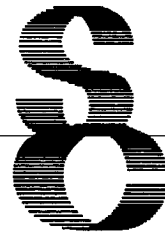


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Dream on: team work from the confines of the bureaucratic cage

- *This paper examines the difficulties experienced by public sector organizations in their attempts to formulate and implement programmes of strategic change whilst adhering rigidly to an outmoded set of values and inappropriate organizational culture.*
- *Many public sector organizations have been forced to engage in major programmes of change. Often these programmes which are perceived to be unsettling and disruptive, embrace structural change with team working perceived as the preferred option.*
- *This paper explores the difficulties experienced by one Next Steps agency in its attempt to introduce team working as part of its strategic change. More specifically, it highlights the problems associated with the introduction of structural change from within the confines of the bureaucratic cage. Copyright © 1999 John Wiley & Sons, Ltd.*

Introduction

Since the 1970s, public sector organizations across the globe have been undergoing a

series of progressive reforms, the majority of which have attempted to open up the public sector, introducing a climate of competition, emphasizing accountability, efficiency and

effectiveness (Dann, 1996). Up until then, funding had been more or less guaranteed by successive governments, organizational life had been predictable and the culture worked against innovation and risk taking.

Within the UK the *Next Steps* initiative (Efficiency Unit, 1988), marked the end of the halcyon days of funding for public sector organizations. As Brooks and Bate (1994) note, Next Steps was very much a response to changing socio-economic and political forces that had become persistent in their demands for change and value for money. Alongside this there was a shift in values from traditional public administration to new public management (Dunleavy, 1991; Dunleavy and Hood, 1994). Against this background, strategic management and change had been alien concepts within the public sector, and there was little need to ensure that, in the interests of organizational performance, the organization achieved a 'good fit' within its environment (McNamee, 1988; Nath and Suharshan, 1994; Venkatraman and Camillus, 1984). However, all of this was to come to an end.

As an outcome of the *Next Steps* initiative, a number of agencies were created within the British Civil Service to manage a set of predetermined government functions. Since 1988 a total of 145 Next Steps agencies have been created. Due to privatization, mergers, contracting out and abolition, this figure had been reduced to 125 by October 1996. A further 32 agency candidates had been identified and were due to come into operation during 1997, while four agencies had been committed to privatization (Horton and Jones, 1996). Only 26 agencies have more than 2,000 staff.

These agencies represented the incremental transfer of government activities to the private sector, and the infiltration of private sector values and beliefs in the civil service. The creation of agencies aimed to introduce a climate of competition requiring the best of the private sector to bring fresh thinking and techniques to public sector posts (Butler, 1996). As a consequence, many of the concepts incorporated within *Next Steps* created a need for public sector organizations to engage

in strategic management activities, to engage in strategy formulation and undertake often disruptive and unsettling strategic change. Consequently, many of these newly created *Next Steps* agencies have felt duty bound and have forged ahead with the formulation of ambitious strategic plans outlining the future direction of usually leaner, meaner and fitter organizations.

Strategy in the public sector

This new found focus on strategy is not the preserve of *Next Steps* agencies. Indeed, it is noted that strategic management has become a watchword of public administration in the

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1990s (Vinzant and Vinzant, 1996). Over the past decade, public administrators have been encouraged to be 'effective strategists if their organizations are to fulfil their missions and satisfy their constituents' (Bryson, 1988). Despite the wisdom of these suggestions, it is argued that, for organizations in general, strategy and strategic planning have not lived up to their expectations (Mintzberg, 1994), and many organizations have failed to experience successful strategy implementation. This may be attributed partly to the fact that relatively few organizations make a link between realistic objectives and resource strategies, for example, operations, technology and people (Pekar and Abraham, 1995). Furthermore, in government, it is argued that the actual implementation of strategic management processes has occurred relatively infrequently and the results achieved vary widely (Vinzant and Vinzant, 1996).

Given the change in ethos which has occurred in the public sector, it would seem fair to argue that culture change is a fundamental requirement for the achievement of successful strategic change. However, it could

be argued that the new agencies have experienced some difficulty with the implementation of their often disintegrated programmes of strategic change. The root cause of these difficulties might lie in a rigid adherence to an outmoded set of cultural values, a bureaucratic structure and old reward systems coupled with a panic crazed obsession with efficiency, all of which may act as impediments to longer term organizational performance (McHugh, 1997).

These ideas are explored within this paper through the case of one *Next Steps* agency which, as part of its human resource strategy, has attempted to introduce team working in an attempt to respond effectively to the demands of its changing operating environment.

A structure to support strategic change

Although the bureaucracy is often perceived as offering the fairest and most efficient form of control within the public sector, its system of rational rules may become troublesome, as seen in the red tape that constrains and slows the structure and makes it unresponsive to environmental changes (Barker, 1993). Thus, in response to the pressures for change outlined above, some public sector bodies have sought structures which facilitate enhanced flexibility, innovation and responsiveness, and have been seduced by the concept of team working. For these organizations, team based structures have been perceived as being the ultimate solution for all organizational problems, a view supported by Chaston (1998).

The shift to this new model of organization and management represents a number of significant challenges to those in management positions. The movement towards team based structures with their attendant flatter hierarchies and dispersal of responsibility clashes with tradition (Garland, 1995). For many, particularly those within management positions, the move towards decentralization which automatically accompanies the movement towards team working is perceived as

threatening. In the public sector, individuals with long service who have had their efforts rewarded with a series of small steady promotions tend to view decentralization as eroding their power and diminishing their status (McHugh, 1995). Additionally, these individuals have been socialized within a culture where it is accepted that the manager is controller, rather than a facilitator of team effort.

The significant challenges posed by the movement towards team based structures have been highlighted by Hackman (1994) in what he refers to as 'trip wires'. These include: (1) calling a performing unit a team, but really managing members as individuals; (2) assembling a large group of people, telling them in general terms what needs to be accomplished and letting them work out the details; (3) specifying challenging team objectives, but skimping on organizational supports; and (4) assuming that members already have all the competence they need to work well in teams. These trip wires encapsulate the core difficulties faced by many public sector organizations in their move towards team based structures.

Within the public sector, the trip wires are manifested in a variety of ways. In the first instance, like many firms in the private sector, the reward system within civil service organizations is geared towards the individual rather than the team. This is further emphasized by relatively recent initiatives such as the introduction of performance related pay systems.

Additionally there is the expectation that employees share a uniform definition of team working, coupled with a sometimes erroneous assumption that there is a universal desire to adopt new working practices (Bartkus, 1997). Furthermore, it is assumed that team working is likely to act as an instant antidote to the low levels of motivation and morale widely reported in the public sector. It may be argued that this is rather naïve, given that employees have been subjected to a barrage of changes which have instilled a sense of insecurity fostered by rationalization, enhanced job demands, and limited opportunities for career progression in the traditional sense (McHugh, 1997).

Despite these challenges, it is increasingly clear that due to the turbulence and hostility within their operating environments, public sector organizations must change the way in which they manage their activities and their people. While team working has been widely

The core work of the agency is carried out within each local office where personnel have direct contact with the general public. Increasingly much of the routine clerical work carried out in local offices is being computerized. Meanwhile, those involved in the support units are often engaged in analytical and investigative work, seeking to improve work processes and procedures within the organization.

*Public sector organizations
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which they manage*

cited as a favoured structural option (Womack *et al.*, 1990; Roth, 1992; Kochan and Osterman, 1994), this paper seeks to highlight the difficulties which exist when attempting to bring about structural transformation from within the confines of a bureaucratic cage. This is illustrated below through a case study of one *Next Steps* agency which is widely regarded within the public sector as being highly progressive. The identity of the organization remains confidential and thus, within this paper is referred to as 'the agency'.

The agency

Formed in 1991 as a direct outcome of *Next Steps*, the agency is relatively large employing around 5,570 people. It is an executive agency of a government department, and is managed by a Chief Executive who has full authority delegated directly from the Minister, together with a director for: personnel, planning and information; operations; finance and support services; and projects. In terms of structure, the organization remains largely unchanged from its pre-agency days and is closely aligned to that of a machine bureaucracy (Mintzberg, 1983), with nine levels in the hierarchy. Within the agency each individual has a tightly defined job, is considered to have an identifiable role, and is supported by an abundance of rules and procedures which guide decision making. The agency has local offices in towns across the country with its headquarters and support units being located in a larger city.

The people of the agency

Like all of the other *Next Steps* agencies, the organization is led by a Chief Executive who is responsible for proposing its strategic direction through formulating and implementing a corporate plan, its day-to-day management, and has to account for its overall performance. Given the demands being placed upon these organizations, it may be argued that the Chief Executive as leader has a critical role to play in managing the change process by opening the lines of communication in the organization, empowering workers to perform their roles, and rewarding workers based upon creative, proactive behaviour, a view supported by Koteen (1991) and Beaver and Stewart (1996).

The majority of staff within the agency are employed in offices across the country and are engaged in routine work. To date, each individual has had clearly defined roles and responsibilities. However, more recently, due to the various environmental changes which have impacted upon the organization, people are being required to become more accountable, efficient and effective, and to perform a wider range of duties which many may feel are beyond their specified area of work. Furthermore, these additional duties often necessitate the acquisition and practice of a set of skills which a number of employees may not possess.

An integrated approach to strategy formulation and implementation

Acknowledging the need for an integrated approach towards strategy formulation and implementation the organization developed a human resource strategy in early 1996. Before

this, human resource strategies within the organization had not been developed as an integral part of the main business strategy, and as a result, the role of people in achieving business results had been neglected. The agency was thus attempting to link its human resource strategy with the achievement of long term business objectives, and to ensure that those engaged in personnel activities provided the guidance and expert support required to accomplish strategies.

The organization's human resource strategy was developed around four broad themes. The four themes include: (1) competitive restructuring; (2) continuous improvement; (3) proficient and valued staff; and (4) delegated personal responsibility, with each theme complementing the others, resulting in an integrated human resource strategy.

Consequently, as part of the proposed competitive restructuring, the agency hoped to develop an organization structure which would encourage flexibility, team work and innovation, and would be responsive to the evolving shape of the business. In tandem with this, and partly as a result of this, it wished to create a culture of pride and success which would encourage high levels of commitment, performance, competence, flexibility, innovation, continuous improvement and customer service. In turn, it was expected that this would lead to the creation of a committed and well motivated workforce, within which effort is recognized and rewarded. Simultaneously, the agency hoped to stimulate innovation and encourage personal responsibility and initiative at all levels in the organization by empowering people to act in particular situations.

A catalyst for structural change

At this time the organization was offered the opportunity to become involved in a transnational project supported by funding under the LEONARDO programme of the European Commission. The LEONARDO project, which involves partners from university and social service organizations in Sweden, Holland, Belgium, the Republic of Ireland and the UK,

is concerned with the promotion of life-long learning to enable social service organizations across Europe to cope more effectively with the challenge of change.

The agency welcomed the chance to become involved in the project and decided to use the opportunity to focus on the implementation of one strand of its human resource strategy. In particular it was decided to examine the feasibility of introducing team working within the organization; this related to the previously mentioned theme 'competitive restructuring'.

In the first instance it was decided to carry out a survey within the organization to ascertain the extent to which individuals: (1) required interaction with others in order to carry out their work; and (2) perceived themselves to work in a team. Additionally, the survey sought (3) to assess individuals' attitudes towards team working within the organization.

The survey

A structured self report questionnaire was developed. This instrument was divided into four sections requesting information on (1), (2) and (3) above. A stratified random sample of 1,012 employees was selected by computer from an employee database to take part in the investigation; this represents 20% of the entire workforce. A letter explaining the purpose of the investigation and requesting participation in the study, together with a questionnaire was sent to the selected individuals in late 1997. Individuals were informed that the investigation was being carried out to assess the feasibility of introducing team working within the organization. The questionnaires were anonymous, and individuals were assured that their replies would remain confidential. They were asked to return completed questionnaires in a pre-paid envelope directly to the researchers.

The results

Profile of respondents

Analysis of the survey results showed that of the 1,012 questionnaires issued, a total of 346

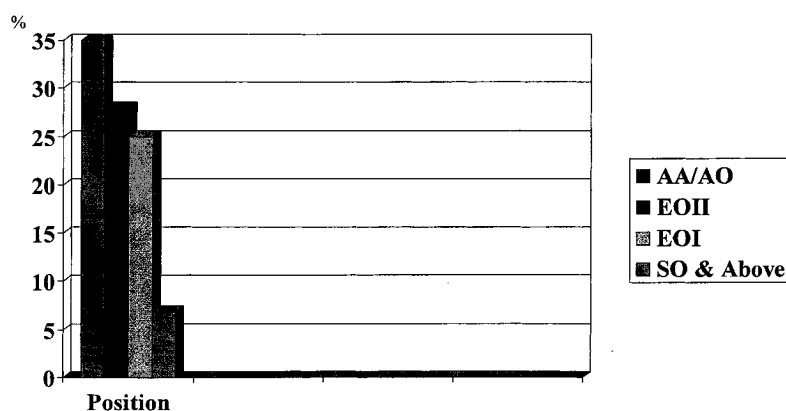


Figure 1. Position of respondents.

were returned, representing a response rate of 34.2%. Some 63.5% of respondents were female and 36.5% were male. Furthermore, 13.3% of respondents had worked within the organization for a period of four years or less, 28.1% had worked there between five and nine years, 23.2% between 10 and 15 years, and the largest percentage had worked in the organization in excess of 15 years. These summary statistics reflect the overall employment structure of the organization as a whole.

As shown in Figure 1, 35% of those who returned questionnaires were either Administrative Assistant (AA) or Administrative Officer (AO) grade, (clerical workers), 28% were Executive Officer II (EOII), 25% Executive Officer I (EOI) (junior management workers) with 6.8% occupying positions of Staff Officer SO (middle management) or above, with 5.2% being in various support positions.

The largest percentage 41.8% indicated that they had occupied their present grade for a period of five to nine years, meanwhile, 25.7% were in their current grade in excess of 10 years.

Contact with other people

The vast majority (95%) acknowledged that it was necessary for them to have contact with other colleagues in order to perform their job well. The nature of this contact included obtaining information from others within their own office, from individuals in other offices, from supervisors, obtaining help from

colleagues, and providing information and help for other people within the section. Although virtually all of those taking part in the survey acknowledged that it was necessary for them to interact with colleagues in order to perform their job, it is acknowledged that this contact does not necessarily mean team working. Thus, they were asked if they considered themselves to work as part of a team.

Overall, 89% of respondents indicated that their job required them to work as part of a team. Of these, 42% indicated that they were members of work processing teams, 26% regarded themselves as being part of an office team, 18% were members of a management team and the remainder considered themselves to be members of other types of team including temporary project teams.

Given that such a high proportion of individuals already considered themselves to work as part of a team, respondents were asked to explain what they meant by team working. Virtually all, (96%) defined team working as 'working with others towards a common goal'. In many respects this may be regarded as being a standard text book definition, and one which fails to encapsulate the demands which this type of work design makes upon the individual.

Individuals were subsequently asked to indicate their preferred type of work design. Overall, 66.4% of respondents indicated that they preferred to work together with others in a team. By contrast, 31% indicated that they

would prefer to work independently, obtaining and providing information to others, while the remainder indicated that they would prefer to work entirely on their own.

Why work in a team?

Of those who indicated that they like to work within a team, as shown in Figure 2 below, the most frequently cited reason for this was the opportunity to share knowledge, experience, skills and responsibility (74%). Additionally, the provision of support was mentioned (40%), together with the nature of the work and the possibility of achieving higher levels of efficiency and effectiveness (39%), better morale (33%) and better chances for development and growth (30%).

Attitudes towards team working

Looking to the future, respondents were asked to indicate on a five point scale the extent to

which they agreed or disagreed with a number of statements concerning the operation of team work and the perceived attitudes of staff towards team work within the organization. Figure 3 reveals that over 37% of respondents either strongly agreed or agreed that management within the organization did not understand the meaning of team work. Furthermore, 44% indicated that the definition which staff held of team work was different to that held by management. A similar percentage (42%), strongly agreed or agreed that managers find it difficult to let others make decisions. Additionally, while 77% overall agreed that although in theory management within the organization supports the concept of team work, in practice only 46% felt that the behaviour of managers supports the concept. Over 35% agreed that managers within the organization were of 'the old school', with manager as controller, 26% disagreed with this statement whilst the remainder had no fixed views.

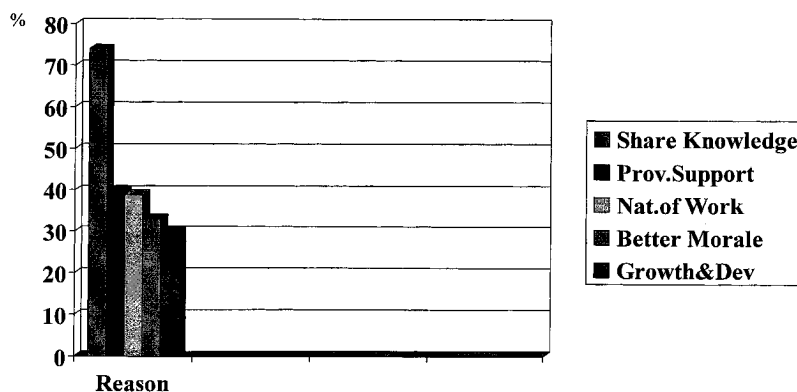


Figure 2. Reasons for working in a team.

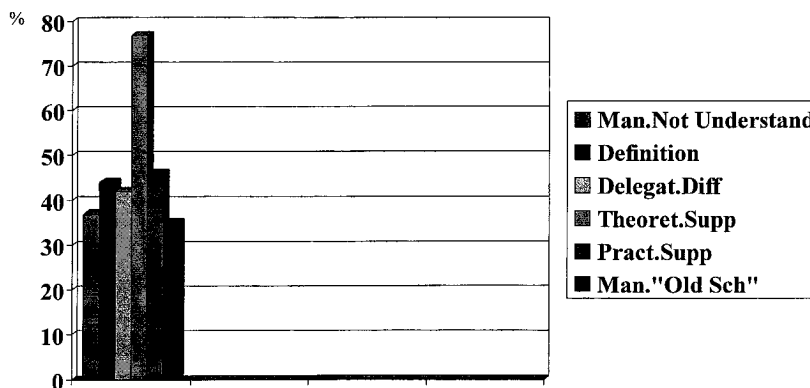


Figure 3. Attitudes towards team working.



These findings suggest the presence of a number of significant team working trip wires within the organization. Firstly, the apparent lack of understanding amongst management regarding the concept of team working may be regarded as problematic. Additionally, the mismatch between expressed sentiment and behaviour amongst management regarding team working is significant. Similarly, as noted by Geary (1996), Knapp (1988), Weisbord (1988) and Ross and Collins (1987), within this organization it would appear that management are fearful of workforce democracy and are likely to find it difficult to empower others to make decisions.

Despite these apparent difficulties, the findings suggest that the organization is likely to progress towards a team based structure.

Moving towards team working

Over 90% of respondents felt that the agency should move towards team working in the future. As shown in Figure 4, the most frequently cited reasons for this move included the fact that it is possible to achieve more in a team (76%), it can be a more effective way of working (70%), it produces better results (66%), it steers staff towards a common goal (60%), it creates a happy environment (50%), problems are solved more easily (55%) and it serves to develop staff (53%).

The figure of 90% is rather surprising, given the expressed preference of over 33% of respondents for working independently or entirely

on their own (referred to earlier). It suggests that the majority of those who appear to object to team working do so for reasons other than a simple aversion to team work (clearly they believe that there should be team work even though they personally express a desire to avoid it). It is argued that the reason for their aversion may stem from a negative attitude to the type of team work which they believe will be introduced, managed by a group whom many believe do not understand team working.

Although 90% felt the organization **should** move towards team working, 77% felt that the agency **would** press ahead with team working. The main reasons cited for this included the desire of senior management to make the organization more productive thus saving money (76%), the perceived need by senior management to change (80%), the perception amongst senior management that team working is a realistic way to improve performance (70%), agency policy (70%), team work being a current fad (60%) and the move towards privatization (58%).

On the basis of these findings it would seem fair to argue that the genesis of team working within this organization comes from top management and that it has been accepted at a superficial level by many employees within the organization. Nonetheless, it would seem that the infrastructure required to support team working has not been given sufficient attention. For example, the findings suggest that management has not sought the commitment of staff towards team working, and some have gravitated, almost by accident, towards

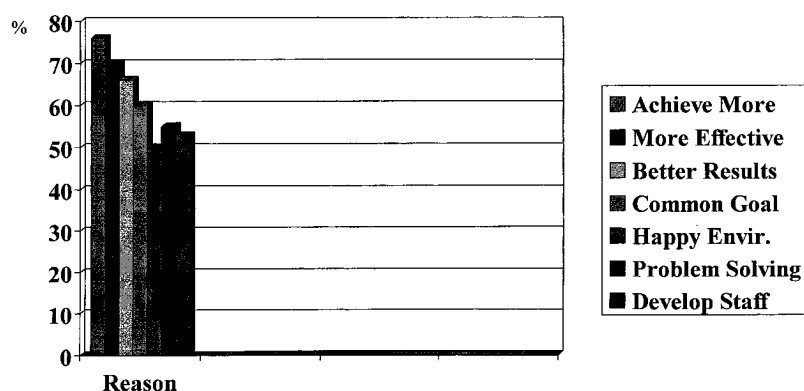


Figure 4. Reasons for moving towards team working.

working within a team. Others defined in parrot like fashion what they considered team working to be, but yet, their expressed views about their own way of working and the behaviour of their superiors suggest that they operate more or less as individuals within a group. These difficulties were further highlighted when respondents were asked to cite factors which, in their opinion, acted to support and impede good team working within the organization.

Factors facilitating and impeding team working

The most frequently cited factors which would produce good team working in the organization, were having managers and staff committed to communication (90%), the freedom to make decisions (93%), greater staff enthusiasm (81%), training people to help them understand the concept of team working (88%) and having team rewards (77%).

As shown in Figure 5, factors considered to act as impediments to team working included low staff motivation (95%), lack of enthusiasm (93%), lack of management and staff commitment (85%), the measurement and reward system (62%), no management and staff understanding of the concept (82%), the reporting system (72%), no acceptance of devolved responsibility (76%), current management styles (88%), performance pay (60%), and adherence by management to the old way of doing things (83%).

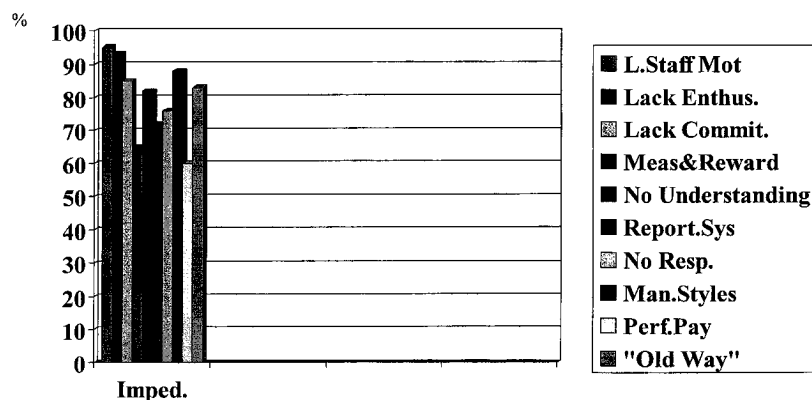


Figure 5. Perceived impediments to team working.

In many respects, the factors cited by respondents as supporting and impeding team working within this organization complement one another. For example, it would seem fair to argue that appropriate training is required in order to facilitate enhanced understanding of, and commitment to, team working on the part of management and staff. Furthermore, such activity may help generate greater enthusiasm, and a willingness to accept responsibility and work in a co-operative fashion. However, it is acknowledged that this must be accompanied by an overhaul of the current performance related reward system which fosters competition rather than collaboration.

Trapped in the bureaucratic cage

The survey findings highlighted the existence of a number of trip wires as defined by Hackman (1994). These are made more potent by a rigid adherence to an outmoded set of values which act in harmony with the structure of a machine bureaucracy. In particular it would seem fair to argue that within this organization a situation exists whereby a performing unit is called a team, but team members are managed as individuals. This is reflected in the current performance management system which exists within the agency and is further reinforced by the civil service reward system which includes performance related pay (individually based).

While this in itself constitutes a relatively highly charged trip wire, it is not the only one

which exists within this bureaucratic cage. For example, it would appear that while many of those in management positions theoretically support the concept of team working, their behaviour, as perceived by others, does not exhibit commitment to the concept. This too may be regarded as being quite serious, given that the successful introduction of team working is highly dependent upon many of those in positions of power and authority changing their style of management to facilitate the new way of working hallmarked by co-operation, facilitation, delegation and empowerment (see, for example, Walton, 1985). Indeed, a new management approach is required if the organization is to realize any of the four key human resource strategy themes identified. This fact is further highlighted by the finding that a significant proportion of employees state that they would prefer to work independently, even though they feel there should be more team work.

At a superficial level the survey findings reveal that employees share a uniform definition of team working. However, as noted previously, this definition was recited in parrot like fashion suggesting that, for many, it was something which they had rote learned rather than something that they had come to accept through personal experience within the organization. The findings revealed that many had come to accept tacitly that the organization would move towards team working. This acceptance appeared to have been fostered by the fact that it was well known throughout the organization that senior management believed that team working was a mechanism through which the agency could address a number of problematic issues relating to the implementation of their preferred strategy. These included the need to meet ever more demanding targets set by government, lack of creativity and innovation, low levels of morale and motivation, and high levels of absenteeism. The findings presented within this paper indicate that the organization faces a number of major challenges in strategy implementation. In particular, it would seem that senior management practitioners within the organization made the decision which is in itself

problematic given the type of culture which the organization wishes to foster.

Arguably, operating within a bureaucratic cage exacerbates the difficulties outlined above. Garland (1995) and Kanter (1997) both highlight the fact that team working represents a deviation from tradition within bureaucratic cultures. Thus, a movement towards team working constitutes major culture change. This change demands a rejection of much that has gone before, including the replacement of management control with facilitation, and centralization with delegation. Additionally, a comprehensive portfolio of support mechanisms is required in order to ensure the successful transition towards a new way of working. Indeed, a move towards team working and commitment based human resource strategies (Walton, 1985) will affect every area of people management within the organization.

Many organizations implementing self managed teams experience problems in one form

*Many organizations
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teams experience problems*

or another because they fail to realize or take account of the culture change that is inevitably required (Geary, 1995). British institutions have generally been noted for individualistic and authoritarian cultures where bureaucratic hierarchies are the norm. This is further reinforced by Chaston (1998) who argues that unless movement towards team working is accompanied by cultural change, then management should not be surprised to discover a move to autonomy is accompanied by measurable declines in certain key areas of organizational capability.

The creation of this team based culture must be accompanied by developments in the practice of human resource management within the organization. As such, within the agency, the progress towards team working is accompanied by an urgent need to address the

performance management and reward systems, including performance appraisal, and the training needs of everyone, so that individuals may become sufficiently enthused and skilled to work within a team environment, a view supported by Geary (1995) and Hackman (1994). Within the organization in question it would appear that there is an assumption that individuals already have all the competence they need to work well in teams. As noted by Garland (1995) this is an erroneous view and constitutes yet another trip wire for an organization whose strategy calls for the implementation of team working.

Breaking free from the bureaucratic cage

While the agency like its counterparts would appear to have been a classic example of the machine bureaucracy (Mintzberg, 1983), it may be argued that *Next Steps* and the achievement of agency status have created a need for a much more flexible organization structure, where a large number of individuals can deal with a wide range of increasingly complex problems. In turbulent environments such as those currently characteristic of public sector organizations, the appropriate structure is likely to be one which facilitates speed in the sharing of critical information among its members, de-emphasizes specialization and promotes employee discretion (Drazin and Van de Ven, 1985; D'Aveni, 1994).

Despite its desire to move towards team working the organization upon which this paper is based appears to be trying to achieve efficiencies while it retains its old structure, values, ideals and mindset. There would appear to be an adherence to a bureaucratic form, with its performance and behavioural expectations having survived intact, and with the emphasis remaining on manager as controller. As a result, the organization is in a state of paralysis whereby it cannot deviate from tradition.

It is acknowledged that changing public sector organizations is a mammoth task, which is made even more difficult by the long term

stability and the deeply embedded culture which exists as a relic of the past within the public sector generally. Nonetheless, the challenges presented by the task are not sufficient reason for ignoring it when considering and managing the future direction of these organizations. Indeed, ignoring the task of change is likely to lead to a situation whereby public sector organizations may assume the characteristics of seriously maladaptive bureaucracies amortized in 'self reinforcing equilibrium' (Crozier, 1964), a view supported by Bainbridge (1996) who acknowledges that many organizations are stuck with a legacy of the past.

Within the organization there are a number of issues which must be addressed if the agency is to make a successful transition towards team working and the achievement of desired strategic change. Any change programme requires management commitment, especially at the top-level. As the move to self managed teams is such a radical undertaking, commitment needs to be based both on the belief that the new environment is critical to the achievement of objectives and an appreciation of the challenges involved in moving from the current bureaucracy to the new adhocracy (Mintzberg, 1983). Without this level of commitment the organization will merely be giving verbal assent which will not sustain it through what is undoubtedly a difficult change process.

Without appropriate training it is likely that people will revert to traditional behaviour. The change to team working from a traditional hierarchical structure where leaders control, make decisions and retain expert status requires a major shift in roles and behaviour for everyone within the organization. Therefore, it is essential that each individual is trained in the skills associated with team behaviour, as well as the skills necessary to perform a greater variety of core job tasks.

The organization as part of the civil service has inherited a hierarchical structure, characterized by authority, control and narrowly defined jobs. An essential feature of team working is empowerment. This involves the giving of power from management to operatives in an environment of trust and with a

corresponding loss of control. As indicated by the findings presented previously, traditional managers often have difficulty with this concept as it is perceived to remove their power base and leave them uncertain of their role within the changing organization. Staff too sometimes prefer not to accept empowerment because of the additional responsibility and accountability which are an integral part of the transition.

The findings presented within this paper indicate that staff consider the agency's current performance management systems to be directed towards the individual. The link between appraisal and performance related pay has resulted in a climate of competition between individuals. This, alongside a general unwillingness to co-operate with others, is perceived to have inhibited team working within the organization. In terms of appraisal and reward, a move may be required away from the traditional focus on results and individual recognition, towards processes and group recognition (Glover, 1993). Such a move might include looking beyond the traditional top-down appraisal to include peer appraisal, subordinate appraisal and customer evaluation (Redman and Snape, 1992). A new reward system may also be required in which the emphasis is shifted away from the individual. Team working may require the use of group-based incentives (to encourage team work) and skills-based pay, aimed at encouraging individuals to broaden their skills (Bowen and Lawler, 1992).

In escaping from the traditional command and control style of management to team working, it is necessary for the organization to introduce new structures whereby groups of individuals will share objectives and responsibility for achieving them. Additionally, these individuals will exercise more control over how work is done, support each other and ultimately assume collective responsibility for a wider area of work.

Everyone within the organization will be affected by a move towards team working. For example, operatives will have to become multi-skilled as the team accepts responsibility for an end-to-end process. The role of the first line

manager will evolve from supervisor to coach/facilitator, while the unit manager will become the coordinator of the teams. In practice this will mean that some management levels will no longer be required thus leading to a process of delayering.

Flatter organizational structures do not provide opportunities for staff progression in the normal way. It is therefore essential that staff have their own personal development programme which helps the individual to set the direction and pace of their own development within the context of the organization's goals and objectives. This may form part of a new appraisal system based on the setting and reviewing of personal objectives for each employee, linked to assessment of his or her training and development needs (Fletcher, 1993). In a general sense, the organization needs to encourage and support employees in their quest for self-development and management, and to counteract the perception of less opportunities for progression in the traditional sense. Indeed, horizontal progression may become the norm as cross functional experience becomes increasingly important.

The agency recognizes the need for performance management and already has an appraisal system in place. However, the current system focuses on the performance of the individual to the exclusion of any measurement of team working skills or team objectives. If the organization wishes people to work in teams and develop appropriate behaviours and skills, it will be necessary to appraise their performance accordingly. It is suggested that a performance management system which combines the appraisal of both the individual and the team is more likely to produce the desired results, i.e. each individual contributing positively to a high performing team.

In an environment of performance related pay, reward and recognition are integral parts of any performance management system and cannot be considered in isolation. As noted by Hackman (1990), organizations have found the challenge of creating team players is greatest where the culture is highly individualistic and where, historically, individual achievement has been valued. As employees are motivated by

how they are measured, it is essential that the reward system also supports the desired new ethos of the organization.

Conclusion

This case highlights a number of difficulties encountered by one *Next Steps* agency in its attempts to introduce strategic change. These difficulties have been identified in the form of team working trip wires (Hackman, 1994) and have been evaluated in terms of the four central themes within the organization's human resource strategy. The organization's traditional structure was that of a machine bureaucracy and this has been found to anchor many of the trip wires. Indeed, the continued existence of the bureaucratic hierarchy lies at the heart of the difficulties which the agency is encountering in its attempts to escape towards team working. As such, the dominance of the old culture and a rigid adherence to an outmoded set of values have, in essence, placed organizational members within a seemingly locked bureaucratic cage. The steps taken to date fail to deliver the cultural change which is required for the achievement of team working in the sense that it is intended. Thus, the implementation of proposed change depends upon the extent to which the existing organizational culture can be changed to accommodate its values. Successful navigation of such changes is dependent upon leadership and organizational receptivity (Vinzant and Vinzant, 1996).

The difficulties posed by cultural factors are further acknowledged by Johnston (1995) who suggests that it is inherently difficult to effect strategic change given that, in organizations, there is likely to exist at some level a core set of beliefs and assumptions held relatively commonly by managers. This is the mindset or interpretative scheme which is essentially cultural in nature. Having evolved over time, it is likely to embrace assumptions of the organizational environment, the managerial style in the organization, the nature of its leaders, and the operational routines seen as important to ensure the success of the

organization. Thus, in terms of public sector organizations such as the one described in this paper, it may be argued that although the demands of the external environment have signalled a need for radical change reflected in the creation of agencies, much has remained unchanged.

Despite the fact that there have been claims of a paradigm shift (Gray and Jenkins, 1996)—for example the move to a 'post bureaucratic' paradigm (Aucoin, 1990; Kernaghan, 1993) and a move from bureaucratic to entrepreneurial government (Osborne and Gaebler, 1993)—it must be remembered that, for the most part, the 'new' organizations are staffed by the same people whose interpretative scheme, in fostering the introduction of team working, must be the focus of attention in the first instance. Furthermore, as noted by Brooks and Bate (1994), there is a tendency within the public sector to continually apply old remedies to new problems and situations, while the per-

*There is a tendency to apply
old remedies to new
problems*

ennial problems frequently alluded to by organizational members such as ineffective communication and risk aversion remain largely unaddressed and unresolved. To date, as reflected in the actions of the agency in its attempts to introduce team working as part of its strategic change, energy has been focused on solving the manifestation of problems rather than their underlying cause. Thus, the benefits sought from team working can only be achieved through a fundamental dismantling of the hierarchy and an escape from the bureaucratic cage.

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