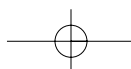
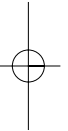
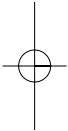


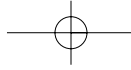
Paul Iles & John Wilson

From CCT to Best Value: employee career and organizational attitudes in a Northern Local Authority

From CCT to Best Value: employee career and organizational attitudes in a Northern Local Authority

Paul Iles & John Wilson
Teeside Business School, University of Teeside





Abstract

The Labour Government's drive to modernise public services has involved widespread reforms to local government, including the abolition of the previous Conservative Government's policy of compulsory competitive tendering (CCT) and its replacement with 'best value' (BV), an agenda to which local authorities now have to respond. This paper considers the nature of this change from CCT to BV and explores some of the contradictions inherent in BV and the wider Labour modernisation initiatives. It also reports on one authority's response to the transition from CCT to BV by presenting the findings of a survey on the attitudes of employees in a Northern Local Authority (NLA) and the lessons for the NLA as it responds to the requirements of BV.

Introduction

The need 'to modernise Britain' (DETR, 1998a, p5) has been a central theme of the Labour Government's agenda since being elected in May 1997 and will continue to be so following Labour's re-election in June 2001. Central to the agenda has been the drive to modernise public services in general - 'Renewal of our public services is at the centre of new (sic) Labour's manifesto' (Labour Party, 2001, p6) – and local government in particular. There is, in Labour's view, a compelling need to reform local government (DETR, 1998a; DTLR, 2001). This was, perhaps, ironic given that for 18 years between 1979 and 1997 four successive Conservative governments had displayed considerable ideological hostility to local government and sought fundamentally to change its nature. The centrepiece of Conservative policy towards local government was Compulsory Competitive Tendering (CCT). CCT involved a statutory requirement to expose to external competition defined proportions of certain services which, traditionally, would have been delivered by the in-house workforce free from the threat of private sector competition.

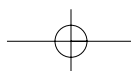
CCT was designed to effect not only improvements in service delivery but also a cultural change amongst local authority personnel. There is evidence, albeit mixed (Boyne, 1998), that this has happened to some extent (e.g. Walsh, 1991; Walsh & Davies, 1993; Wilson, 1999). However, there was widespread objection to CCT, not least on the grounds of the transaction costs associated with it and the fact that it has disproportionately affected poorly-paid workers and, in particular, females (CPS, 1995).

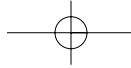
In response to the perceived failings of CCT, Labour has committed itself to the concept of Best Value (BV). In responding to BV, councils will need to implement the 4 Cs, i.e. challenge why a particular service is needed at all; compare performance with other users across a range of relevant indicators; consult with local taxpayers, service users and the wider business community in the setting of performance targets; and compete in the sense of demonstrating that the preferred means of delivering a service has been determined by means of a competitive process (DETR, 1998b).

The precise meaning and nature of BV are still evolving but, within the 12 principles that define the BV framework (see DETR, 1998b, Figure 1), principle 4 states:

There is no presumption that services must be privatised, and once the regime is in place there will be no general requirements for councils to put their services out to tender, but there is no reason why services should be delivered directly if other more efficient means are available. What matters is what works.

This pragmatic approach, as shown in principle 4 given above, helps distinguish BV from CCT. It also illustrates that there can be little doubt that Labour is not committed, as a matter of ideology, to in-house provision. The onus is on local authorities to demonstrate that they can achieve the economic objectives of CCT but without the compulsion, and in a manner which is more efficient and customer-focused. To do this, it is necessary that their workforces, both blue and white collar, are committed to the pursuit of customer-focused, rather than producer-driven, policies. In many respects, this may require a culture shift or a determination to build on the positive aspects of CCT.





'The commitment of local government to the cultural changes which best value is designed to bring about is therefore vital' (DETR, 1998b, p7). However, the likelihood of local authority personnel displaying such commitment is open to debate, as also is their ability to do so. Nonetheless, the experience of CCT (combined with the threat of its re-introduction in some form should local authorities fail to respond positively) should mean that the degree of cultural change required successfully to respond to, and to demonstrate, BV should be less than would have been necessary had CCT never happened.

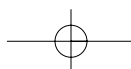
Best Value: Tensions, problems and opportunities

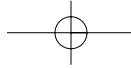
The BV framework includes an emphasis on performance management and the continuous improvement of service quality, efficiency and effectiveness. This continuous improvement is to be achieved through performance plans, reviews and action plans, backed up by a rigorous, centrally prescribed regime of performance standards, targets for improvement, external audit, inspection and intervention in the light of perceived failures in performance. There are strong elements of central prescription and regulation and pressures to uniformity, though the precise nature of the framework has still to be determined (DTLR, 2001).

Nonetheless, the BV framework closely resembles conventional rational planning models (Boyne, 1999). Keenan (2000) argues that there is much in BV of earlier resource allocation techniques popular in the 1960s and 1970s. These include Planning and Programming Budgeting Systems and Zero Base Budgeting and BV may present similar problems to effective service provision, such as administrative overload, inflexibility and manipulation by budget holders. Bovaird and Halachmi (2000) draw attention to the roots of the BV approach in the USA (e.g. the Defense Department Best Value Procurement regime), Australia and New Zealand (e.g. the move to stakeholder involvement) and continental Europe (e.g. quality initiatives involving best practice and benchmarking in Finland, Germany and Belgium, systematic activity costing and output measurement in Dutch and German local government). It can also be seen to have its roots in previous US and UK performance measurement and comparison regimes, such as 'reinventing government' in the US and 'modernisation' in the UK.

BV involves both a set of outcomes (e.g. continuous improvement, efficiency) and a set of processes (e.g. performance planning, reviews and action plans). Performance improvements need to be sufficient to cover the costs of regulatory arrangements. Best Value Performance Indicators take precedence over other indicators, allowing comparison of performance over time; they cover 'corporate health' (e.g. planning and measuring performance, customers and the community, management of resources, staff development, partnership working) and 'service delivery' (strategic objectives, cost efficiency, outcomes, quality, fair access). Boyne (2000) draws attention to some of the confusion in this area, the likely neglect of service aspects not measured and the dangers of authorities 'playing the figures', such as reporting initial low performance to demonstrate continuous improvement. In addition to auditing local performance plans, auditors are also required to assess corporate and management arrangements for BV as a whole, including their approach to the 4 Cs, and the Audit Commission is empowered to undertake BV inspections of local services (Boyne, 2000).

This highly rationalistic, prescriptive model of management and the improvement of existing services may conflict with some of the other goals of the 'modernisation agenda', such as the drive for joined-up government and the central role envisaged for local government in 'community leadership', 'strategic partnerships' and cross-boundary working. The tension between 'management' and 'leadership' has often been commented on by leadership writers as well as by commentators on public management, (e.g. Martin (2000); Sanderson (1998)). Other initiatives, such as advocacy-based service planning, citizen-led benchmarking and performance review, stakeholder involvement in budget-setting and community audits have yet to be incorporated into





BV in the UK. The authors see BV as involving the grafting of 'community and local governance' concerns onto 'new public management' (Hood, 1991). Optimistically, BV can derive the best from both models; however, it may also experience the worst of both models, with a failure to resolve the tensions discussed earlier in the 'modernisation' agenda between 'joined up government', community leadership and Best Value.

Many practitioners, whilst in favour of the underlying principles of BV, appear disappointed by the degree of central direction implied by the regime of national targets, performance indicators and inspection. (e.g. 'People Management', 2000). Tensions between cost savings, quality and choice are identified, as well as the need to respond to different demands. Since trade unions have not always been involved in BV reviews, there is a danger of marginalising 'people' issues, yet BV requires a major cultural change, necessitating the involvement and engagement of staff, citizens and council Members, as well as staff and council Member development. This implies the need for research to assess existing levels of staff engagement, as well as attitudes to their jobs and careers, to serving their community and to taking on further responsibilities.

Each local authority needs to determine a response to best value appropriate for itself. To this end, the authors were invited to contribute to discussions within a Contract Services Department (CSD) of a Northern Local Authority (NLA) as to the most appropriate response to the BV agenda.

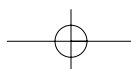
Contract Services Department (CSD)

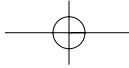
The mission of CSD is 'To be seen to provide socially responsible best value services which promote economic prosperity within the community of [NLA]. To do so, it has an annual revenue budget of approximately £3.5m and staff of approximately 1400, providing a wide range of services including: grounds maintenance; street cleansing; highways; drainage; lighting; civil engineering; catering (*viz* school meals); building cleaning; community safety (*viz* school crossing patrols); refuse collection. These blue collar services are supported by white collar staff, also within CSD, in finance, personnel, purchasing, IT (information technology), quality and customer services.

In order to contribute to the emerging literature on the nature of local authorities' response to Best Value, this paper reports the findings of a survey into the attitudes of employees in the CSD. The paper is based on a questionnaire survey of 570 employees, conducted in January 2000, from six work grades (from operational through to Principal Officer) and 14 work divisions (e.g. nursery, grounds and drainage) and a series of focus group studies with various grades of staff. Specifically, the paper reports findings in respect of current job, career and organisational attitudes and perceptions held by employees. It also presents findings which will help inform NLA's response to BV by highlighting the scope for employees to fulfil roles different to, or greater than, those as defined by their job descriptions, designed to ensure employees value more highly themselves and the work they do whilst simultaneously offering the opportunity for greater job satisfaction.

Methodology

Despite the removal of CCT, there is a continued need, under BV, for blue collar services to be competitive. There is also merit in exploring how a public sector organisation can offer a level of service that a private sector organisation would find difficult to reconcile with its commercial objectives. In addition, if the aspiration of continuous improvement is to be met, organisations need to take a longer-term view and to consider the staff commitment and development implications. These issues influenced the design of the questionnaire survey and the nature of the focus group activity, which was also influenced by the results of the survey. The focus group discussions also enabled a more in-depth exploration of these issues, as well as providing something of a safeguard against a possible low response rate. The questionnaire was distributed to 570 employees,





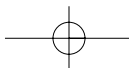
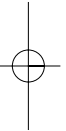
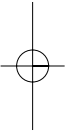
representing approximately 40% of the CSD workforce, in January 2000. The questionnaire and the sample, drawn from across the range of groups within CSD, were both agreed with the Director of CSD. The focus groups, all lasting for 3 hours, were conducted in May 2000. Six groups of employees participated, 4 of which were blue collar, 1 was white collar and 1 managerial. Each group was drawn from a range of services.

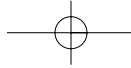
Analysis of Results of Questionnaire Survey

The findings are based on 98 completed questionnaires, representing a response rate of 17.2%. This response rate is rather low, perhaps not surprising given the nature of the sample, primarily blue collar, but in part might also be indicative of a reluctance to participate in NLA and CSD activities. Given that this low response rate was not wholly unanticipated, and there was a need to explore certain issues in greater depth, it was also decided to hold focus groups to ascertain staff views in a more informal, face-to-face way, perhaps more appropriate for the target population. The reliability of the questionnaire was examined using appropriate statistical measures. Since reliability values over 0.60 are considered to be acceptable, the reliability of the scale used in this study can said to be very good, i.e. $\alpha = 0.86$. The questionnaire was divided into 4 sections: personal profile; views on CSD; views on NLA; general views.

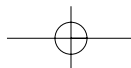
Section One: Personal Profile of Employees

The profile of the respondents is given in Table 1. It can be seen that the majority of respondents are male (65.3%), in full-time permanent employment (72.4%) on scale 1-6 (59.2%), have mainly worked in only one division (94.9%) and are 41 or over (53.1%). There is a reasonable spread with regard to division in which employed and length of service with both CSD and NLA, and in this sense the sample seems reasonably representative of the CSD population.



**Table 1 Profile of Respondents**

PROFILE	<i>Number</i>	<i>% of respondents</i>
Male	64	65.3
Female	34	34.7
Total	98	100
Basis of Employment		
Permanent FT	71	72.4
Permanent PT	24	24.5
Temporary FT	2	2.0
Temporary PT	1	1.0
Total	98	100
Work Grade		
Operational	21	21.4
Scale 1-6	58	59.2
Senior officer	10	10.2
Principal officer or above	9	9.2
Total	98	100
Division of Contract		
Street cleaning	12	12.2
Grounds	21	21.4
Nursery	3	3.1
Highways	2	2.0
Lighting	2	2.0
Drainage	3	3.1
Catering	25	25.5
Suites	1	1
Building & cleaning	4	4.1
Security	3	3.1
Transport	5	5.1
Support services	17	17.3
Total	98	100
Other Division Worked for?		
Yes	5	5.1
No	93	94.9
Total	98	100
Age Group (Years)		
21-30	7	7.1
31-40	39	39.8
41-50	34	34.7
51 and above	18	18.4
Total	98	100
Length of Service (CSD)		
Less than 3	14	14.3
3-5	9	9.2
6-10	33	33.7
11-15	25	25.5
More than 15	17	17.3
Total	98	100
Length of Service (NLA)		
Less than 3	12	12.2
3-5	7	7.1
6-10	22	22.4
11-15	22	22.4
More than 15	35	35.7
Total	98	100



Section Two: Views on CSD

The majority of respondents (percentage as given in brackets) showed high levels of commitment (58.5%) and satisfaction with their current jobs, salaries and with CSD as a whole (67%) and a readiness to develop their work skills (80.6%). Satisfaction with salaries may indicate that these are high relative to the private sector, leading to potential dangers in terms of competitiveness, but this concern is allayed by CSD's past success in winning contracts. The high levels of job commitment and satisfaction combined with a willingness to develop work skills provide a solid base on which to build for BV. However, although respondents showed some satisfaction (53.1%) with their line managers, the analysis of the data revealed that respondents believed there is weak communication between employees and their line managers, with which employees are dissatisfied (64.2%). They also perceived a lack of awareness on the part of line managers of their future job preferences (47.9%) and felt unable to discuss their long-term career prospects with their line managers (43.8%). These are issues which need to be addressed if sustained commitment and continuous improvement as required by BV are to be achieved.

The survey revealed that not only was superior-subordinate communication weak, but also that overall communication within CSD seemed poor. The majority of respondents (61.2%) indicated that they had not volunteered to participate in specific CSD initiatives, such as business planning, business process and overall review, empowerment and learning. These respondents gave different reasons for not volunteering, the three main ones of which were lack of information, the perception that the activity was not relevant to work, lack of time to participate. Again, if CSD believes these initiatives - enhanced business planning, business process reviews, lifelong learning and so on - to be important for its longer-term success under BV, then it will need to demonstrate this by providing time and clear reasons for employees to participate. In doing so, it will be more confident that the workforce is sufficiently able and flexible to deal with future job demands.

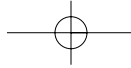
Operational grade respondents showed more positive views towards CSD than other grades, and those on scale 1-6 showed more positive perceptions than those on or above Senior Officers grade. It should be noted that Principal Officers and above actually showed the least positive views towards CSD.

As can be seen from Table 2, respondents' views on CSD are significantly and positively related to their views on NLA. The more positive their views on CSD, the more positive their views on NLA, and vice versa. Employee views on CSD and NLA are significantly and positively related to employees' views towards serving the people of the borough, delivering high quality services and improving skills and performance.

Table 2 Employee perceptions of CSD and NLA

	Views on CSD	Views on NLA	General Views
Views on CSD	1.000	.402** p = .000	.230** p = .001
Views on NLA	.402** p = .000	1.000	.251** p = .001
General Views	.230** p = .001	.251** p = .001	1.000

Note: ** Correlation is significant at .01, * Correlation is significant at .05.



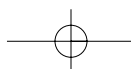
Section Three: Views On NLA

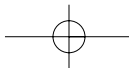
The majority of respondents indicated high levels of interest and commitment to NLA (81.6%) and high levels of intentions to stay with NLA (64.3%). However, the issue of weak communication appeared once again. For instance, 54.1% of respondents were unconvinced that every effort is made to ensure that all employees are aware of opportunities to become involved in voluntary activities in the borough. 55% of the respondents had not participated in NLA initiatives, which may indicate problems in the methods used to communicate these initiatives to employees. In addition: female respondents showed generally more positive views on NLA than male respondents (Table 3); permanent-part time respondents are more satisfied and committed to NLA than permanent full-time respondents, but, understandably, permanent full-time respondents showed more positive attitudes towards NLA than did temporary full-time and temporary part-time respondents (Table 3); operational and grade 1-6 respondents reported more positive views towards NLA than other grades of respondents (Table 3).

Table 3 Employee perceptions of CSD and NLA by key variables

		Views on CSD	Views on NLA	General views
1	Sex	.005 p = .962	.233 p = .02*	.388 p = .000**
2	Basis of employment	-.001 p = .992	.243* p = .016	.289**
3	Work grade	-.272* p = .007	-.247* p = .014	-.203* p = .045
4	Division of work	-.078 p = .445	-.028 p = .783	.302** p = .002
5	Other divisions worked for	-.156 p = .125	-.202* p = .046	.028* p = .785
6	Age group	.008 p = .937	-.044 p = .670	-.066 p = .521
7	Years worked for NLA	.071 p = .487	-.063 p = .540	-.222* p = .028
8	Years worked for CSD	.123 p = .227	-.098 p = .336	-.157 p = .123
9	Living in NLA area	-.128 p = .209	-.130 p = .204	-.022 p = .830

Note: ** Correlation is significant at .01, * Correlation is significant at .05.





Section Four: General Views

The majority (66%) of respondents either agreed (49%) or strongly agreed (17%) that they were doing a good and valuable job for the people of the borough. In addition, they indicated that they were highly prepared to welcome suggestions about how they could deliver better quality services (88.8%). This is encouraging from the viewpoint of responding to BV. However, although 73.4% of respondents believed the former Conservative Government's policy of CCT was a threat to jobs, only 39.8% believed BV was a threat to jobs. This may indicate some degree of complacency or a lack of awareness as to the potential 'threat' of BV, both of which could undermine efforts to improve efficiency and effectiveness.

The survey also revealed that: female respondents were more positive than males in their views on serving the people of the borough and providing a high quality service; operational and grade 1-6 respondents showed more positive attitudes towards serving the people of the borough and providing high quality services than other grades of respondents; respondents who had worked for NLA for three years or less showed more positive views towards serving the people of the borough, developing their skills and improving the quality of services than those who had worked for NLA for more than 3 years.

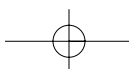
Summary: Questionnaire Survey

In general, satisfaction and commitment to the CSD and to NLA can be said to be generally positive. However, the more senior respondents (Senior Officer grade and above) showed less satisfaction with their jobs and lower commitment to CSD and NLA than those less senior (e.g. operational). This may contribute to the perceived problems concerning communication, in that such managers may not be prepared or motivated to ensure effective communication. The survey revealed a number of positive general perceptions of work in CSD: high levels of commitment; satisfaction with job, salary, and CSD and NLA as a whole; and a readiness to develop their skills. However, negative perceptions were held over communication in particular, not least over day-to-day communication with supervisors and a perceived inability to discuss long term career prospects with line managers. Interestingly, lower grade staff seemed most positive in their attitudes in these areas. Commitment to CSD and NLA was strongly associated with positive views on serving the people of the borough, delivering high quality services and improving skills and performance. Given that the vast majority of respondents (88.8%) were prepared to welcome suggestions as to how they could deliver better quality services, there seems to be a substantial readiness among lower grade staff to consider taking responsibility to improve the quality of the services offered. Again, in terms of responding to BV, this is encouraging for CSD.

Because issues of communication, involvement and participation emerged as key issues in the questionnaire survey and because of the not wholly unexpected relatively low response rate to the survey questionnaire, it was resolved to hold focus groups to assess more fully the nature of the problems in these areas.

Analysis of Results of Focus Group Discussions

A total of 6 focus groups - 4 groups of operatives, 1 group of administrators and 1 group of business managers - were held in May 2000, each lasting approximately three hours. This split and the approach to be adopted were agreed with the Director of CSD. The composition of the groups was determined by the employees themselves, in that a number were invited to participate and it was left to each individual to decide whether or not to do so. Attendance varied, with the smallest group being 4 (one of the operative groups) and the largest being 10 (business managers). Though there was some flexibility in operation, each focus group was similar in exploring 2 key issues: the present state of CSD (i.e. where it is now), and recommendations for improvement (i.e. where participants would like CSD to be and how to get there).

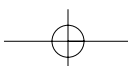


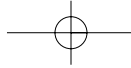


The feedback with regard to the present state of CSD is presented under *positive* and *negative* (see Tables 4 and 5) and feedback with regard to recommendations for improvement is presented under *council responsibility*, *line management responsibility* and *personal responsibility* (see Tables 6 and 7). Please note that, given the similarity of views as expressed by the operatives and administrators, these have been combined in Tables 4 and 6.

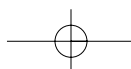
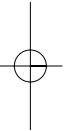
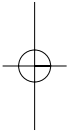
Table 4 Views on Present State of CSD as reported by Operatives and Administrators

POSITIVE	NEGATIVE
<p>Job satisfaction, particularly through the variety of work and public contact and satisfaction/pride derived from working for NLA which was believed to have a very good reputation.</p> <p>Job security, though it was recognised that there is no longer a 'job for life'.</p> <p>Pay, pension scheme and conditions of employment (particularly flexibility re. holidays, childcare, part time work).</p> <p>Colleagues' appreciation of work done.</p> <p>Administrators – office accommodation. (open plan – seen as less territorial).</p>	<p>Training opportunities are provided by NLA but often advantage of them could not be taken as line managers would not always support requests that they be funded.</p> <p>Pressure in work – lack of time to do jobs (e.g. cleaning / catering).</p> <p>Perception that staff are expected to do more of management's job, without management pay.</p> <p>Poor communication, especially listening and passing on information. Limited use of email compared to other Departments. Departmental magazine fails to deal with controversial issues.</p> <p>Lack of appreciation by management.</p> <p>Feeling that many appraisals were subjective and inconsistent, and often not delivered according to the agreed time-scale</p> <p>Management tended to take the credit for ideas that had originated amongst operatives/administrators.</p> <p>Arrogance of some Members ('do it now').</p> <p>Too many 'bosses' and not enough 'workers'.</p> <p>Blame culture.</p> <p>Increased public expectations, leading to more complaints – general lack of respect from members of public.</p>



**Table 5 Views on Present State of CSD as reported by Business Managers**

POSITIVE	NEGATIVE
<p>Pay and conditions of employment.</p> <p>Job security.</p> <p>Good and growing reputation of NLA and CSD, regionally and nationally.</p> <p>High levels of productivity, innovation and service quality.</p> <p>High levels of pride in winning contracts, being successful.</p> <p>Good blend of public/private sector experience and perspectives.</p> <p>Availability of training and development, but restricted due to commercial pressures, leading to frustration.</p> <p>High levels of participation in mentoring, voluntary sector, school governorships.</p> <p>Member support.</p>	<p>Uncertain impact of political changes, emergence of 'cabinet'.</p> <p>Negative attitude of other departments who have a 'snobbish' attitude to CSD, see them as aggressive or as 'cowboys'.</p> <p>Lack of commercial awareness in clients, and lack understanding of needs.</p> <p>Duplication of work.</p> <p>Senior Management Team (SMT) fails to prioritise service delivery; key aims (eg on unemployment) compromising commercial capabilities.</p> <p>Lack of support from SMT on Trade Union issues.</p> <p>Insufficient confidence in Members in understanding 'best value', issues and implications.</p> <p>SMT gives criticism, but little praise.</p>



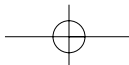
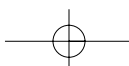
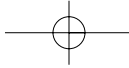


Table 6 Responsibility for Improvement as reported by Operatives and Administrators

Council	Line Management	Personal
<p>Promote the services of NLA and CSD by means of open days, road shows etc. This also provides a means of obtaining feedback from the public.</p> <p>Members to be more respectful.</p> <p>More female 'bosses' to facilitate discussion of personal issues (particular issue raised by cleaners/caterers).</p>	<p>Morale could be improved by offering discounts to CSD staff on NLA facilities.</p> <p>Managers to trust and involve staff more and to compliment staff, not just blame staff.</p> <p>More use of meetings, notice boards, to update staff on changes, procedures, plans</p> <p>Managers to listen to staff, to involve them more in improving services, not just tell them.</p> <p>Greater recognition of staff achievements, not just managers' – eg photos, stories in house magazine</p> <p>Appraisals to be undertaken systematically, focusing on training and career development</p> <p>Managers to make themselves available to staff, not just when problems arise.</p> <p>Remove blame culture, provide support.</p> <p>Better time management.</p> <p>Team building, facilitate inter-departmental movement, share best practice, greater use of job shadowing by senior managers.</p>	<p>Staff to act as ambassadors for CSD, with standardised information card to help and assist public.</p> <p>Staff to complain more, insist on more information from management.</p> <p>More encouragement of colleagues to attend meetings and training events.</p> <p>Understand the pressures/work of other sections, and the knock on effects of one's own work</p> <p>Enhance multi-skilling and take up further training, eg IT, personal development.</p> <p>Take greater interest in future of CSD and NLA.</p>





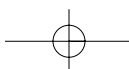
It can be seen from Table 4 that the following are key positive features as reported by operatives and/or administrators: pay and conditions of employment; NLA reputation; support from, valued relationships with, colleagues; working environment; satisfaction derived from serving the public. The main negative features reported by operatives/administrators concern: management style; lack of financial and managerial support to exploit available training opportunities; absence of appraisal (operatives) and dissatisfaction with appraisal (administrators); attitude of some Council Members.

It can be seen from Table 5 that the main positive features reported by Business Managers concern: pay and conditions of employment; NLA reputation; perceived support from NLA, Members and the electorate; pride in their performance (*viz* incidence of success in winning contracts and being innovative in working practices); involvement in wider community. The main negative features concern: operation of senior management team; uncertainty concerning potential internal political changes; attitude of other Departments and the inability of other Departments to appreciate the nature of the commercial environment within which they are operating; lack of confidence in Council Members' ability/willingness to respond to the changed national government agenda.

There are clear strengths on which CSD can build as it responds to BV, not least the satisfaction felt by employees in serving the public, but, in doing so, it must address the fundamental underlying issues around the perception employees have of their own worth, illustrated in the attitude they believe exists amongst managers and, indeed, Council Members. This attitude can be summarised in the phrase 'blame culture'.

In suggesting recommendations for improvement, see Table 6, administrators and operatives believe more emphasis needs to be placed on: respecting employees; building trust and confidence, including the appointment of more female 'bosses'; improving communication; engaging with and listening to employees; appraising employees and facilitating staff development; building teams; removing blame culture.

Some of the above points were also made by the business managers, see Table 7, but they also felt that other departments needed to be as commercially-aware as CSD and senior management had to be less patronising and more respectful and courteous.



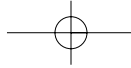
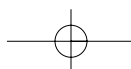
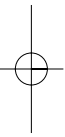
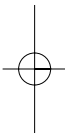
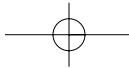


Table 7 Responsibility for Improvement as reported by Business Managers

Council	Line Management	Personal
<p>Members need to interfere less and acknowledge staff achievements more.</p> <p>Client departments need to be more involved and aware, and show a greater sense of urgency, with less criticism and more integration.</p>	<p>Listen, support, discuss, and nurture staff.</p> <p>Be clearer about CSD aims.</p> <p>Involve business managers more.</p> <p>Introduce a 'happy hour' to help relaxation and socialisation.</p> <p>Interfere less, and overturn less, in day-to-day decisions.</p> <p>Acknowledge managers with greater courtesy, patience and unpatronising attitude.</p> <p>Avoid blame culture.</p> <p>Workload among management team needs to be more equitable.</p> <p>Be more commercially-driven and not allow themselves to be compromised by a social agenda.</p> <p>Act as a team, challenge each other, be consistent in their actions, and acknowledge their managers' results more, with compliments as well as criticism.</p>	<p>More hands on, with more face-to-face supervision</p> <p>Duplicate less and team build more.</p> <p>Develop a greater team spirit as a group and communicate together more often in an open forum.</p> <p>Communicate more, with more use of briefings, and need to delegate more so as to stretch staff; more rigorous and demanding of staff, set higher expectations, and ensure things are completed.</p>





Summary: Focus Groups

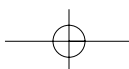
Although it is not possible to claim that the following conclusions are necessarily representative of all CSD employees, they can reasonably be regarded as valid given that they were identified by all 6 groups. In addition, they are consistent with the findings of the questionnaire survey. The main conclusions are that participants feel that CSD is characterised by a 'blame culture', reflected in a perceived lack of trust between employees and line managers. There is poor communication, in particular managers 'tell' rather than 'listen', and information is not shared. They feel undervalued, and 'criticism' is more evident than 'praise', reinforced by the view that departmental achievements are not recognised and publicised as much as managerial achievements. Staff suggestions tended not to be followed-up and, in instances where they were, managers rather than staff were credited with the ideas. They also felt that managers fail to support staff on certain key issues, but would intervene unnecessarily on occasions. They believed there is differential treatment between managers and staff and between different groups of staff (e.g. operatives felt disadvantaged re. opportunities in respect of training and development, whereas administrators felt that senior managers were more responsive/courteous to operatives than to them). On a more positive note, operative and administrative participants would like to demonstrate increased responsibility, initiative and sense of ownership of CSD initiatives. They also believed that business managers would like them to behave in this manner. This expectation was, in fact, consistent with the actual views expressed by the business managers. However, operative and administrative employees believe they should be more assertive in requesting information and explanations in respect of the actions of business managers and Senior Management Team. This was not entirely consistent with the view of business managers, who felt their staff should show more respect for them and should be less reliant on them. Business managers feel that Senior Managers sometimes allow commercial considerations to be compromised by pursuit of a wider social agenda.

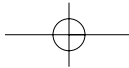
In suggesting ways to improve, it can be noted that many of the recommendations would actually cost nothing and others would cost only a little (e.g. awareness-raising sessions), as they are largely about style. This does not, in itself, reduce the difficulty of overcoming the 'negatives' but it does mean that CSD, and NLA in general, has within its own capability the potential to build on the many 'positives' and to respond effectively to the challenges of BV.

Conclusion

Blue collar public services are particularly vulnerable to competition from the private sector given their largely unskilled and labour-intensive nature and the scope for private contractors to deliver the services at lower cost by the simple expedient of offering less attractive pay and conditions than those which generally prevail in the public sector. It was for these reasons that CCT, when applied to blue collar services, was always likely to stimulate some private sector interest. CCT, despite claims to the contrary, was essentially concerned with the cost of delivery, and less concerned with quality, enhancing its attractiveness to private contractors given the competitive advantage they could expect to have over the public sector. Best Value at least offers the opportunity for the public sector to compete on a more equal basis, given the need to consider the quality of the service being delivered more explicitly.

Both the survey and focus group findings indicate that there is potential for CSD to enhance the efficiency and quality of the service being provided and to demonstrate Best Value in a way in which a private contractor may not be able to, given commercial imperatives. However, there seems a need to review the policy for the dissemination of information and the encouragement of feedback within CSD. In particular, more attention needs to be given to regular team meetings, to listening and giving information with respect to staff suggestions, and to acting on these suggestions. Appraisals for all staff could be introduced and used to review performance, define individual objectives and establish training requirements, which must then be met. This is essential if the objective of 'continuous improvement' is to be achieved.



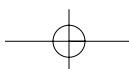


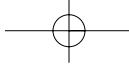
It also appears important to improve relations between Members and Officers. This may be achieved by inviting Members to participate in joint Officer/Member working groups to discuss issues of mutual concern and make recommendations to the Senior Management Team. The views and preferences of Members, for instance whether they are predisposed to in-house provision and committed to ensuring the workforce are equipped to compete with private providers, are critical when considering officer/Member relationships. Similarly, there is a need to improve relations between the Senior Management Team and the business managers, not least for them to discuss the identified tensions between commercial and social considerations in bidding for work, and between the business managers and their subordinates. This may be facilitated by establishing an Employee Forum, consisting of representatives of all groups meeting regularly (e.g. bi-annually) to enable employees to establish a common agenda for action.

It is believed that the CCT-driven changes and the efficiency gains resulting from them, combined with the general willingness, as revealed here, of employees to embrace different ways of working and to serve the community of NLA, can be used as a basis for demonstrating Best Value. However, there remain a number of issues which need to be addressed, not least a consideration of the extent to which discrete groups understand the views of each other. In addition, there needs to be a means by which such views can be shared, in order to begin to change the prevalent culture. The CSD within NLA provides evidence of the need for the sort of cultural change that Labour believes is required across all of local government.

References

- Bovaird, A. and Halachmi, A. (2000) 'Learning from international approaches to best value' paper presented at British Academy of Management Conference, Edinburgh, September 2000.
- Boyne, G.A. (1998). 'Competitive tendering in local government: a review of theory and evidence' *Public Administration* 76 (4) 695-712.
- Boyne, G.A. (1999) 'Processes, performance and Best Value in local government' *Local Government Studies* 35 (3) 1-15.
- Boyne, G.A. (2000) 'External Regulation and Best Value in Local Government' *Public Money and Management* 20 (3) 7-12.
- CPS (Centre for Public Services) (1995). *The Gender Impact of CCT in Local Government: Calculation Of The National Costs & Savings Of CCT* (Sheffield: CPS).
- DETR. (Department of the Environment, Transport and the Regions). (1998a). *Modern Local Government: In Touch with the People* (London: DETR).
- DETR. (1998b). *Modernising local government: Improving local services through best value* (London: DETR).
- Department of Transport, Local Government and the Regions (DTLR). (2001). *Strong Local Leadership – Quality Public Services* (London: DTLR).
- Hood, C. (1991). 'A Public Management for All Seasons?' *Public Administration* 69 (1) 3-19.
- Keenan, J. (2000) 'Just How new is Best Value?' *Public Money & Management* 20 (3) 45-50.
- Labour Party. (2001). *Ambitions for Britain: Labour's Manifesto 2001* (London: Labour Party).
- Martin, S. (2000) 'Implementing Best Value: local public services in transition' *Public Administration* 78, 209-227.
- People Management (2000) *Round Table People Management*, 24 August 2000, 27-31.
- Sanderson, L. (1998) 'Beyond performance measurement? assessing value in local government' *Local Government Studies* 24 (4) 1-25.
- Walsh, K. (1991). *Competitive Tendering for Local Authority Services: Initial Experiences* (London: HMSO).
- Walsh, K. & Davies, H. (1993). *Competition and Service: The Impact of the Local Government Act 1988* (London: HMSO).





Paul Iles & John Wilson

From CCT to Best Value: employee career and organizational attitudes in a Northern Local Authority

Wilson, J. (1999). 'Compulsory Competitive Tendering and Local Government Financial Services: An Analysis of the Views of Local Government Accountants in the North West of England' *Public Administration* 77 (3) 541-63.

