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HR ARCHITECTURE, TOOLS AND TRAINING

Foreign & Commonwealth Office

Cultural Audit

August 2008

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HR ARCHITECTURE, TOOLS AND TRAINING

Contents

Introduction

HM Foreign & Commonwealth Office (the 'Office') asked Couraud to undertake an audit of the Office's culture. The driving force behind our Cultural Audit was a recognition by the Office that every organisation needs to take a good look at itself once in a while and ask itself, quite simply:

> "How do we do business around here?"

This question is not emotional or self-indulgent, but very practical. Specifically, what does the organisation do well? What does the organisation do poorly? What could it do better? And what part does the organisational culture play in all of the above?

The answers to these questions form the basis of this report.

The Office asked us to interview a random selection of 60 officers – 20 from the SMS, 20 from Band D and 20 from Band C. These selections were made from lists supplied to us by the Office. We used technology to make the random selections so that human input - conscious or unconscious –was entirely eliminated[1]. Of the 60 officers we invited to participate, we were able to speak with 47. Throughout this report, we have only made a distinction between the views of SMS, Band D and Band C officers where those views diverge. Typically, and interestingly, they did not.

The interviews we undertook were free-flowing, conversational and highly interrogatory but centred around seven key topics:

Decision-Making
Communication and Knowledge-Sharing
Evaluating Performance and Development
Thriving in the FCO
Harnessing Difference
Leadership
Working Environment

The topics were brought to life through a series of deliberately provocative and searching questions. These are set out at Appendix I. The interviews were primarily conducted face to face (either in person, or using video conferencing). Where this was not possible, we used the phone. During the interviews, which lasted no more than one hour each, we played Devil's Advocate where appropriate – deliberately testing different, sometimes radical, hypotheses and theories.

As a result, we are confident that the data we collated is truthful and accurate, reflective not of party lines or received wisdom but genuine heartfelt opinion.
Couraud, 2008

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[1] In addition to those participants randomly selected, we also interviewed Simon Fraser at the request of the Office. Simon took part to experience the process only and his comments have not been taken into account in this report in order to guarantee the legitimacy of the random cross sample.

"You can have it all. You just can't have it all at once."

Oprah Winfrey

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Summary

HM Foreign & Commonwealth Office is neither institutionally misogynistic nor racist, overtly or covertly. Instead, whilst far from perfect, and against a history of some particularly unsavoury discrimination, it is a fairly enlightened - and exceedingly well-intentioned - employer.

You can and should be prouder of who you are, what you have done and what you represent. Stop apologising for who you are, and focus instead on what you do.

Do not waste time worrying about the things that are not your responsibility, and spend more time worrying about the things that are.

Couraud
August 2008

Decision-Making

Whilst progress has undoubtedly been made in this area over recent years, and particularly – participants said – over recent months, the majority of people with whom we spoke were clear that the Office is still not very good at taking decisions and making things happen. This was, they said, much more the case in the corporate and managerial context than the policy context where most see the Office as performing reasonably well.

It is worth noting that no participant mentioned that they felt there was any gender or ethnic bias in the way that decisions were made.

Risk-averse
It was genuinely striking that so many participants were very keen to tell us about what they saw as the institutional timidity of the Office. There is a cultural fear of failure. Participants complained of the Office being insufficiently brave, of it over-anticipating likely press coverage, of it being poor at defending itself within Whitehall, of it submitting wholesale to the culture of committees, sub-committees, working groups and steering groups, of it reacting and responding rather than leading and agenda-setting and – perhaps most depressingly of all - of people getting to the very top of the Office by never making any mistakes.

To this extent, we believe the Office to have been seriously and consistently underled. In our experience, the tone for this kind of culture invariably emanates by example from the most senior end of the organisation. That said, a great deal of praise was forthcoming for relatively recent attempts to correct this culture – at both a senior ministerial and senior civil servant level. But there is clearly much more work to do.

Participants certainly accepted that government is of course partly about reducing risk, not least for the taxpayer. But government is also about getting things done. One participant postulated that the Office is so risk-averse because like all other Whitehall departments it is essentially a servile organisation reacting to the needs of ministers and policy of the day. This may be true in terms of pure foreign affairs policy (although we are not qualified to comment on that) but in a managerial context, where ministers have traditionally held little sway, we do not believe this argument to be sound. Quite simply, there is no excuse.

The risk-averse culture is fed in part by the perception that failure is not acceptable, at any level. As a result, mediocrity flourishes because mediocrity is seen to be safe. Participants reported very little reward or recognition on offer for risk-taking.

It is trite to say that failure is a natural bedfellow of success, but that does not make it any less true. If the Office is to become braver in its approach, it has to expect some failure. The key requirement is that failure be recognised and dealt with quickly. Individuals need, over time, to be ready to accept failure, to take responsibility for it and to learn from it: adding to the store of corporate as well as individual knowledge.

Participants told us too many unhappy stories of obviously moribund projects not being scrapped because no one who could or should have admitted failure was prepared to do so. Where this does not happen quickly, things gets very expensive indeed and the cost to morale is almost incalculable.

The Office needs to contemplate how it might reduce the perception of failure being unacceptable, because as long as this mindset exists the organisation manifestly will not be getting the best from its very bright people and instead will positively stifle creativity and diversity of thought.

Ideas over execution
It is quite clear that the culture of the Office is one where ideas and opinions abound. In fact, at times it might be argued that there is a surfeit of these: particularly when it comes to the corporate management of the organisation. In itself, this is not necessarily a bad thing.

However, coupled with what, historically at least, seems to have been a woeful under-focus on execution it most definitely is. The Office, it seems to us, has for too long valued ideas, analytical deconstruction and intellectual firepower over getting things done. In many respects, this is, of course, the story of government at both ministerial and departmental level: the triumph of ideas over action. Of course action cannot, by definition, take place without an idea behind it, but the vast majority of participants believe that there is still grossly insufficient focus on operational follow-up. Attention to detail, whilst possibly over-valued in policy decisions, is, they say, seriously undervalued in corporate decisions.

Officers recounted stories of projects being agreed but never followed up, of projects being agreed but seen only halfway to completion and of projects being agreed but months or years passing before any tangible output appears.

Whilst participants say that things have slowly been improving over the last couple of years, it is clear that there is still nowhere near a sufficient premium attached to execution. As a direct result, the Office suffers far too much from uncertainty, political jockeying and vacillation. Individuals feel nervous about making decisions because they are unclear on what delegated authority they do or do not have. The result is people feeling hamstrung and indecisive.

To a great extent, these issues are most live at a sub-board level: the large slew of senior and middle managers in the UK and around the network who are charged with implementing the will of the board. However, there is no doubt that the board is at least partly responsible here too. As we discuss in 'Harnessing Difference' below, there are too few people operating at board, or even director, level who have operational experience of having run things. As a result the cultural message coming from the most senior levels of the Office, almost certainly intentionally, is that getting things done remains the poor relation to having great ideas.

This could partly be cured by measuring more actively more project-based and management-focused skills, although we agree with the participants in this exercise that the current set of competencies is fairly comprehensive (see 'Evaluating Performance and Development' below). We also believe that there is real merit in stability in competency frameworks. The challenge then is not to redraft or reinvent the competencies but instead to appraise against them honestly and accurately – because the structure is there to help capture success or failure in these managerial, execution-focused areas. We do, however, think that if the Office adopts our proposed director-level ADC (see also 'Evaluating Performance and Development') then these topics could be tested much more intensively.

Consultation vs consensus
Most participants offered some quite complex views in this respect.

The history of the Office, if we understand it properly, is broadly one of relative autocracy in corporate and managerial affairs: 'you will do this when I tell you'. Over the last fifteen years in particular, attempts have – absolutely rightly – been made to correct this model; it being unsustainable in a civilian organisation in contemporary Britain.

However, participants express a sense in which the pendulum had – until very recently indeed - swung too far the other way: that the model had been over-corrected. We were told of consensus-building at almost any cost, including, most seriously, things simply not getting done. Well-intentioned as it may be, the institutional need to incorporate the views of as many people as possible leads at worst to organisational stagnation and decay, and at best leads to a sense of disenfranchisement of those who were consulted but ignored. Many participants spoke of evidence-gathering and consensus-building in decision-making having become a displacement activity: an excuse for procrastination. This in turn compounds and worsens weakness in decision-making and risk-aversion. The irony is that in any event, in an organisation as large and as geographically disparate as the Office a true consensus, particularly on some of the more complex corporate issues, is virtually impossible goal in any event.

This culture seems to have emerged over time in response to the autocracy of the past and to a certain extent it may be connected with the fact that in diplomacy, as we understand it, consensus in itself can often (but clearly not always) be the endgame.

That is not to say that consultation (as distinct from consensus) does not have its place. On the contrary, it is correct and appropriate to consult those affected by decisions as to what they consider the likely impacts will be. People on the ground will usually always have something sensible and helpful to say and can contribute to an unemotional, fact-based analysis.

The issue instead is one of timing. Consultation should take place in a shortish timeframe *before* decisions are made, with corporate collectivity biting immediately thereafter: everybody, outwardly at least, supporting the decision. Dissent *before* decisions are made, contributing to the argument, is positive and perhaps even a duty. This is because those decisions are likely to be of better quality if as many arguments as possible have been teased out and settled within a strictly adhered-to timetable.

Conversely, dissent *after* the event is inexcusable and speaks of the worst excesses of one of the darker sides of the Office's culture: the cult of the cowardly ego. The statement 'This project of London's is doomed to fail' very quickly becomes self-fulfilling.

In this respect the Office would do well to develop a clear process which is well-understood at every level in the organisation: managers and leaders consulting staff in a timely and time-limited manner, with no promises that what they suggest is what will be actioned but with a very clear promise their views will be listened to, taken into account and that, if rejected or over-ridden, reasons will be given as to why. Such a process will build a culture of much greater trust, involvement and inclusion.

Absence of delegation
Participants told us that survey after survey seems to reveal that delegation is nowhere near as commonplace as it needs to be within the culture of the Office; for the wellbeing of the institution as much as the individuals within it. This is despite what seem to have been some genuine attempts to reverse this culture in recent times.

Decisions are, participants reported, almost universally pushed up the management chain rather than down. This is due at least in part, we were told, to the fact that individuals have very little sense of the extent to which they are or are not empowered to take decisions. There is very little clarity over the exact parameters of each person's decision-making authority and autonomy and so, in a risk-averse culture, the natural temptation is to send decisions further up the line.

This inevitably leads to congestion at the upper echelons, meaning that often important decisions are never taken or are taken very slowly indeed. In addition to the fact that it is financially unsustainable for senior managers to be taking so many low-level decisions, this is doubly frustrating for those individuals, not least specialists, who believed that they had been recruited in order to take decisions in their areas of expertise.

This problem culture might be, whilst theoretically unsavoury, practically tenable if those at the very top who are making decisions were furnished with sufficient operational expertise to take an informed view as to appropriate action. Understandably and legitimately, they are not. The Office then has historically, we were told, sought to offset this by seeking input from lower down rather than pushing the decision itself back down the chain. Moreover, where input of this nature is requested it is often done so in a patchy, incomplete manner so that the risk of a poor quality decision is heightened. This in turn is likely to lead to a decision-maker perversely distancing him or herself from the decisions that he or she has made. As a consequence, the Office can appear – particularly in corporate decisions – to be 'shooting from the hip'.

In any event, the job of the leadership, opined most participants, should not be to take detailed, micro-decisions but to set broad parameters and a vision for others to implement and execute. This requires a degree of trust by senior and mid-level managers which most participants said is not terribly apparent at present.

Situational delegation is what is required, where decisions are taken at the lowest appropriate level having reference to the task in hand, its importance and urgency, its sensitivity, and both the aptitude and the experience of the individual in question.

Prioritisation

Part of effective decision-making is prioritisation and participants told us the Office has some way to go in this respect. The culture is one of saying yes to everything, with the obvious danger that lots of things will be done to only a mediocre standard because individuals, missions, teams and directorates are too thinly spread.

Prioritisation requires not just re-arranging the order in which one does things but saying no to some things. Some participants suggested that the Office was rapidly improving in this respect but the overwhelming majority considered that there was more to do. We believe that a special responsibility exists at board level: because others lower down the managerial chain need a clear mandate to say 'no'.

There obviously will be times where the decision as to what to drop can only be taken at a ministerial level, in which case directors and board members will need to be prepared to be much more robust with ministers than has previously been the case: 'Yes minister, we can do X – but it will require us not doing Y.' Ministers have a concomitant responsibility to accept that from time to time such robustness is required and is not an insult or evidence of a 'Sir Humphrey' mentality, but rather a reflection of organisational and resourcing reality.

Decisions at post

Participants noted that corporate decision-making at post was, on the whole, of a better quality than London in terms of both content and pace. A note of caution was, however, sounded here. As time progresses the decision-making autonomy that once existed at post, largely as a result of geographical remoteness, is slowly being whittled away. Furthermore, as directors assume more global authority around the network, the risk is that those overseas find themselves with a good deal of responsibility, in terms of having things to deliver, targets to hit etc, with very limited autonomy as to how to execute. This does not make for motivated managers and leaders. Indeed it risks dispossessing them of the very thing that they are supposedly charged with doing overseas: taking decisions.

The bottom line

Some participants noted that, in keeping with many public sector organisations, the culture within the Office, with some notable individual exceptions, is one which consistently underestimates the financial impact of decisions. This is, they said, perhaps even more so when it comes to the less obvious, but no less real, costs such as officers' time. Ironically, said participants, it is often during supposed cost-saving exercises or efficiency drives where the attention to time-cost is frequently overlooked.

Clearly, some of this has been brought about as a result of cross-Whitehall attempts to manage government by targets. However, the true costs in delivering the latest 'cost saving' or 'target adherence' exercise do need to be considered by the Office in a much more disciplined manner than participants tell us exists currently.

The answer to this particular issue is outside the scope of our work not least because it spills into the party political arena, but further work is required here because it appears to us that finance, in all its forms, needs to be far more integrated into decision-making than is currently the case.

Over and above this, we were extremely surprised that more than one participant sought to explain the risk-averse nature of the Office as a product of not always knowing what the settlement from HM Treasury would be. Our very clear view is that this simply does not operate as an effective excuse or even reason. The Office is no different to any other organisation in that respect, public or private. Indeed it could quite legitimately be argued that it has much greater visibility over its finances than the vast majority of its private sector counterparts, whose budgets can be rapidly changed by fluctuations in monthly income.

Prudent organisations deal with uncertainty over financial resource through modelling best, average and worst case scenarios. This is hard, detail-heavy work but must be, if it is not already a key responsibility of the most senior people in the organisation. After all, it is they who have to appear before the PAC when things do not go according to plan.

Ownership
Perhaps as the combined product of all of the points set out above, people in the Office tend to want to be seen to own ideas and concepts, which are transient and intangible, rather than decisions and projects, which are not.

Meetings are called and chaired, committees and working groups are formed – and each of these, sometimes consciously, some subconsciously – leading to the syndication of risk and dilution of ownership. Participants listed story after story of how this lack of ownership manifests itself, and we have seen it ourselves within the Office at virtually every level.

This is the single biggest weakness in the culture of the Office when it comes to decision-making and effective organisational progress simply will not be made while it continues. Whilst the results of unravelling such a culture will not likely appear for some time, work to redress this needs to start now.

Communication and Knowledge-Sharing

There was a striking consensus among participants that the Office has improved dramatically its communication and knowledge-sharing. The incumbent PUS and Change Director were singled out over and again for their personal efforts in this respect.

Interestingly, participants did not feel that there was one particular communication style that worked over another and certainly there was no suggestion of one or more groups being favoured or discriminated against in the way the Office communicates with its staff.

Push vs pull
A sizeable minority of participants expressed some concern about the cultural risks of information overload. Whilst they welcomed the much more proactive style of the centre in communicating, they suggested that the centre think a little more sparingly about communications - relying a little more on those who need information 'pulling' it down, rather than all information being 'pushed' onto everyone.

We have some sympathy with this. Over the medium term, and in keeping with what we have written above concerning delegation, the Office must consider how it can generate a culture where, with limited exceptions, the centre communicates broadly and with a light touch, enabling local managers to relay the information to their own teams.

This should prove useful to all. The centre cannot possibly expect itself to consider every single last detail or nuance that might be necessary for each member of a 16,000 person audience: individual employees tend to respond better to key messages when they are contextualised simply by their own manager. A positive by-product of this, of course, is that individual managers feel empowered and trusted rather than bypassed and disenfranchised.

However, we recognise that there are two obvious difficulties which make this a long term ambition rather than a short term fix. First, individual officers can only 'pull' information that they know that they need. Information that they do not know that they need will, of course, go undigested. Over time, we suggest that the Office could deal with this fairly effectively by providing sufficient pointers in 'big picture' messages.

Secondly, the communications skill-set of individual managers in the UK and around the network is, participants told us, distinctly patchy. Some are excellent at turning 'big picture' strategy and messages into something useful for their team members, inspiring and motivating them along the way; others fall woefully short of the standard required. For as long as this is the case, the temptation for those at the centre is to compensate by communicating in a micro-context. The chain of communication can only ever be as strong as its weakest link. We believe that over the longer term the Office has no choice but to invest heavily in improving the communication skills of all those who manage.

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Content

Participants left us in no doubt that they welcomed greatly the focus on corporate and managerial messages in most of the centre's communication with staff. However, some expressed a preference for a little less on 'management' type issues, and a little more on 'leadership' issues: less exhortation and more inspiration.

Additionally, participants said, more was required on the policy side. In this respect, it was clear that most participants were not looking for detailed statements on complex issues but rather some 'big picture' messages about where policy was heading, how the Office saw geo-politics shifting and the like. There was more than one call for the Office to remember not to 'throw the baby out with the bathwater'. Policy was, participants said, a large (but clearly not exclusive) part of what the Office was there to do. There was a slight unease for some participants that, whilst an increased focus on management was long overdue, the Office was in danger of treating management and various change processes as if they existed in a vacuum. A sense of belonging and corporate pride could never really be achieved, some participants postulated, with the centre focusing solely on managerial issues and change processes. People in the Office care deeply about foreign affairs and foreign policy. Certainly, a little celebration of policy successes, achievements and initiatives would go a long way. In this context, some gratitude was expressed to the current Foreign Secretary for his efforts here, although officers clearly have an appetite for more.

It is also worth mentioning that some participants expressed a growing concern that the centre was in danger, at times, of sending out over-positive and unrealistic messages. In an organisation of fairly sophisticated people who can judge for themselves how well most things in their immediate vicinity are progressing, there is a risk of 'smooth' messages grating – particularly if the messages are inaccurate or just plain wrong.

This is not, as far as we could detect, a significant issue at the moment but we sensed that it might become one over time if left unchecked. Officers requested genuinely honest and transparent information, even where that might be, from time to time, negative. There was some suggestion that entirely transparent messages would reduce the scope for Office gossip, although most participants conceded that gossip was always likely to exist in large organisations in spite of virtually every attempt to extinguish it.

Additionally, we are conscious that the Office is a fairly cynical organisation. It is possible that even honest and transparent information, in certain quarters at least, would still, sadly, be regarded with suspicion and scepticism.

Media

Participants welcomed the diverse media used to communicate from newsletters and bulletins to emails and blogs. Special praise was forthcoming for the 'town hall' meetings that the PUS has held, with the ability to ask questions of him direct particularly appreciated.

However, criticism was frequently levelled at the usability of FCONet, which was considered to be 'clunky'. More worryingly, one has to know where information is held in order to be able to access it, which risks defeating its very purpose. In an age of advanced software searches we cannot think of any reason why this should be the case. Some participants went further by suggesting that information on FCONet was seriously out of date. It is possible, although we do not know, that this is a product of a lack of single-point ownership of FCONet. If so, this should be rectified immediately.

Most importantly, participants were very clear that the leadership of the organisation appeared to undervalue 'the personal touch'. Electronic and paper communication was, they noted, all well and good but it was no substitute for face-to-face communication and floor-walking. We concur. One of the hallmarks of a successful tenure as a director or board member should be a good many visits in and around the network. It is exceedingly easy for senior individuals to underestimate the hugely positive impact that their presence can have, and we urge board members and directors to spend as much time as possible conducting visits.

At post
Participants were virtually unanimous in noting that communication was much better at post than in the UK, and usually better still within smaller posts. It was much easier to feel 'lost' in big environments such as London, Hanslope Park and some of the larger missions. In smaller teams, officers tended to feel a greater sense of involvement.

However, it was equally clear that one's experience at post, and the extent to which one felt included and aware of what was going on, was dependent to an enormous extent on the communication ability and engagement of the Head of Mission. Where this was good, it was 'brilliant' and the Office, perhaps unsurprisingly, is clearly furnished with some incredibly eloquent and inspirational communicators. But participants expressed concern that working for one of these excellent communicators was still something of a lottery: one could just as easily find oneself working for a poor communicator and/or someone who had no interest in communicating on an internal level.

UK, not London
Those participants who currently work at Hanslope Park, or who have done, were especially keen, with some justification, to remind us that there is more than one UK location of the Office. This was seldom reflected in organisation-wide communications, which they said helped feed a 'them and us' culture between Hanslope Park and London.

Induction, re-induction
A number of participants noted that the culture of communication in the Office could be improved by reviewing the induction process, and by creating a re-induction process for those returning to the UK after a posting.

In terms of induction, the Office has a golden opportunity to set the scene for new recruits and to ensure that key messages are heard clearly at a point where employees are most ready to hear them. We therefore consider it prudent to review your current induction process.

Separately, we were extremely concerned to hear stories of officers returning to the UK from postings without any kind of official 'way back' into the Office at all. Participants told stories of having to beg, borrow and steal passes to enter buildings, to make work-related phone calls and get access to a terminal that belonged to someone else. If true, this is a further, scandalous illustration of the absence of a culture of 'ownership' in the Office: someone should 'own' this issue. We suggest the Office seeks to address this quickly.

Evaluating Performance and Development

The objective and fair way in which the Office measures performance should be a cause for celebration. Whilst not perfect, the systems that have been built up over the past few years, and the cultural changes that they have helped bring about, are impressive. They have played a very large part in creating what is, in our opinion and that of the vast majority of participants, a culture of genuine meritocracy within the Office. That is not to say that everyone is happy.

Competencies
It was striking that the vast majority of the participants told us that they thought the competencies against which they and others in the organisation are measured are fair, comprehensive and comprehensible. More to the point, said this vast majority, the competencies are relevant. In itself this is something which the Office can afford to be very proud of, as it is unusual in large organisations where achieving the requisite level of buy-in is very hard. No one suggested, for example, as we might normally have expected in other organisations, that the competencies were fundamentally flawed and needed to be scrapped. This is an immense achievement.

This achievement is multiplied by the overwhelming majority of participants telling us there is no obvious cultural or gender bias in the competencies: that they measure performance from men and women, black and white equally well. There was the odd, limited suggestion that there may from time to time be some bias in individual interpretation of competencies but this was much less about gender or ethnicity than individual management styles and human subjectivity.

An extremely limited number of participants did, however, complain that in measuring what they saw as 'old school' behaviours, the Office was compounding its apparent preference for favouring a type of skill set more typically associated with one particular group of people than any other. The argument ran that this militated against those from different backgrounds or different 'strengths' being as successful.

Quite simply, and in common with the vast majority of the other participants - male, female, black and white - we do not buy that argument. We agree with them that your competencies are effective and objective. The Office need not be apologetic in requiring a certain set of behaviours in order to be successful, provided – as we and nearly all of the participants in the audit believe – that the competencies are gender-blind and colour-blind. This case is all the more compelling when we reveal that the very small number of those who complained about the competencies could not articulate what, specifically, was in fact biased about them. Furthermore, when asked to identify what types of skills should be required to be successful in the Office, these individuals – consciously or unconsciously – went on to list a series of behaviours that looked and sounded strikingly similar to those already being measured.

Our somewhat controversial conclusion therefore is that the Office's well-meant focus on diversity – and the zeitgeist which accompanies it - has led, in these individuals at least, to an erroneous belief that some degree of cultural favouritism must be to blame for their absence of progress.

We know of many organisations, particularly in the private sector, where this is probably the case, but after exhaustive conversations with audit participants we are absolutely confident that the Office, despite its rather benighted history, is not one of them. As we go on to discuss in more detail in 'Harnessing Difference', the Office must not afford the opportunity for people to confuse a culture of diversity with a culture of mediocrity.

Over and above the very limited number of participants who made the cultural bias point set out above, a similarly small number of participants did mention that iniquities may be present in terms of the weighting of various competencies. We have more sympathy with this argument. For example, suggested one participant, it is typically easier to be a competent manager of people if one is managing just two people instead of, say, twenty.

However, we do not currently see any simple way of dealing with this without making the system of metrics dramatically more complex. We are certain there is no appetite for that. Competencies can, of course, usually be improved and updated but organisations are nearly always better adopting a fairly 'hands-off' approach in this respect: slightly imperfect systems which are well understood and generally respected are preferable to the (theoretically) perfect system which everyone has to learn again from scratch. The answer must therefore be for managers conducting performance appraisals to be particularly alert to the subtle weighting issues outlined above, and reflect that when conducting and writing performance appraisals.

It is worth noting that a number of participants expressed concern that, whatever the robustness of the Office's own competencies, a structural issue arose if and when individuals undertook secondments. In the absence of a Whitehall-wide competency framework and concomitant performance management cultures, participants told us that there was a very real danger that they could leave the Office on secondment and return with a very different, possibly erroneous, set of appraisals from another government department. It was also, as noted above, bureaucratic and irksome to re-enter the organisation when returning from a secondment. Moreover, those who had recently worked at post commented that, when managing staff from other government departments, trying to work with both OGD competencies and the cultural performance management expectations of their staff was both exceedingly time-consuming and difficult. There is also growing resentment that those coming in on secondment from OGDs do not have to sit an Office ADC. This entire topic strictly speaking falls outside the remit of our work on the Office's cultural audit but we note it as a point for immediate review nonetheless.

Finally, we were alarmed to hear from participants of the introduction of a 'diversity' competence. As we have set out above, we believe there is real merit in leaving generally understood competency frameworks alone for as long as possible. More importantly, there seems to be the odd assumption here that 'diversity' exists in its own right, rather than as a product of some of the other decisions that individuals take. To introduce a competency in this area smacks of the worst excesses of 'government by target' and will yield some extraordinary results.

Assessment and Development Centres

We were extremely impressed by the level of buy-in that exists for D-SMS ADCs. Most participants accept that in the absence of the theoretically 'perfect' promotion selection system, the ADC is the next best alternative. This was particularly so given what participants saw as the continued problem of exceedingly patchy appraisal writing. Participants were candid in suggesting that the ADCs had, in their view, made mistakes over time: people who should have got through didn't, and people who shouldn't have got through did. However, for the vast majority of participants, the number of 'wrong choices' was not sufficiently high to cause serious alarm. Participants said that it was, by and large, clear what skill-sets were required to pass the ADC and, in keeping with what we have written about competencies above, the vast majority thought that those skill-sets were the correct ones to measure.

Those who are responsible for the ADCs should take a moment to be very proud of what they have achieved. We understand that their introduction into a change-resistant organisation was immensely hard at times but we have been genuinely surprised at the general buy-in to the ADC concept, particularly as a gateway to the SMS.

Some, but not many, participants complained that those who pass ADCs tended to 'look and feel' like fast-streamers. This is particularly interesting. We do not believe that it should be a matter for surprise or apology that people who are successful on ADCs 'look and feel' like people who are, in theory at least, supposed to be successful. Indeed, this is positive in as much as it means the Office is, generally at least, recruiting the right kind of people.

Other limited numbers of participants said that ADCs were stressful and that they favoured confident individuals who could put on a 'show' or performance. Our own understanding of ADCs is that they are indeed stressful. Along with the majority of participants, we are not at all convinced that this is inappropriate. ADCs are designed to test individuals for the very upper reaches of one of the great offices of state, where both stress and the ability to perform on the spot, it seems to us from our extensive conversations with senior officers, are part of day-to-day reality. More than one SMS officer told us that their ADC had been the perfect introduction to the relentless 'ADC' that was any job in the SMS. Again, the Office should not apologise for a culture which demands rigorous testing of its future leaders, or which pursues excellence. We make a distinction in this respect between confidence with skills to back up that confidence, and arrogance. We are clear from our discussions with participants that, given the unrelenting nature of an ADC and the extent to which it takes people out of their comfort zone, the ability of an arrogant, unskilled individual to be successful is exceptionally limited.

When it comes to confidence, the suggestion that the Office should be promoting into leadership positions those who do not have the confidence to demonstrate their skills in a simulated environment in front of assessors is simply not tenable. Confidence is invariably necessary for those who occupy senior positions. That may militate against those who are less confident, but it does not change reality: nothing will.

This view is one that was quite clearly held by the overwhelming majority of participants (including, perversely, some of those who had said ADCs operated against less confident people) who, when asked about the key characteristics of effective leaders, listed 'confidence' as among the most important.

Furthermore, we do not, having met many different types of person who have passed (and failed) ADCs, believe that ADCs assessors are overly doctrinaire in their assessments, as was suggested by a handful of participants. In our minds, given the obvious differences in personality, experience and background in those who we met, it is not possible that all of these people passed by behaving in exactly, or even very similar, ways. That does not mean, however, that the Office is capturing as much diversity in thought as we believe is necessary, and we deal with this in 'Harnessing Difference' below.

There will always be those who disagree with the Office's methods of promotion selection. Sometimes, they will have legitimate grounds for complaint, sometimes they will not. The Office needs to be exceedingly careful in distinguishing between the two, and must be conscious of its own, institutional cultural tendency to culpability and defensiveness. The chequered history of the Office on opportunity and diversity issues should not be allowed to influence what should be objective decisions today. The Office should not be afraid of selecting only the very best: whatever their background and 'look and feel', whatever the protestations of those who do not make the grade. Ability to perform to the standard required should be the only basis on which the Office discriminates.

When it came to ADCs at more junior levels within the Office, the commentary from participants was decidedly more mixed. Concerns were expressed about the cost of running ADCs, as well as whether the 'showdown' nature of an ADC was suitable for the more junior grades. We have some sympathy with this. The ability to operate effectively at, say, Band B is much less dependent on judgment and decision-making than at SMS, and the skills required may be better suited to a different type of assessment. Moreover, more than one participant commented on the abundance of junior officers operating on temporary promotions in grades that would normally have required them to have passed an ADC. There is no doubt that this undermines to a very large extent the whole concept of ADCs. The Office cannot have it both ways: either individuals have the skills required to operate at the more senior level, or they do not.

In addition, whilst there was some positive commentary from participants about the follow up coaching offered after ADCs, many participants suggested that more could be done for those who were both successful and unsuccessful. Many considered that given the 'all or nothing' nature of the ADC, the risk of both anti-climax in the event of success, and huge deflation in the event of failure, was so large that more intervention was needed. We have some sympathy with this point, albeit limited. We believe that those operating at D-SMS level should be sufficiently mature to deal with either failure or success. Indeed we believe that this should be one of the hallmarks of operating at a senior level within any organisation.

However, at a more junior level this is much less clear cut – how many nervous 'failures' (as they will inevitably see themselves) does the Office want in the delegated grades? As our recent Human Capital Audit showed, there is already great unhappiness at Band B and encouraging people to take an ADC which some will, by definition, fail is only going to compound matters.

We suspect that there may be a more complex and profound point at work here. To what extent are ADCs assessment devices, and to what extent are they development devices? There is always a danger, by no means insurmountable, that when these two things are combined they also become confused.

It is a combination of the arguments set out above which, when coupled with the cost (time as well as financial) of running ADCs, suggests to us that the Office should consider whether ADCs are really working at sub D-SMS level. We believe that, particularly in light of the comments on a lack of 'ownership' within the Office's culture, the resource may be better spent in developing an additional, shorter ADC to assist in selecting those who are bidding for director-level jobs and above. This ADC would require an acute emphasis on leadership, projects and judgment.

There is no doubt, from what participants told us, that the role of the line manager is absolutely crucial in terms of the Office culture and ADCs. Line managers are responsible for preparing individual officers for their ADCs, as well as setting their expectations. In keeping with much of the rest of our commentary, it seems that the Office is relying to too great an extent on the accident of whether one happens to have an engaged, skilled line manager who can act as an effective ADC mentor. This is not satisfactory for those who do not enjoy such a line manager, and in any event risks being incredibly wasteful as far as the Office is concerned: because line managers who cannot help prepare and who cannot and do not set the expectations of their reports effectively will send individuals to ADCs who are more or less bound to fail.

In addition, the role of the line manager seems to have a significant impact on gender dynamics within the ADC. Most participants were clear that whilst women seem to do very well at ADCs (substantiating again the notion that there is no gender bias in the way that ADCs are conducted), there is a problem when it comes to the numbers of women applying to take ADCs in the first place – and line managers are crucial in that process. Some participants commented, in a more general context, that the informal networks that exist for promotion are still predominantly male. If true, this is not terribly helpful for women, but it is not terribly surprising either, given that particularly towards the senior end of the Office, there are more men than women. This 'networks' issue for women should be mitigated over time, as more and more women are successful at the ADC but it is far from ideal at present. As a result, much greater focus needs to be brought to bear on the role of the line manager as mentor for ADCs. Many female participants spoke of the encouragement – or absence of it – from the line manager as instrumental in deciding whether or not to take an ADC.

Additionally, some participants suggested that an SMS job is incompatible with family life. As we discuss in more detail in 'Harnessing Difference' below, this is not a women-specific issue and, potentially at least, it affects men in equal measure. In a slightly

different vein, we were interested to hear a fair number of participants suggest that women are simply not as bold as men in promoting themselves and thinking highly of themselves. We are not at all convinced that such stark behavioural differences are in fact apparent in men and women, but if it is true then the overwhelming majority of participants were very clear that the Office is dealing here with a societal problem rather than anything institutional. We deal with societal issues in more detail in 'Harnessing Difference'.

Interestingly, a large number of participants did not believe that appraisals played any part in the ADC process. Our understanding is that whilst this is true up to a point, appraisals are in fact considered for those ADC cases which are borderline. If our understanding is correct then appraisals are of course hugely important in helping or hindering an officer who is otherwise borderline and, as such, the point should be heavily promoted.

Finally on the subject of ADCs, we were interested to note that large numbers of participants were confused as to their purpose. Were they, as the Office maintains, purely a method for separating those who are equipped with the relevant skills from those who are not? Or is the bar for success from time to time lowered and raised to operate as a numbers-driven filter on those entering the SMS pool? Participants spoke of ADCs appearing to pass more or fewer officers according to the supply of jobs at different levels. If the latter is the case, we believe the Office should be transparent and unapologetic. It is legitimate to promote according to slots available. If ADCs are purely meritocratic in their application then in order to reduce the latent cynicism that exists, that message needs to be reiterated over and again, ideally by very senior people.

Development and Training
It is striking just how much training and development is on offer within the Office, particularly when compared to comparable, private sector outfits. In our opinion, the Office enjoys a development-focused culture, albeit somewhat unconsciously. Most of the participants we spoke with, aside from those who had come to the Office from other, typically private sector, organisations did not seem obviously aware of this relatively unique cultural opportunity. This quite obvious mismatch between reality and perception should be addressed, and the amount of training on offer should be a matter of pride not just for those responsible for organising but also all those who have the opportunity to consume it.

Some questions were raised, however, by participants about the sometimes patchy quality of training and whether value for money was always or even usually achieved. This is clearly something worthy of separate investigation.

Thriving In The FCO

Most of the individual participants, from what they told us, seemed to be delighted by and frustrated by the Office in more or less equal measure. This is unusual, and fascinating. The relationship between the Office and certainly most of those with whom we spoke seems more like a marriage than a contract of employment; with similar honeymoons, seven year itches, high points and low points, fleeting, initially exciting infidelities and ultimate forgiveness and acceptance of the other's faults. This is probably true of equally vocational jobs, where at times one will indeed feel wedded to one's employer, but within the Office it takes on a particularly 'love-hate' hue.

Great people, great places, great work
It is truly striking how many people volunteered that it was the quality of their work and, just as importantly, their colleagues that helped them thrive in the Office. Participants reserved special praise for their peers, and the places and people that the Office gave them access to. As other survey and audit exercises will have shown repeatedly, the opportunity not just to work overseas but to become genuinely integrated into other communities is valued extremely highly and, of course, sits well with the Office's strategy of 'More Foreign, Less Office'.

We have said elsewhere, but it bears repetition, that we have never come across an organisation so stuffed full of talent. In many respects, that is both the Office's opportunity and tragedy: how can it continue to get so many obvious, 'common sense' issues wrong with so many excellent people?

Bureaucracy
When asked 'what advice would you give to a friend who has just started at the Foreign Office?', one participant instantly responded, without obvious irony, 'be ready to steel yourself to years of bureaucracy'. The vast majority of participants seem to agree: the Office is indeed seen to be a very bureaucratic organisation. It is outside the scope of this project for us to list the individual instances of bureaucracy cited but there is no doubt that the incremental nature of petty bureaucracy has a hugely detrimental impact on morale. A very high proportion of participants expressed great dismay at the quality of information management and information technology within the Office. There is, of course, a certain extent to which most employees in most organisations will grumble about one or more systems or processes but this is far exceeded in the Office, to the point where there is an ongoing, highly detrimental impact on morale.

Interestingly, during our discussions with participants, it became apparent that many of them would feel more able to deal with Office bureaucracy if they had confidence in the output of that bureaucracy. The overwhelming majority did not.

This is particularly relevant to the culture of the Office, as many participants spoke of wanting a more 'entrepreneurial' culture: a culture where things could happen with pace, where people were more ready to take risks and mistakes were forgiven and learnt from. Such an entrepreneurial culture, to the extent that it can ever exist in a Whitehall department, will simply not develop if the Office continually defaults to bureaucracy.

Getting to the top

Most of the participants were clear that in order to get to the top of the organisation, people had to be able. The Office should be proud that this is both reality and perception. This is hugely important because it means the last vestiges of the "old boy network", as some still refer to it appear to have withered away. It also corroborates our findings as set out in 'Evaluating Performance and Development' above that the competencies are objective and meritocratic.

Moreover, many participants spoke of what they now saw, in theory, as some very different ways of getting to the top of the Office. This is tremendously encouraging. Participants left us in little doubt that the Office has missed out on talent over the years - perhaps subconsciously - by making it an effective cultural requirement of the organisation that the most senior leaders all came through the same historic route of policy in London, Paris, Brussels and Washington, with a spell in Private Office for good measure. That said, the majority of participants with whom we spoke, particularly the more junior ones, will clearly need to see some tangible manifestations of this change before believing that the seemingly genuinely-held mantra is real.

In any event, whilst virtually no one suggested that one could get to the top of the Office without being talented, talent in itself, said many participants, was only part of the story. Institutional visibility and self-confidence also played a very large part. We have mentioned elsewhere that we believe that leadership is incompatible with under-confidence and do not believe that the Office has to preoccupy itself with that particular issue. Rather, it should be proud that its leaders and future leaders are self-confident individuals. Similarly, the need for one to be visible in order to succeed is not in itself something that the Office should be concerned about: provided that what makes one visible is competence, rather than noise. In this respect, the Office will need to redouble its efforts to move competence, results and outcomes centre-stage as a key measure of 'success'. If, as is the case in most successful organisations, the 'visible' people are the ones who manifest these behaviours, then visibility per se is important. However, in keeping with what we have written about 'ownership' above, participants suggested that there was a good deal further to go before this kind of competence-culture is understood and adopted throughout the Office.

Interestingly, a good number of participants mentioned that in order to secure a senior position one increasingly needed to be experienced in the specific areas covered by that position. This emergent experience-based, as opposed to competence-based, culture of promotion is troubling. It risks unravelling the work the Office has done to date in ensuring the progress through the organisation of people with different experiences, who have nonetheless proved themselves according to the competencies. It also runs counter to the central thrust of the Professional Skills for Government agenda and will ultimately, we believe, foster a culture of over-specialisation and silo-working.

From what we learned from participants, this problem seems to have arisen as an unintended product of entrusting line managers with hiring decisions. In a risk-averse culture such as that of the Office's, where there is no overt recognition of 'brave' decisions, line managers will tend to opt for experience first, competence second.

The matter could of course be cured by removing hiring authority from line managers and returning it to the central HR function. However, in addition to being immensely bureaucratic and costly, such a move would greatly disempower, patronise even, line managers. The only viable solution, it seems to us, is that line managers come to understand the part they must play in a culture which understands that everyone has responsibilities to the Office as an institution as well as to themselves.

It is worth noting that many participants mentioned that there is still a natural assumption within the overriding culture of the Office that most people do in fact want to 'get to the top'. Many simply do not. There seems to be a gross cultural misunderstanding by the ambitious, energetic types who dominate the upper echelons of the Office that everyone wants what they want. At best, this cultural norm risks patronising those who have made different choices about their lives and their work, and at worst it can very easily make highly competent individuals feel like failures.

Not everyone wants to do the same thing, and people's choices need to be respected: a point we go on to discuss in more detail in 'Harnessing Difference' below.

Local employees
Participants suggested that it was difficult although by no means impossible for local employees to thrive in the Office. Their sense of belonging was much more about the local mission rather than the Office as a whole, said participants. This is of course hardly surprising, given that LEs do not, typically, move around the network and are instead based in one particular mission, in some cases for many years with fairly dim promotion and pay prospects.

The risk of this is of course that, in the absence of very strong, inspirational local leadership (see 'Leadership' below), LEs can become easily disengaged and demotivated. Whereas in the past this may have been vaguely acceptable for the Office, the localisation agenda and the general downgrading of jobs and upgrading of responsibilities means that this cannot be the case now.

We have not spoken with any LEs and, given that they represent a very large, and increasingly important, part of the Office, we suggest conducting a similar audit with them.

Harnessing Difference

The Office as an institution is quite clearly conscious that that there are fewer women and people of minority backgrounds and lifestyles occupying senior positions than it would like. The vast majority of organisations these days recognise that genuine diversity is desirable, so that these organisations can reflect the populations they serve. This desire is perhaps understandably more acute in the Office where many senior individuals have high profile public roles the 'faces of Britain'.

There is no doubt that the Office faces some very real challenges in this respect. Some of these challenges are Office-specific and the Office can and should fix them. Other challenges are societal and are not in the gift of the Office to fix. Where the latter is the case, the Office should stop asserting the contrary. This is because doing so creates unrealistic expectations of the Office as an employer which are then not met, as well as a dependency culture that unreasonably expects the Office to fix all ills. Morale is adversely impacted, with the inevitable knock-on effect in terms of productivity and wider reputation.

Historic baggage
From what participants told us, there are some clear historical reasons which suggest why both women and minority ethnics have been under-represented in the Office, particularly towards senior levels.

The pre-1973 requirement that women resign on marriage meant that the flow of talented women into more senior jobs was structurally stymied for many years. In a very similar way, the bar on first generation immigrants not working for the Office reduced greatly the pool of minority ethnics eligible to work for the Office until the mid-1980s.

Both of these rules have had a more profound impact than the simple immediate effect of excluding vast tracts of society. Independently as well as together, the rules have ensured the relative absence of senior role models. There is a possibility that this has played out even more negatively in the case of minority ethnics, whom the Office still fails to attract in sufficient numbers.

That is not to say that identifying with a role model is always necessary as a precursor to one's organisational success, but most individuals tend to feel more confident of their prospects if they have met or seen 'someone like me' doing a job like the one they aspire to do.

Equal opportunity, different choices
Almost all of the participants believed that everyone in the Office now has equality of opportunity. In itself, this is exceedingly impressive – as we know of many organisations where that simply could not be said. The Office should be proud.

However, participants said, not everyone can take full advantage of that equality of opportunity:-

The man with pre-school age children who cannot accept the HMA job in a developing country because he does not feel his children would be secure.

The woman who cannot accept the job in Private Office because she cannot travel with the minister on account of her severely disabled sister.

The man whose posting becomes a factor because his boyfriend is a partner in a City law firm, and cannot leave London without leaving his job.

The woman who does not take the D-SMS ADC because she feels the strain of preparing for it would mean that she could not properly help her husband who suffers from MS.

The man who will not go for the DHM job because his partner is about to make her West End breakthrough as an actor.

A majority of participants characterised these kinds of decisions as the hard choices that intelligent adults have to make. Indeed, some participants postulated that as a society we all have to make more of these hard decisions more of the time:

- elderly parents live longer and need looking after for longer
- free care for children, the sick, the disabled and the elderly is not as available or as reliable as it used to be
- both partners in a relationship are more likely to work and contribute significantly to house income, and more partners will work in increasingly specialised careers which makes it difficult to find work outside of large, developed metropolitan and financial centres
- people have children a little later than they did historically, often around the same time as they are 'making it' in their careers
- people expect to 'make it' in their careers earlier than was the case historically

These factors notwithstanding, continued the majority of participants, people make their choices with reference to their own lives and requirements, and often those choices are extremely difficult and often involve an incredible amount of compromise. Often, asserted the majority of participants, but certainly not always, this compromise was still one that impacted more adversely on women than men. Most saw this as exceedingly unfair but ultimately a societal issue which the Office, just as any other employer, would find it very hard to fix.

A small minority of participants however took the view that these were not genuine choices in as much as the mobility, representational and hours requirements of the Office meant that 'free' choices were never really available. It is worth investigating each of these areas in turn, as they are often suggested as reasons why the Office is 'different' and therefore worthy of special intervention.

Long Hours

The hours required of people in the Office do not, categorically, make it 'different'. It is quite clear that from time to time, and more so typically as one becomes more senior, certain individuals do of course put in very long hours. Many other people, however, leave the Office at 5.30pm on the dot every day, if not earlier. In our view, is that this per se does not equate to a 'long hours culture', a phrase which has clearly captured the imagination of many individuals within the Office. Indeed, a casual private sector observer of the Office would be entitled to assert that, if anything, the Office has a 'short hours culture'.

In our conversations with participants, we noticed a distinct bifurcation in attitude here between those men and women who had been promoted to most senior levels in the Office and those who had not. Those who had accepted that there was a natural relationship between success and hard work. Where hard work required long hours, this was a price that needed, from time to time, to be paid in order to become and to remain successful, in its narrow 'work-related' sense. That is not to say that many participants spoke of actively enjoying long hours. Indeed the majority said that long hours soon become unacceptable when they become the norm. However, they continued, with the Office's structure meaning that jobs are rotated every three or four years, one was unlikely to see year after year of unremittingly long hours, as one might do in certain areas of the private sector.

We simply cannot accept that the hours culture which exists in the Office today should be a matter for working committees and scandalised employees – it certainly is not in the worlds of finance, law, showbusiness, medicine or sport, where many individuals are making equally tough choices and compromises about how to balance different aspects of their lives and the responsibilities that go with them. There is of course no doubt that many individuals, though not all, in these other sectors are better financially compensated than some members of the Office, but that is in our view representative of a 'low pay culture' within the Office rather than a 'long hours culture'.

There is no doubt that flexible working, which we discuss in more detail below, can help dramatically in some of these situations. However, flexible working in itself does not provide a cure to the single biggest issue when it comes to hours: the absence of a guarantee that one can leave the Office at a particular time of day, every day.

The vast majority of participants we spoke with accepted that, unfortunate and unfair as it may be, there were always going to be certain jobs where no guarantees could be given as to the time one could expect to leave each day. That did not mean that one could not leave 'on time' most of the time, just that there could never be a guarantee. This was, participants said, due to the reactive nature of what the Office does: foreign affairs. Disagreeable as it may be, foreign affairs do not limit themselves to usual office hours. Often, the Office will need to take action in direct response to external events and sometimes that action will require input from officers outside of their normal working hours.

Participants went on to say that the number of jobs that fall into this category is actually very small. However, because those jobs tend to be amongst the most senior, this has a disproportionate impact on and is directly relevant to those individuals who have young children and need – and want - to relieve them from childcare. Often, those individuals are women but this is by no means the case exclusively.

Various suggestions were made by participants as to how to square this circle, the most coherent a starring system for labelling or advertising the 'loading' of different jobs. This would set out the likely time requirements as well as responsibilities involved in any job. We are attracted to this in principle, as a device to assist officers in making informed decisions about jobs. We have concerns, however, about its workability in practice: would the Office be able to keep up with the various, quick-paced, organic developments that would inevitably impact the 'loading' of certain jobs? Could or should managers appraise officers at a higher level if they had undertaken heavily-loaded jobs? What are the employment law implications? That said, we believe further exploration of this particular issue to be vital because one common complaint of participants was what they called the Office's 'dishonesty' about certain jobs – the suggestion that all jobs could be done within regular hours.

Some participants made the point that it was ironic that the very ministers who wished to see more flexible working and, in particular, accommodation of working mothers within the Office, were those who required immediate responses and turnarounds from their senior civil servants. In order therefore for any change at all to bite, then, it seems to us that ministers have a heavy responsibility here.

Mobility
It is clear that the mobility requirement makes the Office different from most, but not all, other employers. Whilst the odd posting from time to time is increasingly a possibility for many professionals in an age of globalisation, the expectation that one will simply up sticks and move country every three or four years is, in the civilian world, quite possibly unique to the Office. Diplomats will, by definition, and at different points in their career be expected to live and work overseas.

There is no doubt that this will make life difficult for some people but, as illustrated by the examples set out above, this is by no means a gender-specific issue. It is entirely conceivable that a man might feel just as uncomfortable asking his partner to give up her job, move country and perhaps send the children to boarding school, as would a woman. Equally, it is entirely conceivable that a woman could be particularly delighted by the opportunity to immerse herself into a new culture once every four years or so. To cast this particular issue in gender terms is, it seems to us, somewhat démodé and is in itself dependent on the presumption of some fairly clumsy stereotypes.

Perversely, it is at least in part the growth in equality between couples that makes the mobility requirement more difficult today than ever before. Men and women take equal pride in their careers, jointly contributing to household income and each dealing with the various pressures that work inevitably produces. Patently, however, this is not of the Office's doing: society has shifted.

In our view, the Office has shifted too, in that it no longer forcibly posts people to places that they do not want to go to. Instead, our view is that individuals have increased choices: very often complex, difficult choices that require compromise, but choices nonetheless.

That not everyone recognises these difficult situations as choices is unfortunate and has led, in our view, to a rather unsavoury culture of dependency within the Office: 'I have a problem and the Office should fix it'. The unique requirements of the diplomatic lifestyle notwithstanding, we found a startling amount of expectation amongst participants that the Office as employer can and should assist with aspects of their lives that the rest of us simply do not expect our employers to deal with. This dependency culture was most obviously evident amongst some of the more junior participants we interviewed but it clearly also exists, perhaps even more insidiously, at SMS level. Whilst the Office can and should be sympathetic to individual situations, it cannot be expected to mould an organisation of thousands of people around each and every personal, complex situation.

Representation

When it comes to representational requirements, the Office may be 'different'. Whereas a multi-national business (probably) does not have a special responsibility to ensure that its people, their backgrounds and thoughts are representative of society as a whole, it is possible that the Office does. This is particularly so overseas where the faces of the Office as literally the faces of Britain. Currently, those 'faces of Britain' are predominantly – but certainly not exclusively – white and male. Over time, for the reasons set out over the preceding pages, it is likely that the 'faces' will change, certainly many of them will be female if still largely white. Indeed there is already very positive evidence of this happening, although there is no doubt that the pace is much slower than many of us would like.

Our conclusion therefore is that it is this, the representational requirement, that provides the only legitimate reason for possible high-level intervention by the Office to speed up the process by which those groups currently under-represented become better represented.

The difficulty for the Office is in deciding whether the obvious benefits outweigh the disadvantages. In this respect, two types of intervention are open to the Office: action at an organic level, impacting who joins the Office from school and university, and action at a lateral level, impacting those who join the Office from elsewhere, particularly at the more senior levels.

It was striking that there was virtually no appetite at all amongst participants for the latter, which is effectively – one way or another – positive discrimination. Most interestingly, this was markedly so amongst women and ethnic minorities. Participants from both of these groups expressed deep concern that were such a course to be pursued, not only would the achievements of the Office over recent years risk being undermined, but so would their own: no one wants to be perceived as having secured a position on any grounds other than competence.

The long term interests of the organisation are ultimately better served, the overwhelming majority argued, in waiting for time to take its course so that women and ethnic minorities are recruited and promoted on the basis of competence alone.

There was, however, much more support for the former: improving the representation of certain groups in the pool of people applying to the Office from either school or university. This was, said participants, particularly relevant to minority ethnics where, more so amongst some groups than others, current levels of interest in the Office as a career option are woeful. Participants were clear that merit should continue to be the only criterion upon which anyone is selected to join the Office, but that the Office had a responsibility to put itself 'on the radar screen' of a greater number of high quality candidates from a greater diversity of backgrounds. We concur.

We were impressed by what some participants told us about some of the efforts the Office has been making in this respect but believe it can go much further. In particular, we believe that that Office should engage not only with young people themselves but also with their parents, teachers, youth workers and others who have such an influence. Targeted scholarships also have historically proven track records of accessing talent from minority backgrounds, and because successful applicants by definition have to be competent, there is little chance of scholars attracting the 'he only got it because…' mentality.

Diversity of Thought
The irony is that many participants suggested that the real issue in the Office was not diversity of gender, skin colour, race or belief but rather genuine diversity of thought. We agree. The Office spends a lot of time and money worrying about diversity of people, and nowhere near enough time and money worrying about diversity of thought. If the Office is successful in achieving the latter, the former will, over time, occur naturally.

It recruits bright people brimming with independent thought but then proceeds, both intentionally and unintentionally, to apparently 'clone' them. From what participants told us, this is as true of lateral hires who have come in from the public or private sector as it is of organic direct hires. Upon entry, the brightest graduates and the most expert specialists tend to be entrusted with less responsibility rather than more. After a fairly short time, this renders them less and less comfortable with decisions and responsibility and we contend that this contributes greatly to the Office's unfortunate attitude to risk, as set out in 'Decision-Making' above.

One or more free-thinking champions at board level could help reduce this. Their job would be to champion diversity of thought, to challenge the Office's default culture and to bring more of an entrepreneurial spirit to proceedings. People from outside the Office would be best placed to do this, provided that they had sufficient knowledge of the organisation that they could ask contextual questions and make sensible challenges. The risk involved in disenfranchising career diplomats who have worked hard and might otherwise expect a job at board level, could easily be dealt with by creating additional board positions, rather than replacing individuals currently in situ.

Practical Measures

There are a number of practical measures that could be adopted, continued and extended by the Office which could have a significant, positive impact on the organisation's ability to harness difference effectively. Indeed, we believe that it is the practical issues around the margins that ultimately make all the difference to most officers' day-to-day lives.

For example, the phenomenal benefits of the Special Unpaid Leave package offered by the Office should be better promoted, as should its relative uniqueness in the marketplace. At present, SUPL is, we believe, grossly underestimated by many individuals within the Office. The ability to leave the Office voluntarily at any time for any reason – with the guarantee of a job on one's return – is so unusual and so empowering for employees that it should be as widely understood as possible. This is doubly so, when one considers that work experience elsewhere can sometimes be taken into account upon re-entry to the Office.

We also suggest that the Office conduct a review of the allowances it offers to those posted overseas. Much comment was made during our interviews with participants that if more flexibility could be given to individual officers as to how allowances might best be used, then certain postings might suddenly open up for different people with different requirements.

However, by far the most important of the practical measures the Office can take is flexible working. Flexible working is the ability to discharge one's duties in a way different to the cultural or traditional norm. Typically, it is associated with one or a combination of different working hours, job-sharing, working from home and part-time working. For many officers therefore, and particularly but by no means exclusively, those who have young children, flexible working can have a dramatically positively impact on their lives. Moreover, there is no doubt that the Office benefits hugely from re-engaging with talented employees who might otherwise at worst have chosen to leave or at best not been fully motivated. In this respect, the 'return on investment' for the Office is patently obvious from a purely financial perspective if no other. Participants gave us many examples of how flexible working had yielded results either for them personally or for members of their own team. Different hours and ways of working also make sense on a purely practical level, given the stretched transport and social infrastructures of London and the South East.

From what we heard from participants, the Office seems to take a very enlightened approach to flexible working, and should be commended. We heard of many examples of effective flexible working and in many respects see the Office as a trailblazer in this area. For example, participants welcomed the way in which the Office had overcome the traditional 'security' obstacle to working from home with the introduction of the CHORUS system.

However, in keeping with what we identify as the key themes in 'Decision-Making' above, there seems to be very little ownership of this topic, resulting, as so often, in the well-intentioned 'big picture' messages on flexible working becoming hazy in execution.

Participants said that finding a job-share partner was something that was down to the individual which, whilst most were happy to accept in principle, was heavily dependent on personal networks. In itself, participants continued, this militated against those who had not, for a whole variety of reasons, been able to develop strong networks. This was, they continued, very frustrating as the situation could be easily fixed by an effective job-share register. The existing centrally-held register is not, we were told, kept up to date and is in any event difficult to access, effectively rendering it redundant. This would be extremely easy to solve with a self-service, online system requiring no ongoing input at all from the centre.

Moreover, said participants, there was insufficient clarity on HR's general position on flexible working and as a result there was too much reliance on individuals, their teams and managers making decisions. In many instances, managers had proved to be extremely helpful and forward-thinking, said participants, but if one had the misfortune to work in a team where that was not the case then there was no clear guidance to fall back on. The existence of a flexible working newsletter was welcomed by participants, but the fact that this had emerged from the 'bottom up' rather than being something that was owned and published by the centre was suggestive to many of the lack of central ownership of this crucial issue.

These issues were particularly acute when it came to working flexibly overseas. There are some additional complexities here. First is the expectation, arguably generated much more by host nations and other foreign diplomats than the Office, that diplomats should frequently host and attend receptions, dinners, parties and the like in the evenings and at weekends. This is effectively an extension of the 'guarantee' issue dealt with above but how the Office responds to this is a topic that falls outside of the remit of our instructions. However, we cannot help but suggest that this could only be approached on a case-by-case basis, with reference to an established set of guidelines.

Second, job-sharing overseas. The Office, said participants, did not seem to have a clear policy on what happens to allowances and the like where jobs were shared overseas. For as long as this remains murky, then the organisation can expect confusion and disparity to be the only constant. Every effort should be made to redress this because clearly the Office's intentions here are laudable, as at least one recent and well-publicised example shows.

Third, joint postings. Throughout our conversations with participants, we could not get clarity on whether joint postings were or were not endorsed by the Office. Clearly joint postings have sometimes happened, but it is unclear to us whether that is as a result of a policy of the Office or in spite of it. Many officers are similarly unclear and this issue needs urgent resolution, with an acknowledgement that not everyone is going to be happy all of the time. We can see that for a couple in the Office, a joint posting is a neat solution to many of the issues set out above. In the past, this appears to have been easier because often those partnerships were unequal: one partner, typically most often the woman, would have accepted a clerical job whilst the other partner, typically most often a man, would have taken up a post as HMA. As partnerships throughout society begin to become more equal, this particular 'neat fix' is unlikely to appeal, for very good reasons.

So the Office needs to decide whether it can accept, as a matter of policy, two equally senior individuals who are partners working together in a mission. Whilst we see the possible risks, most notably for the immediate colleagues and peers of the partners, we believe that these could be mitigated by careful monitoring from diligent counter-signing officers. For example, in a situation where HMA and the DHM were partners, the SMO could quite easily feel put upon. In that situation, the line manager in London would need to take special care to check quietly but on a regular and frequent basis, that the personal relationship was not impacting on the three-way working relationship. That said, from what we saw during our interviews with participants, we are confident that in most situations the professionalism of the partners would shine through: not least because they themselves would be very conscious of the personal spilling over into the professional.

Beware The Sweeping Assumption
From time to time during the course of our conversations with participants, we were quite surprised at the extent to which one set of prejudicial assumptions seems to have been replaced by a new (albeit exceedingly well-intentioned) set of prejudicial assumptions. Statements such as 'jobs where you have to work late will put women off' are so sweepingly sexist in their generality that the Office, if it is not careful, will find itself on the wrong end of an employment tribunal as a result. Equally, we find it depressing that, in an organisation that wants to see itself – and to be seen – as meritocratic, it seems that one can quite legitimately, and without impunity, categorise that which is white, public school, Oxbridge or male as necessarily 'bad'. One only has to replace each of those words with their direct opposite or counterpart to see quite how offensive this kind of view can be. Merit should be all that matters: ever.

Ironically, this trend was particularly obvious amongst those who were themselves products of the 'old school'. It is almost as if they were apologising for being themselves, as if they themselves had very little to offer. It is this timid, apologetic culture that we refer to in our summary and, in our opinion, it goes to the heart of much that features in this report.

Sameness, Not Difference
Finally, we believe that – with the very best of intentions – the Office has focused too much on 'differences' and not enough on 'sameness' or 'belonging'. The overwhelming majority of participants actively volunteered that they wanted to be part of a culture that was prouder, more sure of itself and prepared to stand up for itself. This will not, in our opinion, come about for as long as the Office is actively encouraging its employees to think about what it is that makes them different. Instead, a little more focus on corporate identity, a celebration of some foreign policy, as well as managerial and organisational change,successes along with a sense of "We Are All In This Together" would go a long way.

Some participants spoke of an 'existential crisis' for the Office: an organisation unable to imbue its employees with a sense of belonging and esprit de corps because it did not know itself what it was there to do. We think that this is an overstatement but there is no doubt that in age of increased 'competition' within Whitehall, the rise of DFID, the mass availability of information on which the Office used to have a monopoly, the Office needs strong leadership.

We believe this to be a fabulous opportunity to develop a strong, proud culture, where officers identify most not with particular teams, missions or any other minority groupings but with HM Foreign and Commonwealth Office: one of the truly great offices of state.

Leadership

From what participants told us, effective leadership would go a long way towards curing some of the issues and problems set out elsewhere in this report. We agree. Quite simply, leadership is the most important factor in taking the Office from where it is now to where most participants believe it needs to be. This is doubly so at post, where, in the words of one participant, "the Ambassador is all".

Given the obvious, indeed all-encompassing, importance of leadership, the Office must be prepared to invest in its leaders. This of course includes effective and inspirational training, but is by no means limited to that: it also means empowering leaders, devolving more autonomy to them as well as simply offloading responsibility to them. With a much reduced centre, in an age of 'more Foreign, less Office', the Office's absolute dependence on leaders means that we do not believe you have an alternative. It does not matter how brilliant the centre is if your leaders are unable or unwilling to implement that brilliance.

Huge Improvement, But Not Enough
Participants commented that whilst the quality of leadership was generally, and quite rapidly, improving, even faster progress was required. ADCs had played an important part in developing much better leadership skills but there was still, said participants, a long way to go before a majority of senior officers consistently exhibited the kind of behaviours that most people expected from their leaders.

Part of the problem in this respect is that many of the qualities that individuals listed as necessary in leaders are counter-cultural at an institutional level. This culture will of course change with the emergence of a sufficient number of high quality leaders, but at present an effective leader will still, said participants, have to 'go against the grain'. The sooner the Office can promote and develop better leaders, therefore, the better: because the collective impact is at least as important as the individual.

Qualities
We were struck by the unanimity amongst participants when asked what qualities characterised effective leadership. In their view, the best leaders are:-

- confident
- decisive, particularly under stress
- creative
- communicators, able to 'connect' with anyone
- reliable, and do what they say they will
- able to admit being wrong
- not micro-managers, but vision-developers and enablers
- competent and 'know what they are doing'
- able to inspire and take others with them
- above all else, clear

The only diversion from this unanimity was an interesting trend amongst female participants to note 'listening' as a further factor.

Interestingly, and despite the relative unanimity on the *qualities* of effective leadership, most participants were absolutely clear that there were many different, equally effective, leadership *styles* within the Office. There was no one Office 'style' and that, for participants, was positive.

Leadership vs management vs administration
There was some commentary from participants that many officers misunderstand the distinctions between leadership, management and administration. From our discussions, it became clear that often quite mundane administrative tasks within the Office have been labelled 'management'. This may go at least part of the way towards explaining why management has at times been seen as a low-level, low-grade activity rather than the glue which binds disparate activities together in a coherent whole. Leadership, in turn, is about deciding what that coherent whole looks and feels like, empowering others to make it happen.

Participants were certainly conscious of the continued fudging of these overlapping but ultimately distinct areas and regretted it. For example, they said, too many team meetings, are about 'who is doing what' (reactive, management) rather than 'right, we are doing X' (proactive, leadership).

As a result, we think it would be as well to remind all leaders of the definition and essence of leadership.

Shared Responsibility
We were conscious that very often when participants spoke of leadership, they usually spoke of others, not themselves. To a certain extent, and particularly if one is anything other than a board member or one of the most senior heads of mission, this is understandable.

However, whilst it is clear that the leadership responsibility is more acute the more senior one becomes, it is worth noting that everyone who has any responsibility for people shares the leadership responsibility. We suggest that the Office reinforce this message throughout the organisation, with a special emphasis on those at post.

Example Setting
There was no doubt amongst participants that a large part of leadership was about example setting. From time to time, they said, leaders needed to be seen 'getting their hands dirty', engaging with officers on the front line in more than just a cursory manner.

When it came to flexible working, for example, board members were setting a good example, said participants. This had played an important part, it was suggested, in helping to drive an organisation-wide acceptance and validation of flexible working. However, participants were equally clear that more London leaders needed to have contemporary exposure to some of the issues that exist elsewhere.

This was particularly so at post, especially at head of mission level where the risk of London and local leaders misunderstanding each other was very great. The introduction of the Senior Leadership Forum had gone some way towards mitigating a 'them and us' culture between London and post, and participants certainly welcomed the addition of a small mission representative on that forum, but more was needed. This was particularly important, participants said, if heads of mission were to be steered away from 'conflict mode' with London upon arrival in post. In this respect, there is a clear read-across to the points made in 'Harnessing Difference' above with regard to a greater sense of overall corporate identity and 'sameness'.

More than one participant also highlighted the downgrading of the HR Director role from a board level position to a sub-board level position. This would, said participants, have sent the wrong signals about the value of HR in any event but the fact that the decision coincided with a woman taking the role was likely only to compound matters.

Working Environment

Participants made it clear that the working environment has a profound impact on the culture of the Office.

Working Overseas
Working overseas was hugely attractive to the vast majority of participants, not least for financial reasons. As living and working in London and the South East of England becomes more and more expensive, overseas postings with concomitant allowances and accommodation look ever more appealing.

Interestingly some participants did question whether all allowances could be justified at all posts. There was a suggestion that there may be more equitable and more efficient uses of the Office's money, not least because this might possibly open up certain posts to a greater diversity of candidates. This is an interesting suggestion which clearly falls outside the scope of this audit but may be worthy of separate, independent review.

Physical Environment
Several participants commented that the physical environment of much of the Office leaves a lot to be desired. We concur, and have no doubt that this impacts dramatically and negatively upon the culture of the Office.

That the professionalism and spirit of the vast majority of officers shines through this is cause for celebration, amazement even. But many participants asked why the Office makes life harder for itself than it needs to in respect. From the minute one walks into either King Charles Street or Old Admiralty Buildings, the Office feels second rate. This sends a clear, if unconscious, message to employees: second-rate is acceptable.

Indeed, we believe that the physical state of the Office is perhaps the most outwardly obvious manifestation of the absence of a culture of 'ownership'. No one seems to own this extremely important issue, and therefore no one is accountable. We recommend strongly that the Office turn its attention to this topic and restore some pride in organisational appearance.

Information Technology
Participant after participant complained about the quality of the Office's IT. It was, they said, far from user-friendly, and at times officers felt that they were doing their jobs in spite of the technology designed to 'help' them.

As part of the day-to-day reality of virtually every employee, IT arguably has a greater impact on most officers than many of the other, higher profile issues discussed elsewhere in this report. From what participants said, this is another area where ownership and leadership have been in short supply.

Insular

During the course of our interviews, it became apparent to us that the Office's culture is a rather insular one. Many of the participants had never worked anywhere else and, whilst in itself this is not a particular cause for concern, it does sometimes seem to lead to a striking unawareness of life outside the Office.

Where, in organisational cultures, reference points become increasingly internal, the key risk, as we set out in more detail in 'Decision-Making', is that intelligent internal challenges and pre-decision dissent reduce in both frequency and cogency.

For these reasons, we applaud the Office's recent focus on interchange and encourage as many officers as possible to take advantage of the opportunity it represents. That said, the Office will need to make sure, as we set out elsewhere in this report, that it has adequate systems in place to ensure that individuals are re-integrated as quickly as possible.

Human Resources

Participants spoke of a recent, extremely welcome improvement in 'strategic HR' but expressed only deep dismay at the continued patchiness and incoherence of HR at an 'operational' level. Similar comments were made over and again by participants. The issue was of particular concern because most individuals' most common interface with HR was with its operational, rather than strategic, side.

The extent of the vitriol reserved for operational HR was such that we suggest that the policies and processes of HR are urgently and thoroughly audited, alongside the individuals charged with dispensing HR at a 'retail' level.

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APPENDIX I

Cultural Audit Questions

Below is a list of base line questions which will be used as a starting point for gathering data for the FCO Cultural Audit.

Decision-Making
- Describe how decisions are made in the Office. Is this a positive or a negative thing? Please explain why.
- To what extent are decisions based on evidence, data and a considered view? Is this a positive or negative thing?
- To what extent are decisions based on established working practices and customs? To what extent are they based on instinct? Is this positive or negative, and why?
- Imagine the scenario: a wealthy expat Brit is kidnapped in a politically sensitive area in the Middle East. What is the first reaction of the Office and why?
- To what extent is the decision-making process inclusive? Is this universal? Is this a positive thing or a negative thing and why?

Communication and Knowledge-Sharing
- How does the Office communicate and share knowledge?
- Do different people communicate in very different ways? Is this a positive, negative or a neutral thing? Please explain why.
- Does communication look and feel different overseas? How does it differ if you are based in London or at Post
- What do you consider to be effective communication? To what extent does communication in the Foreign Office reflect this?
- To what extent to you feel the need to conform to a Foreign Office "model" of communication? Is this positive or negative? Please explain why.

Evaluating Performance and Development
- "The FCO should not care about your development except to the extent that it helps you do your job." Do you agree or disagree? Please explain why
- How is performance evaluated? What's your opinion on this?
- What is your opinion of ADC's? Please explain?
- What barriers to development and promotion, if any, do you think exist?
- What kind of competencies/behaviours are you appraised on?
- What other competencies/behaviours should/could you be appraised on?

Thriving In The FCO
- What frustrates you and what delights you about working in the Office? Please explain why.
- Would you recommend a job at the Foreign Office to a friend? Please explain why.
- What does success look like in the Foreign Office? What do you need to achieve success? Please explain why.
- How do you get to the top of the Foreign Office?
- Think of where you were 5 years ago, and what has helped you to get you where you are today and please describe any obstacles or things that helped.
- What advice would you give to a friend who has just started at the Foreign Office?

Harnessing Difference
- When is it appropriate to value difference and when is it not appropriate? Please explain why.
- Do you feel you have always had equal opportunity? Please explain why.
- Do you think that everyone gets a fair opportunity? Please explain why.
- "In the last 10 years, the Foreign Office has spent a lot of money and time engaging in pure tokenism" Do you agree or disagree with this statement? Please explain why.
- Is valuing difference a business necessity or political correctness? Please explain why.

Leadership
- Please tell us about the characteristics of the best leader you ever worked for in the Foreign Office?
- What is the essence of effective leadership? To what extent is this reflected in the Foreign Office? Please explain why.
- What is your leadership style? Is this typical in the Foreign Office?
- Is it necessary to have a particular style of leadership to get on in the Foreign Office? Is this a good thing or a bad thing? Please explain why.

Working Environment

- What, in relation to your work environment, makes your heart sink? What makes your heart sing? Please explain why.
- Are there some environments in the Foreign Office where you wouldn't want to work? Why?
- What are your views on flexible working arrangements in the Foreign Office?
- How do you think the working environment of the Foreign Office compares to that of other Government departments and private sector organisations? Please explain why.
- What makes teams work well in the Foreign Office? What doesn't? Why?

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