

# Developing leaders in the public sector

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#### Summary

- This report analyses the current provision of leadership training and development across the Welsh public service.
- It draws on evidence from a rapid review of approaches in other countries; interviews with senior public service leaders and workforce directors; and a roundtable with Welsh Government officials and experts.
- Public services leaders recognise the importance of leadership training and development. However, current provision and take up varies across the public sector.
- Austerity has reduced training budgets in most organisations, but leadership development in local government is particularly patchy and there are concerns about provision in some underperforming health organisations.
- Current approaches combine skills- and behaviour-based approaches, but increasing emphasis has been given to leadership behaviours.
- Leadership development needs to become more outcomes-focused and Wales needs leaders who understand how to harness digital technology to transform their organisations.

- Academi Wales is well respected for its training provision and contribution to leadership development and is seen as a champion of the idea of a single Welsh public service.
- It should be repurposed with a mandate to focus on equipping leaders to drive service transformation and improved outcomes for users.
- Academi Wales and other providers should provide leadership training and development offers targeted at underperforming organisations and sectors in which there is relatively little current provision.
- The current reliance on self-selection and support from line managers, and the lack of formal routes for progression, risks disadvantaging potential leaders from underrepresented groups and non-traditional backgrounds.
- Public service organisations should be required to publish a strategy for leadership development and ensure that there are clear pathways for progression to senior roles.
- Representative organisations, regional bodies and public service boards should help foster collaboration and best practice ether with peer challenge and support.

## Introduction

Like every nation, Wales is addressing pressing challenges - not least the Coronavirus pandemic - which require a capable and responsive public service led by talented and effective leaders. With this in mind, the First Minister asked the Wales Centre for Public Policy to analyse the provision of training and development across the Welsh public service, with a particular focus on equipping current and future senior leaders.

We were asked to provide an overview of existing provision and examine the views of public service leaders and workforce directors about its effectiveness and ways that it can be strengthened.

### Context

The Williams Commission (2014: 19) highlighted the importance of developing one Welsh public service which has a shared set of values and objectives, and is characterised by collaboration and effective sharing of best practice - both within and between sectors (Williams, 2014: 187). The then Minister for Public Services endorsed the need for one public service guided by 'community and co-operative values' (Andrews, 2015).

The aspiration for a single Welsh public service was linked to a renewed vision of public service leadership that is more collaborative and driven by a shared public service culture rather than by the cultures of individual professions, sectors and organisations. The Welsh Government's response to the Williams Commission included a commitment to exploring opportunities for collaboration and 'developing a set of shared values across all public services' supported by a refreshed offer from Academi Wales (Welsh Government, 2014: 18). More recently, the First Minister has set out his vision of a single Welsh Public Service led by 'people who work across boundaries, and people who are able to see the world from more than one perspective' and has advocated institutionalising 'Shared Distributed Permeable Leadership' which shares power with frontline staff, with other organisations and with users of public services (Academi Wales, 2019).

At the centre of this is the vision of a new approach to leadership is Academi Wales, which was established in 2012 to improve leadership and development training provision to public service employees across Wales. Its remit includes the uniformed services, health workers and national and local government; and at all levels from graduate schemes to senior leaders.

Academi Wales has attempted to drive culture change through leadership development which is aligned with the values set out in the Well-being of Future Generations Act (2015) and focused on the behaviours needed to deliver organisational cultures that support effective public services. It has developed a Leadership Behaviours Framework, a model of leadership for senior public service leaders that is intended to apply across public services (Academi Wales, 2017) and championed the concept of one Welsh public service (Academi Wales, 2018).

Public service organisations are not required to use Academi Wales and many also draw on other external providers as well as internal training. Other bodies with an important role in providing training and development include Health Education and Improvement Wales (HEIW), which is tasked with improving training and development across the health service, and the National Academy for Educational Leadership (NAEL), which supports the education sector. However, given its central role, it is important to understand the impact of Academi Wales on public service leadership development.

#### Evidence

We analysed current provision using three types of evidence:

- A rapid review of public service leadership development in the UK and internationally;
- Eighteen interviews with senior leaders and workforce directors from the Welsh Government, NHS, social care, education, police and fire services, local authorities, representative bodies, and Academi Wales. (We deliberately sought out a range of views and experiences from different organisations, sectors and parts of Wales and also had the opportunity to review internal documents and research).
- A roundtable with senior Welsh Government officials and experts from outside Wales.

#### Leadership approaches

- Growing recognition of the importance of collaborative leadership
- Increased emphasis on the importance of leadership behaviours
- A need for leaders who understand the potential for digital technology to transform public services

The public service leaders and workforce directors who we interviewed reported that different parts of the public service (health, police, local government etc.) require specific leadership skills but that it is also important to have leaders who understand how other organisations and sectors operate and who are comfortable collaborating with them.

Partly for this reason, most organisations have moved towards more behaviour-based leadership models, which emphasise leadership habits and attributes in contrast to traditional training which focused primarily on skills-based leadership approaches and the development of specific managerial competencies. One interviewee told us:

'[We were] very competency-based... we're in the process of refreshing our workforce strategy and leadership development programme.... [moving] towards a behavioural framework for leaders rather than solely competency-based. It's a business need... more customer-focused, more agile, more commercial and business-like in the way we operate:... more trust and openness...with clear objectives for a positive impact in our communities.'

In practice most organisations now look for a combination of skills and behaviours in their recruitment practices and day to day work, and the two are often connected: skills like conflict resolution and alliance building can change behaviours and empower employees.

The degree to which behaviour based models have been implemented varies between organisations. Many have only recently developed new leadership models, and sector bodies like HEIW and NAEL are relatively new organisations which need time to become established. However, the evidence shows that it is important to embed behaviour based approaches and collaborative leadership within workforce strategies so that they inform job descriptions, performance reviews and rewards systems, and this has been a common theme among organisations which have successfully implemented new leadership models.

Interviewees told us that it is difficult to change long-standing cultures and practices that stand in the way of new approaches to leadership development. One local authority Chief Executive explained that senior leadership roles in their organisation have been filled on the basis of length of service. Challenging that convention meant displeasing long-standing members of staff, and cultural change at scale will require a long-term commitment to sharing and embedding new norms rather than simply mandating new approaches from the 'top down'.

Leaders needs to be equipped to understand the key role that digital technology can play in public services transformation. While qualified interviewees thought that Wales has made good progress in this area in recent years, they expressed concerns that parts of the public sector are still playing catch-up. We were told that senior leaders often still think of digital as an 'IT issue' or associate with it equipment and skills training, rather than something which can transform data collection and usage and collaboration with other services which, in turn, improves service delivery.

'Leaders... will block digital transformation... It's about using data well, and making data-led decisions... Senior people are not consistently hired based on [their] digital and transformative background.'

'Digital transformation isn't a core aspect of leadership [in the Welsh public service]. ...It's a weird subject area because the optimal knowledge is somewhere in the middle of the organisation rather than at the top. In other areas the best skills are usually at the top...'

Digital transformation represents a unique leadership challenge because it requires a leadership approach that allows non-management members of an organisation to act on their own initiative. This requires leaders to not only have a better understanding of digital and its implications for organisations, but it also requires them to empower people within their organisation.

### **Training and development**

- Provision of training and development varies across public services with some more advanced than others
- Austerity has diminished most organisations' training capacity, with local government particularly badly affected
- Additional investment is needed to fill gaps in current provision

Leadership training is evolving right across the Welsh public service, but some parts of the public sector are clearly further ahead than others. In health, for example, HEIW has both the resources and the remit to transform the workforce of health boards. It has adopted a broadly behavioural approach to leadership, with core principles that all staff are expected to subscribe to although individual health boards can tailor training and development to local circumstances. HEIW is well-resourced and enjoys a good working relationship with the Welsh Government and Academi Wales.

The education sector also has a dedicated group which focused on leadership development: the National Academy for Education Leadership. Although it is younger and smaller than the HEIW, it is seen by our interviewees as doing good work with limited resources. Currently however, its activities do not seem to have penetrated the entire education sector and its relationship with Academi Wales is weaker than other sectors.

The Welsh Government has redesigned its internal provision of training and development, integrating it into other performance management systems. Its strategic leadership development has a particular focus on increasing the numbers of women and minority groups in senior leadership positions. Interviewees believed that this approach is a significant improvements on previous provision but will take time to embed and bear fruit. It was suggested that it would benefit from evaluation to identify what is working well and what may need to be fine-tuned.

There are a range of different approaches to training and development in local government. There are examples of collaboration and sharing of best practice, but there is no sector-wide approach, and provision for leadership training and development can vary between departments in the same authority. Engagement with Academi Wales is patchy, with some local authorities strongly supportive, some much less engaged, and some positive in principle but with low take-up in practice. This reflects in part the breadth of functions which local authorities are responsible for and the importance of specific professional training and career pathways in many services. It is also the case that many local authorities have significantly smaller training budgets than health or the uniformed services. Interviewees also highlighted significant logistical barriers to developing a more joined up approach and suggested that this may require additional funding from the Welsh Government and/or formal agreements between national bodies like Academi Wales and individual councils.

The uniformed services have benefitted from very structured practices to leadership training and development and reasonably long-term and secure funding for it. But they also recognise the need to adapt longstanding approaches that may have contributed to gender imbalances and a general lack of diversity. They have maintained training budgets in spite of austerity and also have good relationships with Academi Wales.

The social care sector is developing its strategy and will benefit from the experience of others, including HEIW and Academi Wales.

Most of the interviewees reported that their organisations have devoted fewer resources to training and development in recent years, although some were now trying to reverse this trend. The reduction was particularly marked in the case of local government; one interviewee reported that their council had previously cut virtually all training and development apart from performance coaching, which was an essentially free activity.

Even in sectors with comprehensive leadership training and development, formal provision tends to dissipate as individuals move towards senior leadership positions, in favour of more informal approaches such as conferencing and networking, and peer support. This is more marked in services that are under the most budgetary pressure. Although interviewees with experience of these informal approaches appreciate them, it is not clear whether they are more effective than formal development programmes or simply low-cost alternatives.

Interviewees also reported that it becomes increasingly difficult to spare time for training and development the more senior you are. A number of interviewees stressed the importance of supportive line managers in facilitating their training and some organisations have a set

'budget' of training days that individuals are able to take. In practice however, demanding workloads can make it difficult for them to take these up.

#### Progression

- Formal progression pathways are rare
- There are opportunities to link training and development with progression
- The absence of formal progression pathways limits opportunities for developing a cadre of 'home-grown' Welsh public servants

The lack of a strong, home-grown leadership cadre and the absence of clear progression pathways to senior leadership means that Welsh public services often adopt an ad hoc approach to succession management. Some organisations still promote staff based on time served provided that they have basic managerial skills. Other rely on recruiting external talent in an attempt to fill a skills gap without ensuring that new recruits are familiar with the Welsh context or public service values. Local government leaders tend to be homegrown, while the health sector recruits a greater proportion of its leaders from England. There are positives and negatives of both approaches, but the difference of approach highlights key questions about whether current approaches to recruitment and progression are equipping the Welsh public sector with the kind of leadership it needs to deliver a more prosperous, equal and greener Wales. Stronger, more integrated and future-oriented progression pathways would assist in meeting the strategic leadership aims of organisations and the wider ambition of 'one Welsh public service'.

We found that formal progression pathways are rare outside of the uniformed services or health sector, although the civil service operates a standard promotion model. This was highlighted by interviewees as an area for improvement, particularly in organisations which had implemented new models for training, development and leadership. Recently, some organisations have turned to informal shadowing or mentoring arrangements, although these are in their infancy and often sit alongside ad hoc mentoring that individuals instigate themselves.

The absence of formal progression pathways is reflected in the experiences of current senior leaders. Virtually all those to whom we spoke told us that they progressed by virtue of their own initiative rather than as a result of a formal pathway. While this reflects the motivation and drive required to reach a senior leadership position, it also suggests that some potential leaders may be missing out because they do not have access to these opportunities. It appears that future leaders either need to be forthright, or fortunate enough to have a support and pro-active manager or organisation. Pathways are particularly weak at senior

levels where it can still be a case of waiting for more senior people to move on, although some steps are being taken to rectify this, particularly within the civil service.

A clearer progression pathway to senior appointments, and a more pro-active approach to talent management - in individual organisations and across public services - could reduce the risk of excluding those from under-represented groups and those who career to date does not fit the traditional profile. Canvassing staff views to better understand the existing gaps would also be valuable.

There may be opportunities to better link progression to training and development programmes, and to the broader concept of one public service. And strengthening the link between training and development and job progression would increase the incentive to engage with training courses, secondments, placements and work shadowing.

The few early talent identification programmes in operation are in their infancy. The Welsh Government have a programme focusing on under-represented groups. Some organisations are attempting to improve the ways in which they identify talent, and the Academi Wales Public Service Graduate Scheme is as an attempt to build a talented cadre of mid-level leaders with experience in a range of public services.

#### **One Welsh public service**

- The concept of 'one Welsh public service' is widely recognised and understood
- However, the expectations and responsibilities of organisations to help achieve it remain unclear
- Increasing cross-sector networks, secondments and peer challenge would help

There are a variety of ways of encouraging a single Welsh public service. They include encouraging and rewarding people who work in different parts of the public sector in the course of their career and/or by putting common structures in place that permit crossgovernment action to tackle policy challenges.

Most interviewees understood it to be about collaboration and culture change.

'I think the definition of one public service has to be a cultural one, about a set of ideals and values that encompass the service that we are trying to deliver across the public sector.'

#### '[Its] about how we behave, how we show up, how we deliver our services... [It] is the opportunity to deliver better, higher-quality services for people with the mindset that we can do more with the right behaviour.'

However, they felt that it was important to be clearer about the aims and objectives.

# 'Are you clear about the problem one public service is meant to solve? It sounds really sensible in one sense, but actually the question of what it's about – mobility, culture, growing your own – is important to answer...'

One way of delivering it was through a more flexible and mobile workforce that can work across 'silos'. Many interviewees felt that there were benefits to having a better understanding of different parts of the public service. This was felt to be particularly useful in terms of the relationship between central government and other public bodies: some felt that their role and operational realities were not always well-understood by the Welsh Government, and similarly that they would benefit from better understanding the context in which civil servants operate.

Providing the space and opportunity for public sector leaders to visit other organisations and see how they are run, even for a short period of time, could help to foster collaboration and improve performance. This can be done informally rather than through formal secondments or placements, which would involve complications in terms of differences in pay and conditions between sectors. Organisations could also encourage peer challenge by sharing day-to-day practices with other organisations and having open review and challenge. Evidence from England suggests this can boost performance (Local Government Association, 2020).

Many interviewees thought there would be benefits in improving how the public sector encourages collaboration, both through formal and informal mechanisms. This could include mixed discipline training and development programmes – including placements, secondments and peer challenge programmes – in order to boost networks and collaboration across the public sector.

Some felt that Academi Wales played an important role in encouraging collaboration, but that there is scope for it to do more if it was given increased resources and a mandate from the Welsh Government to do so.

'Empowering citizens and communities in a more enabling state...guides you to a very specific leadership model. Outcomes-based, about coproduction, enabling community groups and civil society, a public service where everyone has agency... If that's right then there's a very clear remit for Academi Wales. There's a mismatch however between this ... and what actually happens.' Interviewees mentioned some familiar challenges to delivering 'one Welsh public service' including differences in pay and conditions, particularly pensions, and a lack of parity of esteem between different sectors and job roles. This was particularly noted in the case of health and social care.

#### **Academi Wales**

- Academi Wales is a well respected service provider
- Not all parts of the public service are engaged with Academi Wales
- Academi Wales needs be repurposed and refocused on driving transformation in public services in order to improve outcomes for the public

Academi Wales has been a key provider of training and development across the Welsh public sector in recent years. Although its provision is not mandated, its take up across the Welsh public sector is substantial (it has contact with approximately 12,000 individuals per year) and on the whole, it was well-regarded by interviewees. It was credited with having promoted a behavioural approach to leadership development and championing the concept of a single Welsh Public Service ethos by encouraging networking between leaders across different organisations and sectors.

However, Academi Wales' offer tends to be taken up by those who are either identified or self-identified as potential leaders, and who already believe that training and development should play a key role in progression. Its impact also varies between sectors. As one interviewee explained:

#### '[Academi Wales] was born in [the] health [sector] so has always had a clear health 'brand' on it, fairly or not. ...People tend to self-select to go to Academi.'

Limited take up by local government is not due entirely to a lack of demand from the sector. Academi Wales told us that it rejects a disproportionate number of applicants from local government for their flagship programmes due to the poor quality of applications from the sector. Some interviewees also suggested that underperforming health organisations make less use of Academi Wales than those which are doing well.

This patchy engagement across public services runs the risk that talented individuals with the potential to become leaders are being left behind. Access to Academi's programmes is currently reliant on individuals putting themselves forward and enjoying the support of their organisation and line manager. As a result, organisations that most need improved leadership may not benefit from its activities, and there is a risk that Academi ends up

'preaching to the converted' thereby creating a self-selecting and tightly-connected cadre of leaders from some parts of the public service whilst leaving others largely untouched.

Our interviews and the expert roundtable identified a number of ways in which Academi Wales might strengthen its existing training and development provision to guard against this.

Clearly, it needs a concerted focus on extending its reach to those parts of the public sector that do not currently engage. This means targeting underperforming organisations and services, rather than those that already grow effective leaders and are performing well.

Interviewees argued that it needs to adopt an even stronger focus on outcomes and systems leadership. Collaboration must not be an end in itself. There should also be a greater level of ambition and a stronger emphasis on driving transformation and improvement. Aspiring leaders need to be equipped to tackle the barriers to cultural change. There needs to be more effective sharing of best practice and a significant investment in peer challenge and support in Wales.

There was also support for increasing the number and range of short-term exchanges which give leaders experience of other areas of the Welsh public service which avoid the bureaucratic hurdles to formal secondments.

Academi Wales is already moving in this direction, but some have questioned whether it can go further and faster or needs to be replaced by a new organisation. Currently, it is based in the Welsh Government and overseen by the Minister for Housing and Local Government. The Williams Commission recommended that it be taken out of government, and given an explicit mandate to lead the development of a cadre of public service leaders and to drive whole systems thinking. Others have suggested that it should be replaced by a new organisation, with a more explicit focus on leadership and governance, akin to the former UK National School of Government or France's ENA school of administration.

While there are attractions to creating a new organisation with the development of future public service leaders at its core, it is not clear from our interviews that the set up costs and inevitable disruption to existing leadership development programmes would justify this. As one interviewee argued:

'You need a national leadership and development framework to be implemented, and Academi [Wales] are the obvious people to do that. They should absolutely have a more independent role [from] Welsh Government. We don't want to create lots of agencies doing improvement, leadership and development work, we want clarity and Academi are best [placed for] that role.' On balance, it may be better to repurpose, rather than replace, Academi Wales, building on the strength of its existing 'brand' and relationships in the Welsh public service whilst significantly increasing the level of ambition and focusing explicitly on its contribution to driving improvement in public service through equipping current and future leaders.

#### Recommendations

Our analysis identifies some important successes, but also highlights ways in which current provision for leadership training and development is not adequate to achieve the ambition for service transformation and a single Welsh public service.

Public services leaders and workforce directors recognise the importance of training and development and the concept of one public service. However, current provision and take up is distributed unevenly with different parts of the public sector adopting very different approaches and investing very different levels of resource in developing leaders.

There are concerns about the lack of incentives for potential future leaders to engage with training and development. The current over-reliance on self-selection and support from line managers together with the lack of formal routes for progression risks disadvantaging potential leaders from under-represented groups and non-traditional backgrounds.

There are concerns that current leadership training and development is not sufficiently outcomes-focused and does not give enough emphasis to organisational and service transformation. There is a danger that collaborative leadership is seen as an end in itself rather than a means of improving the outcomes for service users.

We found support for some relatively small adjustments that could have significant positive impacts including changes to formal processes of training and development, recruitment and appointment processes together with enhanced opportunities for secondments, peer challenge and networking.

On balance, there was support for repurposing, rather than replacing Academi Wales. Some interviewees believed that would be benefit in moving it out of the civil service so that it was seen as being 'owned' by the whole public service.

In light of these findings, we recommend the development of a more focused, public servicewide approach to leadership by:

- Tasking Academi Wales with promoting a uniform set of values and expectations for leadership development across the Welsh public service.
- Requiring Academi Wales and other providers to adopt an outcomes-driven approach with a strong focus on equipping leaders to drive transformation.
- Targeting leadership training and development offers on underperforming organisations that need it most.
- Providing more resources to support leadership development in sectors, such as local government, where there is currently relatively little provision.
- Requiring all public service organisations to establish a strategy for leadership development and clear progression pathways to senior appointments.
- Encouraging representative organisations and public service boards to help foster collaboration and best practice together with peer challenge and support.

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