which the job is done, be more resilient to set-backs, improve delegation, listen more to others, and be more flexible in their approach
- Executive coaching programmes (one-to-one coaching, 360 degree feedback, positive learning environment) may be less effective than longer programmes (residential sessions, action learning sets, projects, workshops, cohort meetings)
- Well-planned development programmes seem to be most effective, particularly where development events take care to ensure that development is embedded in the workplace and forms a coherent programme
- Pick-and-mix programmes often lack coherence, are not integrated into the workplace, are not supported by senior leaders, and often take place in a culture that does not favour development

Leaders need to be able to
- Define and to communicate tangible and measurable deliverables/ objectives of a project from the outset (the 'what' aspects of change)
- Design a set of tasks which will enable the development of competence, expertise and participation so that those objectives can be accomplished (the 'how' of change)
- Put in additional effort to facilitate a systems view, together with strategic congruence (the 'why' of change)

10.4 Some examples from different sectors

Public sector change
- Government tends to try and introduce change through external methods: eg legislation, setting up programmes, introduction of partnership working etc
- These will be ineffective unless there are leaders who have been developed to have people-management skills
- There is a lack of leadership in the public sector and also a lack of expertise in how to achieve transformation and change

- Investment in services and recruitment is not enough; there is a need for investment in learning which supports mutual adjustment, emotional literacy and collaborative relationships

Leaders in the public sector need to learn:
- How to see and communicate the 'big picture'
- How to broker political and strategic relationships
- How to be credible with different groups
- How to communicate and enable others
- How to develop the skills to be able to create practical frameworks that will put users and citizens at the centre of the change agenda

Evidence from health care professionals
- Programmes aimed at *individuals* in health care are seldom effective in producing change
- Leaders need to work with teams as well as with individuals
- Change will only occur when individual approaches are combined with other approaches
- Leaders also need to work with the larger complex organisational structure within which teams are embedded
- Not only do *teams* need to change, but they need to work together for change
- A new type of role is emerging, the hybrid manager
- The 'clinical manager' is a new kind of domain which straddles and complements both the professional and the managerial domains
- Clinicians with managerial roles tend to maintain their clinical identity rather than taking on a managerial identity; they see themselves as clinicians first and managers second

Some private sector examples
- Transformational leadership positively and directly predicted the organisational performance of Russian companies, more than transactional leadership did
- A programme for scientists succeeded in enabling managers to develop greater competence, confidence and courage in meeting their leadership responsibilities: the key factor in success was found to be the follow-up sessions, which transformed the learning events into an ongoing process
- In a Korean private sector programme, it was shown that leaders needed to take responsibility for coaching and developing their staff, and that 'buy-in' at all levels, from senior management down to individual employees, was crucial

Responsibility for the development of others in the military
- The Commander has an obligation to deliberately develop leadership abilities throughout the unit
- Planning and executing subordinate leadership development is expected to transcend more urgent but less critical day-to-day operations
- This articulated and recognised policy is a key element in the success of leadership development in the military

Leadership development in a South African health service
- Collaborative work-based project methodology was able to develop team members' capacity to solve difficult workplace problems and to implement strategy in a challenging operational environment
- Work-based methods were found to be particularly appropriate in situations where there are complex service delivery problems, as in healthcare

10.5 Practical techniques that are effective in driving change

Some techniques enabling leaders to drive change forward
- Provision of leadership development for change teams
- Setting up mechanisms for the exchange of experiences
- Managers and professionals (eg clinicians) working together in change teams, rather than managers imposing change
- Focusing development on implementation and action rather than formal competence building
- The presence of 'change agents' committed to the changes and enthusiastic about them
- Developing small scale achievable targets in order to introduce change
- Using a two stage process, firstly identifying opinion leaders within the organisation and secondly setting up small group meetings with mixed groups of professionals throughout the organisation
- Using particular techniques such as a Plan, Do, Check, Act cycle for change teams, or Tacit Knowledge Inventories for groups of professionals

Skills in which senior leaders can be trained to influence organisational culture and change 'the way we do things round here'
- How leaders role model and how they coach subordinates
- What they as leaders pay attention to, measure and control
- How they as leaders react to critical incidents in the unit
- The criteria used for rewards
- How to institutionalise the stories, legends and myths that unit members tell

Hindered learning and organisational resistance
- Stakeholders often feel confusion because they do not know what the tangible, measurable objectives of the change are (the 'what')
- They often do not understand the implementation process (the 'how' of individual and team involvement)
- This causes low morale, disinterest, lack of enthusiasm and tense interpersonal relationships
- Leadership development can help solve these problems

Leaders must be able to:
- Create strategy
- Have a vision for change
- Be able to manage the process of change
- Design new ways of working to respond to these changes
- Be able to develop others

- Maintain morale while at the same time maximising performance
- Be able to work both within a team and also across boundaries
- Focus on customers both internal and external and build relationships with them

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