

The Challenge of Change

Introduction I am pleased, if a little mystified, to be with you today. I am certainly not here because I am an expert on corrections.

I assume, therefore, that Ole Ingstrup invited me here as a **witness** - to tell you what I am observing by way of reform of the management function in Canada, and in the world, and how this relates to the Corrections program of organizational renewal.

In Canada we are sometimes so preoccupied with our own national, regional and local problems that we forget Marshall McLuhan's description of the world as a "global village". In fact the world is becoming smaller, with people all over the globe being stimulated by the same hopes and expectations. Students, tourists and business people flow into every nook and cranny of the world, and they carry knowledge and ideas with them and bring new ones back. At one point in recent times the gospel spread was materialism, but increasingly today it is of people trying to take charge of their own destinies.

This "renaissance of the people" sweeping across our television screens and involving solidarity in Poland, glasnost in Russia and the students in China and Korea, may seem pretty remote from Canadians, but it is not.

People around the world, including the democracies and developed countries like Canada, are asking questions about the nature and role of governments, and their own rights and responsibilities as citizens.

In Canada there is a growing questioning of authority of all kinds and of government at all levels. People are more demanding of those in power and those who are in positions of public trust. The public is, and will increasingly be, **unforgiving** about abuse of power, or abuse of the public interests or abuse of the public purse. They look to their governments to show:

- respect for the principles of democracy
- respect for the *Charter*
- respect for the citizen
- respect for the taxpayer

And in these ways we can earn **their** respect.

Thus, while the process of government gets increasingly more complex in itself, and resources available to government get more and more constrained, the public gets more demanding and special interest groups become better informed, more adept and more powerful, ready as never before to challenge our competence, our authority and our decisions.

In the face of these challenges, we in government have two basic choices:

- **either** to attempt to resist change, to fight challenges; to accept a long and painful process of confrontation and litigation that forces adaptation,

- **or** to recognize and accept a worldwide trend of people seeking better and more democratic and more sensitive government services, and to get ahead of these trends and reform ourselves.

In many countries, reform movements are underway - sometimes led by people in power, other times by people on the outside looking in.

In Canada, we are already fortunate in having a strong democracy, good government and a good public service. It is fitting, therefore, that much of the impetus to improve government service comes from within government from professional managers.

But let's not kid ourselves! Reform is not necessarily welcomed, even by those who will benefit. We should not be surprised, for example, if public servants, already demoralized by the pace and scale of change, see further change - **even change called reform** - with a somewhat jaundiced eye.

But let me give you some encouraging information. Several years ago, senior federal Deputy Ministers met to discuss the state of the Public Service which had clearly been stretched and stressed by change and restraint. Unfortunately, most of the evidence available to us was anecdotal and folkloric and so we decided to launch an opinion survey of our managers. It was followed two years later by a follow-up survey of managers and by a complete survey of all employees in one department.

These surveys have told us a great deal, including some very surprising things. They told us that we **do** have a morale problem. But they **also** gave us some very helpful and encouraging insights because they told us that the situation varies markedly from agency to agency, and that some agencies have very high morale. We were also able to find some significant correlations:

First - morale is highest where there is good leadership with some stability and continuity.

Second - good leadership is evidenced by a clear vision of the agency's mission and goals, and good two-way communications.

Third - It is also evidenced by a strong people orientation - not a soft philosophy which ignores quality or results, rather one which demands performance, but in a climate of mutual respect.

Oddly enough, some of the correlations we expected to find were absent. Some of our big agencies were among the best and some of the smallest were among the worst. Some agencies which had had the highest resource cuts, remained relatively happy and productive; they also tended to meet their employment equity and official languages goals; the key in all cases was leadership and the quality of management.

We have tried to sort out the characteristics of a successful agency in light of this data, our own experience, and also that of other jurisdictions and the research of the academics.

It is clear that a management revolution or renaissance is underway in many public jurisdictions as well as many private sector enterprises in Canada and abroad (e.g., Alcan, IBM Canada). As has been the case so often, the new management style was well articulated recently by Peter Drucker (Harvard Business

Review, September/October, 1988) when he said: "The fundamental task of management remains the same: to make people capable of joint performance by giving them common goals, common values, the right structure, and the ongoing training and development they need to perform and to respond to change."

He goes on:

1. "Management is about human beings - to make their strengths effective and their weaknesses irrelevant."
2. "Because management deals with the integration of people in a common venture, it is deeply embedded in culture."
3. "Every enterprise requires simple, clear, and unifying objectives. We hear a great deal of talk these days about the culture of an organization. But what we really mean by this is the commitment throughout an enterprise to some common objectives and common values. Without such commitment there is no enterprise."
4. "It is management's job to enable the enterprise and each of its members to grow and develop as needs and opportunities change."
5. "Every enterprise is composed of people with different skills and knowledge doing many different kinds of work. For that reason, it must be built on communication and on individual responsibility."
6. "Neither the quantity of output nor the bottom line is by itself an adequate measure of the performance of management and enterprise. Market standing, innovation, productivity, development of people, quality, financial results -all are crucial to an organization's performance and indeed to its survival."

We share this vision of management Surprisingly, perhaps even some of those who have pushed us into our present overly centralized and prescriptive systems, share this vision. In his 1988 report, the Auditor General examined 8 government organizations that are considered to be performing well. He identified and described the attributes that contribute to this high performance: 1. "Emphasis on People: People are challenged, encouraged and developed. They are given power to act and to use their judgement. There is a belief that high performance is a product of people who care rather than systems that constrain. People do not preoccupy themselves with the risk of failure but are confident they can tackle virtually any challenge." 2. "Participative Leadership: Leadership is not authoritarian or coercive, but participative whenever possible. The leaders envision an ideal organization, define purpose and goals, then articulate these and foster commitment, staff communicate easily. They feel comfortable consulting their peers as well as those above and below them." 3. "Innovative Workstyles: Staff reflect on their performance. They learn from the effects of their actions. They seek to solve problems creatively. They maintain strong monitoring, feedback and control systems as useful tools." 4. "Strong Client Orientation: These organizations focus strongly on their clients, deriving satisfaction from serving the client rather than the bureaucracy. There is an alignment of values and purpose between the well-performing organizations and their political and central agency masters, with a view to strong performance and high achievement." 5. "A Mindset that Seeks Optimum Performance: People hold values that drive them to always seek improvement in their organization's performance. When conditions change they adjust their methods, not

their values. Because of this orientation toward performance and adaptability, the organization performs well even in a changing environment."

These views fit very well with our own conclusions which are reflected in a little publication by the Management Centre, exactly 14 pages long, entitled "A Management Model". I am sure you all have copies, and I encourage you to read it and use it.

I would, however, like to touch on several passages in the model which are particularly relevant to the Correctional Service of Canada.

Employees must know their jobs and goals. Managers must instil confidence in their workers and provide them with direction and support. In government this involves communications between management and staff. Communications - Direction and Example

- **A short, clear and concrete mission statement** for the department is essential. This statement combines statutory obligations, goals, policies and priorities of the political leaders, and the goals and policies of the department's leaders. Such a statement must be strategic and futures-oriented. It must establish a framework and motivate staff to meet current objectives and carry the department into the future. All staff must understand and accept the mission statement.
- All staff must **understand their roles and responsibilities**.
- The Deputy Minister must provide **firm direction**.
- Effective communication requires **skilled participants** among **both managers and the communications specialists**.
- **Strategies, goals and priorities** must be periodically set.
- The key element is the **manager's commitment and belief** in the importance of communications. **By consistent example, personal presence and taking an interest in staff, managers can do more for internal communications than a formal newsletter.**

Communications is substance as well as process and the best way to communicate is by example.

Leadership - The Key to Good Management

Although leadership **flows from all levels**, that of senior managers and Deputy Ministers is critical.

- Managers can only lead if they **know their department thoroughly and perform competently**.
- Leadership cannot last without **integrity, self-sacrifice and example**.
- It demands **two-way communication**.
- Leaders are motivated by the success and development **of the organization** (serving the **department's** goals) and **not** by personal glory.
- **Leadership must be shared**; employees will not follow blindly. They prefer to share goals and be consulted about the direction of the department. Participative management does not mean abdicating responsibility or accountability for decisions; rather it means that leaders must listen and be attuned to the needs and views of colleagues before they decide.

- **Leaders have 'vision'**; workers are confused if they don't know where the DM wants to take them. They want to be reassured that their work in the department is important for Canada.

Leadership is participative, competent, unselfish, communicative and visionary. Leaders are motivated by concern for the organization, its clients and the welfare of the nation.

I believe that what I see in the Correctional Service's program of organizational renewal is most consistent with this general view of the new management.

I have followed the evolution of management at the Correctional Service of Canada for the past 10 years, from my vantage points at Treasury Board, the PCO, and now the Management Centre.

I know you have a very tough job to do which will not be made easier by management fads or slogans. I am convinced, however, that the approach you are taking, based on a clear statement of mission and values, has the potential to make your work easier.

I am sure some of you will ask - How can we overhaul management in such a large organization as the Correctional Service of Canada? It is not too hard to do so in a unit, or branch or region, but an entire big department!!?

In fact, our management reviews and surveys have indicated that some of the best performance and highest morale in the Federal Public Service are in very large organizations.

The key to success in every case was leadership and teamwork in which every member of the team - every unit, branch or regional direction "bought into" the vision and helped to implement it. And this, of course, requires a sharing of both understanding and power.

It is not easy, but I believe you have made an excellent start. The introduction to your mission statement says "The purpose of the Mission Document is to provide clear direction to all staff within the Service ·". With respect, I think the Mission Statement is more than that. It also represents a commitment by the Commissioner and by the Minister on behalf of the government to the statement of mission, of values, and of guiding principles. To have our political masters support these statements in such a clear and unequivocal way is a great accomplishment, and should enable you to face the future with greater confidence.

It will also be encouraging to you to know that 19 departments and agencies of the Federal Government are engaged in similar mission and values exercises (including the Canadian Centre for Management Development).

There are, of course, great risks attached to the new management approach and to the commitment to mission, values and principles. You must make the words come alive by living them daily, by ensuring that every member of management (and hopefully every staff member) is a good example of the values in action.

Remember - Actions Speak Louder than Words

May I also say a few words about measures being taken centrally to support what you are doing.

1. Deregulation and decentralization - Treasury Board's Increased Ministerial Authority and Accountability exercise.
2. Improved internal management communications.
3. Values exercise.
4. Enriched training programs -Canadian Centre for Management Development.

Closing In closing, may I reiterate that the Canadian Public Service has a history and tradition of integrity, values and professional competence. We have demonstrated an amazing capacity for adaptation to change without loss of the quality of support or advice to government.

If I can leave one thought with those who may have lost some courage in the ongoing struggle to adapt ourselves and our institutions to the incredible demands for change and flexibility that continue to confront us at all turns, I would like to quote a remarkable young woman, Judge Rosie Abella, in her recent remarks at a University of Ottawa convocation:

"You have each in your own way, an enormous contribution to make, and those of us a few steps ahead of you will gladly make room for your dreams to flourish.

The optimistic spirit is the indomitable spirit. Fear neither failure, success, controversy, originality, nor change. Be open to differences - in people and ideas - experience literature, culture, politics, scholarship - but remain convinced always that everything is possible.

Scratch the word impossible from your vision and underline the words tenacious, compassionate and confident. Remember that time is the judge."

I would extend her closing comments, made to young new university graduates, to public servants everywhere as they face an uncertain future, armed only with their knowledge, skills and experience!