The nexus of good governance and leadership

Sylvester Odhiambo Obong’o and John Wilkins

Goverance is ‘the formation and stewardship of the formal and informal rules that regulate the public realm, including its political, economic and social dimensions. Good governance enables the development of public value through institutions and processes that promote accountability, transparency, predictability, capacity and participation’ (Chhabra, 2008). Goodness, as in the ‘public good’, is a relative term.

A lingering question is what comes first – good governance or good leadership? Many would say that one cannot exist without the other. There is a symbiotic relationship between governance and leadership. But what seems true is that good governance can survive bad leadership, whereas effective leadership is rarely sustained under a governance regime without virtue.

The strategic challenge

Public service today is a crowded intersection – there can be no public sector reform without capacity development, no transformation of networked government without collaborative leadership and no innovation without stewardship by strategic leaders. These dilemmas are exacerbated by the paradox of politics, where nothing is what it seems and perception is reality. The environment can be daunting to sort through, even for seasoned managers, never mind for newly appointed or first-time managers who need to know where to start.

Public leaders want strategic managers in their organisations. Results from a 2014 survey of Canadian deputy ministers and chief administrative officers (Evans et al., 2014) point to their top four priorities:

- Building leadership capacity (92.7 per cent)
- Focusing programmes on measuring outcomes rather than outputs (78.7 per cent)
- Implementing new innovative methods of and solutions to public service delivery (75.4 per cent)
- Enhancing attitudes and values of staff (72.6 per cent)

Strategic leadership requires experience and judgement. Rapid change, complex issues and generational turnover raise expectations of accelerated knowledge gathering. Fledgling public managers are expected to grow up quickly, learning in five years what used to take 20. There is no manual or formula for acquiring the knowledge and insights needed.

Governments require strategic managers who can lead programmes that cost less, deliver better service and add public value. Strategic public managers:

- Advocate whole-of-government approaches that align the principles of good governance and citizen-centred service
- Cultivate political acuity and business acumen together in relations with political and public service leaders
- Network government to develop public service capacity, institutionalise change and account for results
- Foster teamwork proactively to implement strategies that lead to sustainable change and results
- Embrace self-awareness as a comparative advantage for effective performance and career development
- Proactively identify and resolve problems that impair organisational change and outcomes

In short, strategic public managers manage up, down, across, out and every which way. They are part teacher and part spirit worker. They enable communities of interest and practice to flourish.

A new brand of leadership exercising strategic competencies is prophesied. We need well balanced, dedicated people who practice a style of management that can be called ‘engaging’. These people believe that their purpose is to leave behind stronger organisations.

Leadership competencies

Competencies are the behaviours that enable organisations to attain their strategic objectives. Along with trust, competence is integral to horizontal goal-setting approaches in public service motivation. To be successful, leaders need to know the corporate culture and continuously improve upon their general management capabilities. But competence is in the eye of the beholder.

In 1969 the Peter Principle popularised the view that ‘managers rise to the level of their incompetence’. The principle has been reframed for today’s organisations, workplaces and people. ‘Managing upwards’, subordinates find creative ways to promote greater interests while subtly limiting the havoc superiors might otherwise have wrought (Peter and Hull, 1969: p. 8).

A generation of public managers has been raised in a counter culture vested in claims of competence. A cottage industry of human resource specialists and consultants feasts on the spoils, with mixed results. Competency frameworks cascade standardised roles, attributes, behaviours and measures across the performance landscape.

Competency approaches are expected to help identify the skills, knowledge, behaviours and capabilities needed to meet organisations’ current and future personnel selection needs. On the one hand, this aligns variations in strategies and priorities. On the
other hand, it focuses individual and group development plans to close the gaps between the competencies required for job roles and those available (Draganidis and Mentzas, 2005). The capping of competence is too often the outcome.

The government of Canada’s Management Accountability Framework (TBS-SCT, 2012) institutionalises ten leadership competencies as the expectations of deputy ministers. It starts with ‘governance and strategic direction’ and culminates in ‘results and performance’. Decisions and actions are framed by functional requirements, public service values and the capacity to grow, learn and innovate.

Four key leadership competencies are featured in public service hiring, appraisal and development:

1. **Values and ethics** – serving with integrity and respect
2. **Strategic thinking** – innovating through analysis and ideas
3. **Engagement** – mobilising people, organisations and partners
4. **Management excellence** – delivering through action, people and financial management

Talent management – ensuring there are the right people in the right jobs – underpins the competency framework. Fostering, mobilising and retaining talent is critical in fulfilling the vision of a capable, confident and high-performing workforce. But succession planning and leadership development remain surreal and elusive. Furthermore, an assessment often struggles to differentiate competence from celebrity.

Around the world, questions persist about whether public managers have the right stuff for the job – training, experience, aptitude and values. Pragmatic, flexible and dynamic competency frameworks can help develop authentic leaders.

### Leadership values

Many nations look to the public service as a model of probity, prudence and excellence. Today, good practice is overshadowed by allegations of corruption, unethical leadership and abuse of power in all spheres of public service. While figures making the news are mostly political, public servants bear the brunt of criticism and the burden of strengthened accountability measures.

More transparency is viewed as the answer. Opening up government to public scrutiny taps the capacity of public institutions to promote good governance and integrity, and to constrain corruption and wrongdoing. Despite public service value statements and codes of ethics that govern conduct and behaviour, instances ranging from indiscretion to crime abound.

Finding authentic leadership is often a difficult task. Personal values and motivations shape attitudes and behaviours. ‘Walking the talk’ strengthens character and helps build trusting relationships. Knowing your capabilities is the start of learning competency. A new brand of ethical leadership that exercises strategic competencies – vision, mentoring, measurement, storytelling, teamwork, service, courage, wisdom, harmony – is needed in the public service.
Cases in the news show how institutional governance responds differently in different situations. In the case of Canada, on the one hand, Toronto City Hall is strong and resilient enough to survive the wrongdoing and shenanigans of one ‘loose cannon’ of a mayor. Citizens have an option to choose new leadership at the next election. The Senate of Canada, on the other hand, is so antiquated and entrenched that it is under siege by scandals and irresponsibility on all sides. Nothing short of criminal prosecution and institutional reform are left as viable options.

The situation can also be cultural and contextual. By example, South Sudan withstood a military coup in December 2013, where a tribal majority in the army led by the Vice President failed to topple the government. Tribalism was insufficient to take power in the face of capacity that had been built in democratic institutions. Peace building and nation building have resumed concurrently in a bid to restore good governance.

**Leadership development**

In the current budget climate, many may be inclined to go with the flow rather than challenge assumptions, values and the way things are done. Instead of innovation, ‘group think’, compliance and reactive behaviours can become deep-seated. Public servants must balance doing a good job, navigating organisational context and assisting people with mastering their spheres of influence – upwards, downwards, laterally and outwards. Some put more energy into managing up at the expense of staff and peer relationships, while others thrive in liaison functions or task forces away from line management.

In Canada, the middle management community plays a strategic role in managing people and budgets at the interface between policy development and programme outcome. Most middle managers love their jobs and have the passion, work ethic, persistence and humility to succeed. They accept the need for change and welcome the opportunity to improve how government works. They are empathetic as team leaders, underscoring the people dimension of change. Some governments invest in talent management targeted for middle manager teamwork and succession.

At the same time, middle managers worry about lack of employee engagement and poor senior management communication. While they often feel engaged and informed themselves, they grapple daily with public service discontent over unpopular budget decisions and alienation from not feeling included with decision making. They recall and learn from the casualties of past downsizing and restructuring.

Along with young professionals, middle managers have the most to gain from public service renewal. Networking, collaboration, stewardship and innovation are middle management roles in vogue, all with the aim of renewing the capacity and culture of the public service. The importance of leadership development is recognised in the expectation that managers at all levels exemplify the strategic leadership competencies necessary to cultivate innovations that satisfy citizens.

The results of public service employee surveys show correlations between leadership and innovation and between leadership development and performance management. However, 35 per cent of employees in the Public Service of Canada (TBS-SCT, 2012) feel that individuals with the right skills and competencies are not being hired. What has created this gap?

There is no lack of policies or programmes on leadership development. The challenge is in administering the right programmes at the right time. Mandatory training typically starts at executive levels and rarely extends to on-the-job learning, mentoring and experiential assignments. New middle managers are left to chart their own career course and to cherry pick opportunities. Progress depends upon their supervisor’s discretion and competence in identifying training needs, allocating resources and supporting leadership development.

In most ministries, the chief executive sets the policy and standards for leadership development. Evidence of leadership skills in hiring and promoting is inconsistent in the absence of a whole-of-government investment strategy. The default is for inexperienced managers to be promoted prematurely under ‘ordeal by fire’. If leadership development begins earlier in a manager’s career, baseline training can be augmented by experience, requiring less intensive downstream training. A lifecycle approach builds stronger leadership capacity.

**A new vision of public service leadership**

The Canadian Public Service Blueprint 2020 advocates ‘a clear and shared vision of what Canada’s Public Service should become in the decades ahead’. Senior leaders developed and are marketing the
Developing country dynamics: Kenya

Kenya’s 1970–71 Commission of Inquiry observed that people within structures make things happen (Kenya Commission of Inquiry, 1971). Good leaders recognise the priority of developing governance structures as the foundation of reforms. To do otherwise risks the slippery slope of benevolent dictatorship, where democracy and development go their separate ways.

New public management became a cliché in many developing countries when it was suggested that government would be better run by private sector managers using standard business practices. Leadership development initiatives sought to instil in public managers the virtues of private sector management principles. But implementation required a balanced approach exercising a duty of care. Before adopting private sector practices, the government needed to restructure existing management systems and processes.

The challenges were not insignificant. The size and complexity of government programmes in many cases exceeded those in the private sector. The public sector typically maintained fewer measures of success than the private sector, although that changed with the introduction of results orientation and performance contracts. Lack of clear performance criteria or a bottom line meant that spending on programmes often did not translate into progress. Performance management is still in its infancy, measuring initiatives instead of service delivery improvements.

Many developing countries are stuck with old structures that grade employees into job groups, where promotion to the next grade is based upon longevity rather than performance. Grading rules also determine civil service compensation, making it more difficult to encourage outstanding performance and discourage poor performance. In the civil service there is little personal gain from taking risks to achieve policy or programme goals. On the contrary, this can lead to substantial criticism and personal loss if innovative attempts fail.

Succession planning is almost impossible in most jurisdictions, where staff are transferable across ministries under a ‘common cadre system’. The rule of thumb is not to allow staff to stay in one station for too long. Meanwhile, top executives in ministries tend to be political appointees, with tenure equivalent to the five-year electoral cycle. Combined with senior managers rotating from one ministry to another, there is hardly room to groom successors. Incumbents have virtually no say on who succeeds them. Managing civil service performance is still dramatically different from the private sector due to different motivations. Nevertheless, it is acknowledged that a lack of modern management practices in the public sector is unacceptable. Things need to change towards performance, results and value for money in developing countries.

How do we proceed in ensuring that ‘the right people do the right jobs’ in the public sector? It starts with recruitment. Alan Ehrenhalt observed that ‘when the government has the right people, and the right system, and the intentions, many good things are possible. The trick is knowing which ones they are’ (Ehrenhalt, 2012).

The recommendations of the Northcote-Trevyelan Commission of 1854 hold true today: ‘That recruitment should be entirely on the basis of meritor by open, competitive examinations, while promotion should be on the basis of merit not on the grounds of preferment, patronage or purchase’ (Northcote and Trevelyan, 1854).
References


SYLVESTER ODIAMBO OBONG’O (sylvesteroembali@uon.edu.au) of Public Service Transformation in Kenya’s Ministry of Devolution and Planning is a PhD candidate in public sector reform at the University of Newcastle, Australia.

JOHN WILKINS (jwilkins@schulich.yorku.ca) was a Commonwealth diplomat and a career public servant in Canada. He is associate director of the Public Management Program with the Schulich School of Business at York University in Toronto.