

# Leadership: An Integrated Process of Change

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# Introduction

Leadership in the public sector has long been neglected. At first, the view was that leadership is the same in any setting, public or private. Public sector managers were encouraged to run the public sector like a business, and to take their inspiration from the champion of industries.<sup>1</sup> Over time, it was realised that public sector leadership has a number of unique characteristics and serves a distinct purpose.

## Distinctively Public Sector

The public sector serves a public purpose. This is its *raison d'être*. This is what gives meaning to government actions and decisions. It is the distinctiveness of the public sector that makes it unique and valuable to society. The role of government is to steer society through a process of change, to build a better future and to improve the welfare of its citizens. Public sector leaders exercise influence over a vast ecosystem of interdependent relationships that brings together the contribution of government, citizens and a multitude of actors across sectors to propel society forward.

This has a number of implications. It means that ministries cannot fulfill their missions if their actions are limited to what they can achieve on their own. They form part of a broader system of governance. Thirty years of reforms that focused on agency results, productivity, and efficiency have generated a narrow and distorted view of the role of government in society. It is time to rediscover the big picture.

People in positions of authority in government have individual, shared and collective responsibilities. It is important for public sector leaders to gain an appreciation of the multiple roles they fulfill and how these roles interact with one another.

## An Integrated Concept of Leadership

We need an integrated concept of leadership to prepare government for the challenges of serving in a post-industrial era.<sup>2</sup>

Public sector leaders have a responsibility to achieve better public results, better public outcomes and to secure a better future. The challenge is to strike a balance and steer society through a process of change to build the capacity for better results over time.<sup>3</sup>

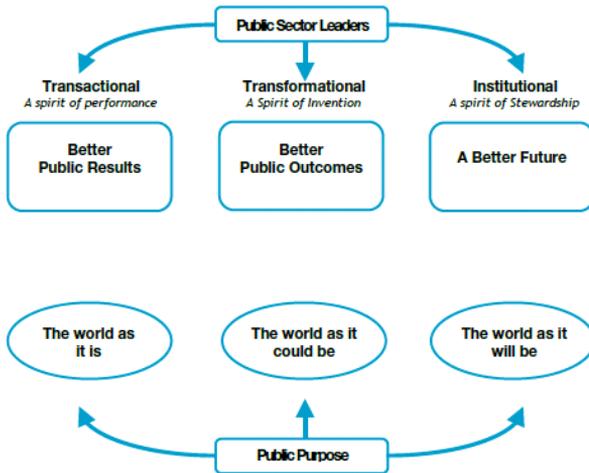
## Transactional leadership

Senior public sector leaders exercise responsibility for the organisation they lead, and work to use all the resources and capabilities at their disposal to generate better public results. This encourages a focus on efficiency and the careful use of taxpayer's money. Public sector leaders operate under stringent conditions

1 Montgomery Van Wart. "Public Sector Leadership Theory: An Assessment." *Public Administration Review* 63, no. 2 (2003): 214-228.

that impose strict limitations on their actions. Producing results in a public sector setting requires compliance with the laws, regulations and controls set over the years.

Figure 1: An Integrated Concept of Public Sector Leadership



Source: J. Bourgon. NS Lab Resource Document – An Integrated Concept of Public Sector Leadership. 2013. Unpublished.

It is a demanding task to generate continuous improvements to agency performance. Most public organisations are struggling to meet increasing demands with limited and even declining resources. The sick need care, the elderly must receive their pensions on time, and the needs of an aging population must be met. Transactional leadership is agency-centric and user-centric.<sup>4</sup>

## Transformational leadership

The responsibility of public sector leaders does not stop at the frontiers of their organisation. They have a responsibility to produce better public outcomes. This brings into focus the need to work across government to pool knowledge, insights, resources and capabilities to support government-wide priorities or to address complex public policy issues that respect no boundaries, such as rising inequality, economic crises and youth unemployment.

Transformational leadership builds the capacity of public organisations to adapt to changing needs and circumstances and produce results of higher value at a lower overall cost for society. It focuses on overall impact and public outcomes. It is not enough to have well performing hospitals and a publicly funded health system. The essential challenge for leaders is to determine that government actions and decisions lead to better outcomes for society.

<sup>2</sup> Please see [www.nsworld.org](http://www.nsworld.org).

<sup>3</sup> Jocelyne Bourgon. NS Lab Resource Document – An Integrated Concept of Public Sector Leadership. 2013. Unpublished.

<sup>4</sup> Robert P. Vecchio, Joseph E. Justin, and Craig L. Pearce. "The Utility of Transactional and Transformational Leadership for Predicting Performance and Satisfaction with a Path-Goal Theory Framework." *Journal of Occupational and Organizational Psychology* 81, no. 1 (2008): 71-82.

Transformational leadership requires a constant exploration of new and better ways to combine issues, means and capabilities. It requires the active contribution of the users and beneficiaries of public services, and in many cases, exceeds the capacity of government working alone.<sup>5</sup>

Transformational leadership deals with the world as it is. It is a commitment to make the best and the most out of existing conditions. Transformational leadership bridges the gap between our current reality and the world as it could be by making better use of all available assets across government and society and by building new capabilities. Public sector transformation never ends.

## Institutional leadership

Public office holders, whether elected or professional, have stewardship responsibilities. In any country, a small group of people have the legal right to use the authority of the state to regulate, tax and spend public funds in order to produce results. They have a special responsibility to use this authority to advance the collective interest and to create a better future. This includes a concern for building the collective capacity of society for future prosperity and to improve the human condition while ensuring inter-generational fairness. Public sector leaders are the stewards of the collective interest in all circumstances.

Public sector leaders also bear a responsibility to prepare the public sector for the challenges that lay ahead. They have a duty to ensure that public organisations and public institutions will be able to fulfill their mission in the future and to face the challenge of their time. They are the stewards of public institutions, including the professional public service.<sup>6</sup>

The real estate crisis, financial crisis, sovereign debt crisis, the great recession, and rising inequalities, have revealed the weakness of our existing institutional arrangements. Governments were left in a reactive position, unable to anticipate, prevent, or introduce corrective actions to mitigate the impact of events on society, particularly for the most vulnerable. Institutional transformation may be the most difficult challenge of all. It is also the most important contribution of people in government to prepare society for the challenges that lay ahead. Historically, countries with institutions fit for the time have outperformed others.

## The Factor YOU

The challenge for public sector leaders is to find a balance between competing priorities. Too much focus on agency results limits the capacity to achieve results of higher value to society. Too fast a pace of transformation may affect the capacity to maintain services and generate resistance to change. Reforms that are not sufficiently embedded in the culture of the country and the systems of the

<sup>5</sup> For examples, please visit [www.nsworld.org](http://www.nsworld.org).

<sup>6</sup> Jocelyne Bourgon. "A New Synthesis of Public Administration," (Canada: McGill-Queens University Press, 2011).

organisation are likely to disappear when a leader moves on. Part of this search for balance must take into account the people in positions of authority. This is the FACTOR YOU of public service leadership.

Public service reforms are contextual and public sector leaders form part of the context. No two transformation processes are the same. No two leaders are the same. Who leaders are, their values, strengths and weaknesses form part of the fabric of the change process. The courage to serve, self-awareness, motivation, resilience, energy, willingness to assume responsibility and even their emotional maturity will impact the transformation process.

For years, public sector reforms have focused on the inner-workings of government. It has generated a narrow and distorted view of the role of government in society. There is a need to re-connect to the deep public purpose that gives meaning to public sector actions and decisions. It is also time to re-think how to prepare the people that are called upon to serve in positions of authority. A focus on process and management technics—procurement process, project management, financial management, performance management, etc. will not prepare them for the challenges of serving in the post-industrial era.

- They will need the courage to challenge conventional ideas. They must learn to think differently and to see what others have not yet seen.
- They will need to do things differently. The mastery of a professional public-sector should reside in the capacity to combine in new ways the issues, means, capabilities and resources to address the challenges we are facing as a society.
- They must have the resilience to take on the responsibility to build a better future. Their role is to steer society through a transformation process; the journey will transform them as well.

The role of people in government is more challenging than ever. They serve at a time characterised by volatility and unpredictability, the result of our global interdependent economy and of our hyper-connected society. They are the first generation to serve at a time when social media transform public policy issues and the context within which solutions must be found. They must steer society through the most profound transformation process since the industrial revolution. We are just beginning to witness the early impact of the digital revolution and other innovative technologies. They must find ways to reduce friction and bring order in an increasingly disorderly world.

They deserve all the help we can give them. The responsibility for finding solutions to the challenges of this time is not theirs alone; it is a collective responsibility. So the question for all of us is: how can we help?

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