

As a public sector leader, how do you know if you are effective?

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The public sector is rightly focused on delivering outcomes. But evidence shows that measuring effectiveness using rigid outcomes targets often does not work.

Leaders can get a better understanding of their effectiveness by using the [Human Learning Systems](#) approach as a reflective tool, asking questions such as:

- Are they prioritising the needs of the people they serve?
- Are they creating processes and cultures in which learning and adaptation are the engines of performance improvement?
- Are they creating healthy systems where people can coordinate and collaborate effectively?

The problem with outcomes-based performance management

Public servants are tasked with producing better outcomes for citizens – things like improved health, greater wellbeing, safer neighbourhoods – and their performance is often assessed against outcome targets.

This sounds like a common sense approach. Unfortunately, [evidence shows](#) that in complex, real-world environments, [outcomes-based performance management does not work](#).¹ It consistently creates

¹ Tomkinson, E. (2016), '[Outcome-based contracting for human services](#)'; Lowe, T. and R. Wilson (2015). '[Playing the Game of Outcomes-based Performance Management. Is Gamesmanship Inevitable? Evidence from Theory and Practice](#)'.

[gaming and perverse incentives](#).² It creates an environment in which the purpose of people's jobs is to [produce good-looking data](#), and ends up [undermining effective practice](#) by [focusing staff attention on hitting targets](#) at the expense of real need.³

So, how can public service leaders know whether they, and their services, are effective?

The Human Systems Learning Approach

An emerging alternative approach to public service, based on [Human Learning Systems Principles](#), is being used by local authorities such as Plymouth and Gateshead, by combined authorities such as Liverpool, and increasingly by integrated care partnerships in the NHS, such as Newcastle.⁴

The headline areas of the approach are outlined below, together with the key tests that leaders can apply to reflect on their own effectiveness and that of their services.

1. Human: Are leaders prioritising the needs of the people they serve?

Creating positive outcomes for people in complex environments requires understanding their various needs. For example, if the job of a service is to promote

² Soss, J., R. Fording, and S.F. Schram (2011), '[The Organization of Discipline: From Performance Management to Perversity and Punishment](#)'.

³ Perrin, B. (1998), '[Effective Use and Misuse of Performance Measurement](#)'; Keevers, L. et al (2012), '[Made to measure: taming practices with results-based accountability](#)'; Department for Work and Pensions, Research report no 821 (2012), '[Work Programme evaluation: Findings from the first phase of qualitative research on programme delivery](#)'.

⁴ Lowe, T. and D. Plimmer (2019), '[Exploring the new world: practical insights for funding, commissioning and managing in complexity](#)'.

wellbeing, those serving must understand how each person's wellbeing differs.

Those who serve must therefore have the autonomy and authority to make key decisions about the nature of the service they are providing. It is only they, and the people they are serving, who have enough detailed knowledge to make effective judgements about what is provided and how. They must be trusted, and must have sufficient devolved power to act.

Key tests for leaders:

- Are staff in the service able to form effective relationships with those they serve, sufficient to understand the variety of people's needs?
- Do you trust your staff to act appropriately? What are good reasons to trust your staff – what competencies must they display? Do staff have appropriate delegated authority to act?

2. Learning: Are leaders creating processes and cultures in which learning and adaptation are the engines of performance improvement?

In complex environments, learning is a continuous process. All actors must make sense of a shifting, dynamic landscape, adapting their practice accordingly. There is no simple 'best practice' which can be learnt and repeated. Instead, teams, organisations and systems must be created as continuous learning environments, where the context is constantly probed and feedback is sought on an on-going basis.

Key tests for leaders:

- How do the people for whom you are responsible learn? (What information is gathered? How is

experience reflected on? What are the collective sense-making mechanisms?)

- How is learning translated into adaptation? (What are people doing differently?)

3. Systems: Are leaders creating healthy systems whereby actors in those systems are able to coordinate and collaborate effectively?

Positive outcomes are created by 'healthy' systems, systems in which it is easy for [actors in different parts to coordinate and collaborate effectively](#).⁵ It is the job of public service leaders to act as [system stewards](#), to look after the 'health' of the overall system.⁶

Key tests for leaders:

- Do you know who the range of actors are, in the systems which are relevant to you?
- Do you know what a 'healthy' system looks like?
- Do you know how 'healthy' the systems you are involved with/responsible for are?
- Do actors from across these systems learn together?
- What steps have you taken to improve the 'health' of the system?

Ways forward for leaders

The [Human Learning Systems](#) approach offers a different perspective on whether public service leaders are being effective. There is a [growing community of public service leaders](#) who are using it to

⁵ The LankellyChase Foundation, '[System behaviours](#)'.

⁶ Hallsworth, M. for the Institute for Government (2011), '[System Stewardship: The future of policymaking?](#)'.

understand their practice.⁷ From their experience so far, it is important that the questions and tests outlined above be used for personal and peer reflection, not as crude performance management tools.

There is no single 'right' way to adopt these principles. Instead, each leader and organisation needs to conduct their own exploration and create an effective learning environment. It is this continuous quest for experimentation and learning which is the hallmark of effective 21st century public service leaders.

The leadership research landscape needs to support this. The challenge is not to 'prove' that certain types of practice are more effective than others – a futile quest in complex environments. What is required is more action-research: research which increases the learning capacity of public service organisations. Academics and public service leaders must create a continuous learning environment together.

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⁷ [KnowledgeHub](#) is one such example.