Organisational change in a regional, local council

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Abstract
The 1993 Local Government Act called for greater accountability and client service and has been an impetus for changes in local government structures and work processes. A number of issues are identified that impact on such transformational change (Dunphy & Stace 1991), including leadership, empowerment, organisational learning and workforce diversity. It is argued that the interconnectedness of these issues has not been fully addressed in the literature. Furthermore, it is maintained that these issues have been more often addressed in relation to councils in metropolitan areas rather than in regional Australia, where circumstances may be somewhat different.

A case study of Our Town council analyses these factors in the context of an ongoing and current change process, illustrating the benefits for Council and the community. A number of questions are also raised that problematise elements of the change and suggestions are made that would facilitate ‘mainstreaming’ of the change in this and other organisations facing similar change scenarios.

Introduction  
Arguably, local government in Australia has faced the challenges of organisational change somewhat later than other sectors. Jones and Gross (1996, p. 23) report that the NSW Local Government Act of 1993 was:
…an attempt to encourage the transformation of local councils into enabling rather than regulatory authorities stressing the notions of accountability to their local communities, effective and business-like delivery of services and management of resources, and governance of a more open, proactive, co-operative and responsive nature.

The impetus of this Act has caused some local government instrumentalities to reorganise their structures and work processes in order to meet the challenges of greater accountability, increased emphasis on client service and competitive tendering. Jones (1999) cites several examples of general managers restructuring management teams, employing matrix structures and instituting project teams – with varying levels of success.

The focus of Jones (1999) and a number of other analyses (e.g. Parry 1999; Kearney, Feldman & Scavo 2000) have been on local government instrumentalities in metropolitan areas and have mainly examined issues of structure and leadership. There appears to be fewer, more broadly based analyses of organisational change issues in local government in non-metropolitan areas. Aspects of regionality have been linked to organisational conservatism (Stillwell 1992; Alston 1996; Wallace 1999, 2001) and diversity issues, especially relating to gender, have been demonstrated as problematic in local government in a number of contexts (Kokkinos & Martin 1991; Halford, Savage & Witz 1997; Wallace 2001). This paper examines change in a regional, local council from the perspective of the inter-connectedness of leadership, structure and empowerment, organisational learning and workforce diversity and offers some challenges that council or organisations undergoing similar changes will need to face if transformational, embedded change (Dunphy & Stace 1991) is to occur. For the sake of clarity each of these parameters is examined individually from the theoretical perspective.

**Leadership**

Leadership has many different constructions. According to Yukl (1994, p. 1):

…the term connotes images of powerful, dynamic individuals who command armies, direct corporate empires, or shape the course of nations; much of our description of history is the story of military, political, religious and social leaders.

Alternative views of leadership offer a view of it as enabling and inclusive where values are fostered and there is a devolved system of managerial leadership (for example Smith & Hutchinson 1995; Cox 1996; Sinclair 1998; Collins 1998; Korabik, Ayman & Purc-Stephenson 2001; Griffin 2001).

With a turn towards a more open, less bureaucratic management imperative, issues of leadership are as vital in local government as elsewhere and the role of the general manager and elected Councillors has been thrown into high relief. Those general managers whose management styles were analysed by Jones (1999) shared several characteristics, including private and public sector management experience, previous CEO appointments and transformational (Tichy & Devanna 1986) and charismatic (Larsson & Ronnmark 1996) leadership styles. Arguments have also been presented that support a management style in local government that is customer focussed and results oriented, unlike traditional bureaucratic styles which often measure a worker’s contribution in terms of their hierarchical
rank or rules-bound mindset (Mullins, Linehan & Walsh 2000). These attributes are seen as vital in driving change and strongly linked to issues of structure and empowerment discussed below.

Martin (1997) suggests that elected councillors also have a vital leadership role, although he does not offer parameters for their roles vis a vis the role of the general manager. He, however, does suggest that many elected members may feel ill equipped to respond to these changes and calls for training and support for local politicians in fulfilling their demanding, leadership roles.

**Structure and empowerment**

Traditional local government structures, wherever they are sited, have been seen as having a number of problems that inhibited their desired enabling elements. Local government structures with internal divisions or departments have been critiqued on the grounds of their inward looking perspective, harbouring different ‘kingdoms’ or ‘empire building’ that nurture professional jealousies and internal competition (Jones 1999) rather than adopting an outward, strategic focus. In addition, hierarchical structures in local government have been shown to encourage a managerial mindset based on concepts of power, control and decision-making, with a gulf to management that creates fear, distrust and an inefficient and inflexible work environment (Jones 1999). It appears that command and control management mindsets may still operate in local government. Such highly bureaucratic, divisionalised and hierarchical mindsets have been seen to lead to a failure to approach strategic issues and fragmentation of customer service (Jones 1999).

Alternative organisational structures that rely on networking, partnerships and increased communication have been suggested (Ford 1998; White 2000). Matrix structures have been posited as enabling project teams and empowering workers to be proactive and customer focused, moving beyond administration to pursuing strategic directions. It is recognised that project managers have greater or lesser influence on the project teams depending on the pressing needs of the organisation or customers for completion or delivery (Laslo & Goldberg 2001). Dunn (2001) examines the roles of project managers and functional managers in guiding project teams, concluding that functional managers have control or influence for hygiene factors in relation to their teams, while it is the project manager who has the most influence or control for the motivator factors for the team. Role blurring or conflict between functional and project managers are not raised as issues in these studies.

**Diversity**

The term diversity is open to a number of constructions. In its broadest sense it may be seen as, ‘a mix of people in one social system who have distinctly different, socially relevant group affiliations’ (Cox 1993, p. 6). Ford (1998) argues that diversity is often a much more subtle concept than is often theorised. He suggests that focus on multicultural diversity tends to ignore the variety of cultures in workplace that are not confined by ethnicity or language, citing major cultural diversity based on education, professions or trades and social background. Ford argues that with the emphasis on strategic alliances and teamwork it is important to acknowledge cross cultural learning and skills. Cope and Kalantzis (1997, p. 289) discuss the concept of ‘productive diversity’ as:
Diversity is a resource that can be tapped to help develop and support what Dunphy and Griffiths (1998) cite as the strategic approach to change where a committed workforce fosters and contributes to the organisation’s strategic direction. Perspectives on work organisation call on diversity of thinking styles and expertise to secure productive teamwork (Carlopio, Andrewartha & Armstrong 2001). Organisations in which the dominant management paradigm or style is ‘cloned’ through recruitment or development practices are now considered to be hindering their own development (Townley 1994). Diversity is now considered a strength rather than an aberration.

One of the most apparent aspects of diversity relates to gender. Without resorting to a false essentialism, it would be accurate to say that much of the literature on this topic does suggest that there is a form of ‘wo-managing’ in which most, but clearly not all, women participate. The sets of skills women are more likely seen to bring to their roles include:

- an orientation towards people;
- a collaborative style with peers, supervisors and subordinates;
- an orientation towards empowerment;
- a concern with implementation;
- an external perspective;
- an orientation towards systems;
- pragmatism, flexibility and an ability to deal with ambiguity; and,
- an orientation towards the future (Cox 1996; Sinclair 1998).

It can also been argued that these are the type of skills needed in the ‘new’ workplace by all managers for better quality leadership (Sinclair 1998). The diverse skills of many women workers and those who do not fit the, thankfully diminishing, Anglo-male management stereotype typified by competition rather than co-operation (Kerfoot & Knights 1993) can now be seen as integral to increased productivity, cost savings, keeping and gaining market share, customer service and a better quality of management and teamwork.

**Organisational learning**

The concepts and issues surrounding organisational learning (and the learning organisation) are also open to a number of interpretations. Giordano (1995) argues that there is some agreement that organisational learning is a process that links the acquisition of knowledge to improved performance but that there is no agreement on the nature of this process. Smith (1998, p. 277) suggests that organisational learning involves the ‘development of insights and knowledge over a long period of time and the ability to assess critically the assumptions on which the organisation is basing its actions’. Organisational learning may also be seen as three tiered, involving individual learning (skills to handle routine and unpredictable processes and problems), team learning (pooling of different competencies or points of view to problem solve) and network learning (emerging connections among individuals and teams based on trust and expertise that account for the responsiveness and performance of the organisation as a whole) (Giordano 1995).
Organisational learning thus involves individual development and many organisations considered learning organisations are those that ‘purposefully adopt structures and strategies to encourage learning’ (Dodgson 1993, p. 387) at individual, team and network levels. These organisations also have a capacity for double loop learning (Agyris & Shon 1978), pay attention to how to learn and have key aspects of the organisation that support learning (Field 1995). As Redding (1997) suggests, a learning organisation is one that builds its capacity to learn through vision and strategy, leadership and management, culture, structure, systems and processes.

Clearly, the factors discussed above do not exist in a vacuum but are intimately related. For instance organisational learning is dependent on empowerment, which in turn is developed through facultative management styles that draw on the diverse strengths of the workforce. This is a kind of open systems perspective where interdependency and reciprocity produces organisational strength. The case study below draws the four factors together to provide both a description and critique of a change process in action.

The case study – Our Town Council

Our Town Council is a somewhat traditional local government instrumentality in a regional area of New South Wales, Australia. Council employs approximately 500 staff and there is a low staff turnover because the Council is situated in a pleasant geographic area and is one of the largest and most stable employers in the locality. One of the authors of this paper has an ‘insider’ view of the workings of this council as an elected member of Council, the other author has previously researched the area of local government (Wallace 1999; 2001). Together, the perspectives of the authors constitute a type of ‘bifurcated consciousness’ (Smith 1990) that offers an ‘insider/outsider’ perspective.

In the council workforce Anglo-Saxon males predominate, especially at a management level. Two thirds of the staff are male, twenty of the twenty-four managers are male, and the five senior staff, comprising the general manager and four directors, are all male. Currently, there are only three employees identifying as Aboriginal or Torres Strait Islander, with two of these being appointed in the last twelve months on traineeships. Council employs only thirteen staff from a Non-English Speaking Backgrounds (NESB).

Council has four divisions: Planning & Environment, Economic & Community, Finance & Administration and Engineering. These divisions have operated as virtual ‘silos’, with general staff reporting via managers to their designated director, who in turn reports to the general manager, with the general manager reporting to the elected members of Council. In short, a hierarchical pyramid structure with all the divisional inefficiencies and strategic difficulties cited above.

Council is currently in a process of accelerated organisational change brought on by three significant change elements: the recent election of a new Council with a different composition and vision, the review of an economic development organisation that is a separate entity but supported by Council and the establishment of two projects designed to revitalise the CBD and focus Council staff on service issues.

Early in 2000 the newly elected Council was keen to instigate significant organisational change, to increase efficiency, productivity and accountability based on measurable outcomes. Councillors decided to adopt a much more strategic approach to local government, to break
down the directorate ‘silos’ and establish cross-Council project teams aimed to empower more people from within the organisation, making the organisation more responsive and service focussed. As Patching and Waitley (1996, p. 221) state, empowerment is vitally important and really means ‘people empowering themselves to perform’. Empowerment also requires people to work in partnership with other team members, sharing problems and the decisions that lead to their resolution. It is interesting to note that the impetus for strategic directions and organisational change has come from elected Councillors, particularly a new (female) mayor rather than established management. This contrasts to the models discussed by Jones (1999) where general managers had been recently hired for their vision and transformational capabilities and belies Martin’s (1997) observation that Councillors may be ill equipped for their roles. In this case elected Councillors have taken a leadership role in instigating organisational change. It may be hypothesised that the relationship between management of Council and elected members is a vital component in the success of the Councillors’ transformational vision.

The social and economic development organisation under review had always operated quite independently, with little interaction or formal reporting to Council. It was apparent to Councillors, that despite the organisation’s success in attracting some major sporting events, its focus on other economic development activities was slight. The organisation’s economic development shortfall had been filled to some extent within Council operations but with little liaison between the two units. This had resulted in a duplication of financial costs and personnel without enough measurable economic gain for the city. A review of this organisation commissioned by Council revealed that the corporation’s effectiveness as an economic development unit was not meeting community expectations and needs. Consequently, the major recommendation coming out of the review was to bring all economic development activities under the Council umbrella. The absorption of the corporation’s staff into Council was thus a significant factor precipitating the need for a wider and more radical corporate transformation within Council.

The CBD Redevelopment Project Team was established in 2001 for a two-year period. Its establishment was politically driven in response to a desperate situation. Property values in the city centre were falling drastically, vacancy rates were increasing and business confidence was at an all time low. The Council had to be proactive. The Project Team includes staff members from across the organisation who all report to the Project Manager, rather than to their Director via their traditional reporting channel. To date this project has been highly successful. The major component of the revitalisation, the removal of the mall, was completed on time and under budget. This project has had a considerable economic impact, during the construction phase and in the ensuing three months, four major properties have been sold and thirteen vacant shops have been leased. The success of this project in achieving specific outcomes in a specified time-frame can be attributable to a clear vision and clear objectives coupled with strong team leadership and effective project management and empowerment of workers. Patching and Waitley (1996, p. 221) emphasise the importance of ‘delegating management tasks, together with the empowerment to achieve what is delegated’. However, the success of this project has not been enjoyed by all staff, as one staff member expressed a concern shared by many, ‘The bar’s been raised and now we’ll all be expected to do more’ (Personal Discussion, Dec., 2001). The leadership of Councillors and some senior management has empowered some staff who have ‘risen to the occasion’. However, some others in management appear to be uncomfortable with the more outward looking and outcomes focused perspective.
The leadership of the economic development review process thus far, both externally and internally, has been consultative in its approach and the steering committee comprises an elected Councillor (Deputy Mayor), senior Council staff (General Manager and Director of Economic and Community Enterprises) and a consultant. This process has been somewhat slow. Nadler and Tushman (200p. 55) warn that ‘organisations will no longer be able to afford the luxury of spending six to nine months creating and implementing a new design’. Whether at a regional, state, national or international level, economic development is highly competitive and Council is not in a position to be able to wait too long to address these necessary changes. In fact a number of significant economic development opportunities and projects are under threat and directly attributable to the tardiness of this change management process.

This tardiness may be because the impetus for change has come from elected Councillors rather than management and the management team is comprised of existing staff members. Cox (1996, p. 73) states that people who run organisations often fear change itself, as well as fearing the loss of some of the large and small privileges that they currently have. Council will need to find ‘creative ways to achieve unprecedented speed in all their operating and support processes and to accelerate decision making up and down the line’ (Nadler & Tushman 1999, p. 53). As the process moves from review to implementation it is suggested that the General Manager’s leadership role will need to be directive (Dunphy & Stace 1991) in order to achieve the necessary organisational and operational changes. This may be at odds with the hitherto consultative approach but may be needed in terms of leadership and speed of process.

The Service Project commenced in 2001 with a focus on continuous improvement as a means of obtaining organisational change. Initially, the Service Project was being supported organisationally by a consulting organisation and the Council’s Human Resources Manager. Within Council however, the project is being implemented by twenty-two facilitators, who project manage thirty-two teams, comprising staff from across the organisation. The Service Project has operated in a climate of ‘post-bureaucratic entrepreneurship’ where focus on supporting the individual ‘…rather than expecting conformity and deference to hierarchy’ (Mullins, Linehan & Walsh 2000, p. 128) has been the norm. This overarching project has focused on a diverse range of individual projects, such as safety and amenity of beaches and waterways and effective building maintenance, to better plant management and the effective communication of a service orientation throughout the organisation.

It is important to note, the Service Project has had the full support of the General Manager and the changes it brings have less impact at a senior staff level. This may be because key staff view this project as part of an incremental change that will not really affect their areas or positions significantly. Kotnour and Matkovich (1999) suggest the establishment of an informal senior management team to focus on the concerns associated with the organisation and the transformation process and this could be useful in this case. They also discuss the importance of balance and horizontal involvement throughout the organisation to allow all staff to be involved in the change process to ‘provide staff with learning opportunities to assist them to adjust to the changing environment’ (Kotnour & Matkovich, 1999, p. 26-7). An area of concern here is that the de facto matrix structure produced by the use of project teams may cause conflict between functional and project managers at some future time. Any informal management team would need to contain project managers as well thus disrupting the current power relations.
Within Council leadership comes from three entirely different arenas. Firstly, there is the strategic and political leadership of the elected Councillors, including the Mayor. Secondly, there is the largely operational and management leadership provided by the General Manager. Thirdly, there are other staff now also undertaking leadership roles in the various activities and projects. The Councillors’ role is to develop strategy, create and institute policy while remaining uninvolved in the day-to-day operations of Council. This is the exclusive domain of the General Manager. As Bass (1990) identified it is often difficult to identify discrete management and leadership functions in a clear and unambiguous fashion and this is very much the conundrum of local government.

Nadler and Tushman (1999) highlight the relevance and the complexity of the twin principles of integration and differentiation and Council will need to be mindful of this with the absorption of the economic development organisation into Council. While it is vital the economic development unit preserves a high level of differentiation from other aspects of Council. It must also work in an integrated manner with other Council units to benefit the overall economic development of the city. The Economic Development Unit will have a significant liaison role between potential investors and business people, internal Council departments such as planning and the various government agencies involved in economic development on a local, regional, state, national or international level. Nadler and Tushman (1999, p. 47) stress the relationship between integration and differentiation also needs to be reflected in both the vision and the strategy, and the organisational design must embrace this underlying duality.

The CBD Project team is an example of collaborative enterprise within Council. This team is a multi-functional and multi-skilled team with members from across the organisation. Planning, engineering, environmental services, community economic development and finance are all members of this highly effective team. Patching and Waitley (1996, p. 213) suggest organisations that apply the team approach intelligently will in many cases adopt an approach in which all work becomes project-based.

The project manager of the CBD Project Team has steered the team through many challenges and potential conflicts as the group has matured. Patching and Waitley (1996) state that difference of opinion is a significant feature of an effective team, especially where people come from various corporate functions and personal backgrounds. ‘It is through creative brainstorming and other activities that the essential pros and cons of a wide variety of suggestion and input are thoroughly analysed’ (Patching & Waitley 1996, p. 219). They also suggest creative ‘conflict’ should be encouraged by the project manager, who must act as both a mentor and a facilitator, ensuring team members do not take the criticism personally. In this case the manager had the leadership skills to empower the group and capitalise on the creative thinking of diverse people.

In contrast, the collaborative approach to be implemented for the new economic and social development team will combine semi-autonomous workgroups and self-managing teams. Communication will be a significant factor in the success of this unit and the manager will need to build effective relationships with stakeholders (internal and external) and between team members in order to maintain productivity and effectiveness. Again, a leadership style that values diversity and empowers is required.

These small, diverse teams will have some control over their work process but will also report to their operational team leader. Individual team members will also assist other teams as
required and facilitated by the Economic Development Manager. Donoghue and Frenkel (1996, p. 12) refer to this as the ‘interchangeability of workers’, where the team members form a resource pool and they can be called upon to assist in various projects as required. This is seen as an important way to promote knowledge sharing and collaborative behaviour.

External collaboration will involve working closely with all of the stakeholders, from business individuals and organisations such as the Chamber of Commerce, to the State and Federal departments active in economic development. The NSW State Assembly, held in Sydney in June 2001, emphasised a ‘whole of government’ approach was vital to the ongoing success of economic development and growth in regional Australia (Woods, 2001). All stakeholders need to recognise their high levels of interdependency and the co-operative effort this brings. As Donoghue and Frenkel (1996, p. 27) stress; ‘a project’s success could depend upon an open, clear and complete communication between all parties’.

Effective organisational change does not just happen. According to Kotner and Matkovich (1999) it requires leadership, empowerment, project management, learning and systematic change actions to support complex organisation-wide improvement efforts so that communication is both ‘bottom-up’, ‘top-down’ and horizontal. They state, ‘Leadership starts the process, project management helps to ensure the transformational goals and objectives are met and learning provides the real-time knowledge needed by the organisation to adjust to the changing environment’ (Kotner & Matkovich 1999, p. 25-26).

Organisational learning needs to be an on-going process because ‘change always continues, and therefore the need for learning is never finished’ (Marquardt 1996, p. 179). It is relatively easy to review a situation and make recommendations for change, it is quite a different matter to get these recommendations (changes) actualised and learning is the key to the process. Organisational learning is very much a shared process and can utilise formal and informal training. Council staff will look towards their leaders to actively support a learning environment. Marquardt (1996, p. 183) reinforces the notion that leaders themselves must become learning models by undertaking learning themselves and encouraging others to learn continuously ‘the managers should see themselves as coaches, facilitators, and advocates who promote, encourage and reinforce learning’.

The review of the social and economic development organisation and the two Projects have revealed that a good number of staff have indeed become empowered and are working at more creative and effective levels. However, there are also varying degrees of discomfort for some Council staff. For example, a number of staff, particularly some of the managers, see the projects as adding to their workload, rather than improving the productivity and cost efficiencies of that particular area with ramifications across the organisation. It has also become evident that some senior staff are uncomfortable with the project team concept and there appears to be ‘an acute awareness of the possibility that authority and power may be distributed to lower levels of the organisation’ (Patching & Waitley 1996, p. 220).

The strength of the projects is that they offer both operational benefits and staff development opportunities as each of the project facilitators ‘are exposed to a number of developmental experiences on the job’ (Yukl 1994, p. 456). Not only have these people been empowered to develop the organisation, they have also been empowered to develop themselves. One recently promoted member of staff was a facilitator of one of the first projects to be successfully completed and subsequently undertook work-place-training studies. He will now take up the coaching role for the new facilitators and generally assist the Human Resources
Manager with the marketing of the project within Council. The Human Resources Manager states that the aforementioned staff member has fully embraced the opportunities provided by the project process. ‘He regards it as an opportunity to learn and grow personally, and he feels he can now assist others to do likewise, while bringing about much needed change to the organisation’ (Our Town HR Manager, personal communication, Nov. 2001). This would have been an unlikely scenario in the previous climate where diversity and empowerment were not obvious drivers.

Despite the fact that each of the twenty-seven managers have service project targets in their performance goals, there remains a perception that established processes need to continue because ‘that is how a local government operates’ (Senior staff meeting, 2001). Marquardt (1996, p. 186) sees bureaucracy as the bane to a learning organisation because ‘its rigid structure kills the energy and creativity and willingness-to-take-risks’. This would support Simmons, Eagleson and Walderssees’ (1997, pp. 4-5) statement that ‘organisations with homogenous top teams are less likely to undertake change, or be innovative and that firms are more likely to undergo strategic change if managed by a demographically diverse top team’. To change this paradigm, Cox (1996, p. 67) states that we need to work together to make social change and she emphasises that ‘creating a climate in which this change is seen as potentially positive is not easy’.

Interestingly, the current nine member Council comprises five men and four women, with a female Mayor and Deputy Mayor. If ever there was an opportunity to effect change it is now as women’s ‘ways of doing’ are an important contribution to the social capital of any geographical area. Women have much to offer and enrich organisations and as Fisher (1999, p. 98) states ‘their people skills, their language abilities, their drive to network, and their faculty for contextual thinking, women will be extremely valuable human capital in almost any business setting’. It could be said that, almost for the first time, the skills of those lower down in the organisational hierarchy, including women are being more fully utilised.

The further development of a project management process provides Council with a very effective strategy to offer women staff an opportunity to take stronger leadership and management roles. The fact that most of the senior staff are either tenured or on long-term contracts could be a limiting factor for moving more women into leadership or management positions in the current structure. Offering women project responsibilities would be both empowering and offer leadership opportunities; a form of staff development and grooming to put themselves forward when positions become available Cox (1996, p. 72) stresses the importance of starting with the small changes and then moving to bigger ones; ‘The problems we face are not individual ones and the opposition we meet is most often at the level of institutions…which largely reflect hierarchical command systems, designed by men and for men’.

**Conclusion**

This study reveals a number of potential risks to transformational change, which have an applicability beyond the local government context. The first relates to leadership. There is the potential for the strategic and change driver role of elected councillors (the Board) to be at odds with the organisational goals of senior management (the CEO and senior management team). Unless common visioning occurs and shared values are developed there is not a ‘goodness of fit’ between the two sets of stakeholders. In addition the role differentiation
between elected councillors and the General Manager (the Board and the CEO) needs to be defined, understood and respected.

The second risk relates to structure and empowerment. Given the continued mindset among some employees, there exists a real possibility of two structures emerging - the current, bureaucratic structure and a *de facto* matrix structure – that could create friction for both managers and employees and consequent lack of effectiveness. An integration of the two would need clear delineations of line management, supervisory and project management roles that are linked to the shared vision of the Board and senior management. While those who have taken up facilitator and project management roles have been empowered in the short term, there is a potential risk of loss of commitment and valuable corporate knowledge if there is not some mainstreaming of these projects and extrinsic as well as intrinsic rewards.

Recognising and productively utilising workforce diversity is clearly an issue for many organisations. In this case there is a risk that lateral thinking, front-line and middle management staff will not be recruited or developed in a situation of low staff turnover. A range of HRM practices involving recruitment, affirmative action, separation, job redesign and rotation would require active consideration and would need to be linked to the shared vision and its operational activities.

There is also a risk that turf protection, and demarcations could endanger organisational learning. As many staff as possible should be involved in strategic planning processes to enable them to have a more holistic view of the organisation and their own role within it. Strategically targeted human resource development activities such as personal development &/or skills development programmes and mentoring from within and outside the organisation would assist as well.

The practical suggestions above are all tied to a far more intangible factor. There is a growing awareness that ‘values, culture and shared goals are replacing formal structures as the glue that holds organisations together’ (Nadler & Tushman, p. 58). Atkin (2001) supports the need to focus on the core values and beliefs of an organisation and she states these values and beliefs are expressed as principles or guidelines for action and vision. This allows the creation of a dynamic organisation that works from the inside out, from values and beliefs to practices, rather than the traditional top-down approach. ‘The challenge for those facilitating the changes at Our Town council and in many other organisations is to change the focus from dictating from the top to co-ordinating and supporting from the centre’ (Atkin 2001, p. 4) so that the creative person power at all levels of the organisation is harnessed to full effect. It is the interplay between transformational leadership that both empowers individuals and creates teams and dynamic structures that facilitate communication and organisational learning that will drive lasting change.

**References**


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