
view from the top



In just two years, Chief Executive Ron Hilton has led Staffordshire County Council, the eighth largest local government body in the UK, to dramatically higher performance, fiscal health and economic stability. The council has moved up the national performance tables into the top 10 percent of local authorities for improving performance. Mr Hilton discusses the spectacular results the council is seeing from an ambitious reform agenda that is focused on creating a high-performance culture.



senn delaney

Staffordshire County Council Chief Executive Ron Hilton discusses the value of creating a high-performance culture

Government bodies are often criticised by the ratepayers they serve for being slow, unresponsive and overly bureaucratic. Rates keep going up, yet services keep being pared back. Across England, beleaguered councils are searching for still more ways to make do with less in the face of looming national budget cuts.

Staffordshire County Council stands out as a strong example of what can be done to dramatically improve leadership, performance, fiscal health and programme quality to provide the best value for money to ratepayers — even during times of great challenge.

In March 2009, Staffordshire County Council received its best performance ratings ever from the Audit Commission, which measures how well councils are delivering services for local people and communities. It was only one of two authorities to improve on its rating across the West Midlands and one of only 35 councils nationally with an improving strongly rating — the best possible judgement.

Chief Executive Ron Hilton calls the results a major achievement and recognition that efforts to transform, streamline and modernise the Council are paying off. “They demonstrate the pace and strength of improvement across our services, which is as a result of strong leadership, a clear focus on our priorities and the commitment and skill of our workforce.”

The largest employer in Staffordshire with more than 30,900 employees, it is the eighth largest local authority in the UK. Steered by 62 elected councillors, the council provides a host of public services, including local education, social care and health services, fostering and adoption and transport and highways, to more than 825,000 people.

Mr Hilton says the picture was far different in 2007, when he was asked to lead the transformation team. Budget restraints and pressure from the elected council members made it necessary to take a more corporate approach, down-size, have greater customer focus, and concentrate on initiatives that would bring the quickest results. That meant shifting the culture, starting at the top of the leadership.

Mr Hilton describes the council culture at that time: “It was a large, very safe, very solid, but very slow and ponderous organisation.”

The culture, while welcoming and friendly, was one of acceptance of lower performance and the status quo. There was no clear focus on priorities and purpose. Leaders and managers lacked a sense of urgency, accountability, pace and passion for delivering the highest service levels.

On the positive side, there was a strong desire to change, and a growing recognition that the leadership behaviours would be the key to delivering the required results.

Senn Delaney began partnering with the council leaders in May 2007 to create a high-performance culture and a focused, accountable, aligned and passionate leadership. This was considered fundamental to enabling the council administration to achieve its vision of providing high-quality services that provide value for money and are focused on and delivered around the needs of its customers and communities.

“We have seen some dramatic changes since I became leader in 2007 alongside our new Chief Executive Ron Hilton”, said County Council Leader John Taylor in a recent company release. “As an organisation we now have a culture that is acutely aware that every penny we spend belongs to the public and has to be used wisely. We have made all managers personally accountable for the money they spend, we have stripped away layers of red tape, and we have clearly identified our spending priorities. This allows us to concentrate maximum resources on front-line services.”

Mr Hilton describes the journey in this view from the top interview with Senn Delaney.



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Q Why was a transformation needed at the council?

Staffordshire County Council is one of the largest local government bodies in England. The county is the second largest within this region called the West Midlands.

Our budget was around £1.2 billion. We're the largest employer in Staffordshire. In 2007, we employed nearly 35,000 people. The challenge for an organisation this large is to be a well-managed council providing value for money for the 825,000 people we serve.

It was a large, very safe, very solid, but very slow and ponderous organisation. It was a culture where people would do just enough. They'd do a nice, safe and reasonable job. They wouldn't push the boundaries. They wouldn't go the extra mile. It's not because they wouldn't. It's just that no one asked them to. And if they did go above and beyond, no one recognised it.

Q Why were you chosen to lead the transformation?

I came here as a corporate director about seven years ago. I was brought in to bring about change and improve one of the directorates, which looks after engineering, planning, highways, and environmental works. We turned that around into a high-performing four-star service, as it

was described. In 2007, it was decided the council would create a deputy chief executive post with a specific purpose of leading a transformation team.

I had the opportunity of picking a small team that would bring about this sort of transformational change to try to replicate what I'd achieved in my own directorate to create a high-performing council. Which is what we've done as the results show.

Q What did you focus on initially in the transformation?

I targeted performance so the finance would follow. We targeted entering various competitions and winning regional and national awards, which we didn't do in the past at all. There was a degree of arrogance, I think, by the people who were in charge at the time. They didn't think these external assessments meant anything. There was this feeling that we don't do competitions; it's all a bit tacky. And we are good old Staffordshire; safe and dependable. They got a very bad rating, of course.

And it took them a few years to realise that they needed to get into the game because apart from reputation, a lot of external finance flows to higher-performing places. It's the money the government gives us or allows us to borrow. They're more likely to give it in terms of borrowing for major investments. They're more likely

to give it or lend it to organisations that are capable of delivery, of performance.

Q Was there resistance to changing behaviours?

The turnaround, in a sense, was to say to people: "Well, you don't have a choice." We took some very brutal steps right at the beginning when they created this new change team. We identified the top 500 of our most senior managers, and we let go of 20 percent of them; 100 went within three months.

They weren't demonstrating very quickly that they wanted to be part of the organisation and the way we wanted to take it forward. They were happy with what they were. They wanted to stay back. The message to the 80 percent, the 400 or so managers who were left was: "We're now going to take this organisation forward. This is where we're going to go. We're going to do it with passion. We're going to do it with pace. We're going to try." In the next year or so, we lost about another 80 leaders.

We focused on what we needed to do. We targeted the areas where we're going to be externally assessed. Our success brought in other funding that we could invest, which improved our ratings and our performance. Generally, it's helped us to retain and recruit even better staff because people will come to a place which has got a good reputation.

Q What were the key changes to the culture that you focused on to improve performance?

We defined the values that would guide us to become a high-performance council. Focus, pace, delivery, trust, doing more and better with less, and passion.

What I've done in other places before I came here was to get some change with some pace. And for pace, we said we needed to have some focus on what was necessary, rather than trying to do too many things all at the same time.

We needed to do things with some passion. I've always told people that at the end of the working week, you should look back in terms of what you as an individual have been doing. If you thought you'd added value and earned your salary that week, then you could enjoy the weekend and come back refreshed and do it again.

But if you didn't, then that's a problem because it's not good for you and it's not good for us. But it actually says that probably we haven't actually given you the values and told you exactly what we wanted you to do within the organisation.

As for focus, we needed to make sure that we tell people what we want and that we listened to what they said they need from us. We agree what their role in the organisation is going to be and what we as an organisation want to try and do.

Accountability and trust is about letting people just get on with it. We'd recruit bright, intelligent people and then without realising it, the organisation actively prevented them from doing the job they came here excited to do by putting silly systems, having to ask permission to do things and a whole lot of bureaucracy in the way.

We cleaned up all those systems and gave people responsibility and accountability to be able to get on and deliver. They got

the clear message that nothing happens unless you do something, so just do it. You're the managers. You drive it and you deliver it and we'll keep our fingers out of your pie.

When it's successful, we'll enjoy the success with you. If it doesn't work as well as you think, well, that's not a problem. If you fall over, we'll pick you up, we'll dust you off, and we'll set you on the road again. The one thing we can't afford is for you to sit there and pass the buck, keep asking somebody else and wait for things to happen.

We shouldn't have been surprised that a lot of people did just that. They got up and they did it and they're enjoying it. That's the message we get back from all the surveys. They feel trusted. They know they'll be supported if they make decisions.

Q What do you feel are the main reasons for the council's rapid and improved results in your performance?

I think it's been about giving people empowerment, a clear vision of what's expected and making them passionate about why we are trying to achieve things. The biggest message we get back, particularly from our senior managers, is that they have clarity of purpose; they now know what the organisation wants to achieve.

It's been about asking ourselves how we can actually improve people's lives. If we've only got so much money, how do we get the best out of it? How do we do more for less, as we keep saying? How do we give people that empowerment to come out and play?

We're not interested in why we lost; we want to know why we won. So, it's not competitive in that nasty, aggressive sense. If we're successful at doing what we do within local government in England, it's not about adding to our

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profit line; it's because we've achieved something on behalf of someone else. We've actually made a difference to people in the community.

Q Has the culture-change programme helped create savings or improved the bottom line?

It is difficult to argue that there is a simple "cause and effect" link between our culture-change programme and savings achieved. However, it has been a contributing factor. We have removed £50m from our cost base in three years, or approximately 10 percent of our net budget.

In addition, a core value in our culture-change programme is that managers are expected to deliver "more and better for less". We have involved service management teams in the setting and delivery of our cost-savings targets, identification and peer review of options. And we empowered them to get on and deliver them through clear personal accountability for budgets and performance.

Q Are there anticipated future goals and benefits from having created a high-performance culture, in terms of the key areas upon which the council is rated?

Yes. We anticipate further service

improvement that is recognised by those who rate us, such as inspectors and the public, combined with low council tax increases.

Q Aside from your external ratings, how do you personally measure the success of this reform?

One of my best measures of success is that if I look around the room and see people standing six inches taller than they did 12 months before, we know we're doing well. When we do surveys, people will say, "The place just feels better. It feels different. Not sure what it is; it just feels good."

In the past, people came and did their job and went home. Now, you see people talking to each other. You see them outside the buildings having a conversation. And they're talking about work. They feel part of a bigger family, a bigger community. They know that we expect performance, and that the performance they bring is adding value and makes a difference. They feel valued. People feel proud to work for Staffordshire County Council. They're feeling proud of what they're doing.

Q What's the next phase of your culture-shaping engagement?

We feel like we've got the engagement at that very top level. We've taken about 150 senior managers through the various stages of the culture-shaping programme with Senn Delaney. We feel as though we've got the message through to a lot of our front-line staff through various communications.

The next area of engagement is our next few layers of more senior and middle managers. We think that's probably the area where they're not probably as signed up to what we're trying to do as other places.

The other more significant thing in this next phase is we'll be inviting some peo-

ple from some of the smaller town councils and local government departments that we work closely with to participate in the culture-shaping sessions. Building relationships between the districts and the council will enable the most effective service delivery.

Our thinking is that if we develop a similar culture within those senior managers as we have, then our collaboration will be even more effective because we'll be speaking the same language. If people understand what we're all trying to achieve on those areas where we do work closely together, where we collaborate, then we'll get value from the investment we made in creating this culture.

It will also give people a chance to spend some real time together. When they are back in their respective places, they can ring Fred or Bill or Mary up and try and get something sorted out quickly and quietly without going through lots of officials because they've met and they know each other.

Q In this global economic crisis, how important now is the work that you've done to shift to a high-performance culture?

We started the new fiscal year in April with very healthy reserves and a balanced budget. We're in a good position financially because of the difficult decisions that we've made in the last three years.

In 2007, we took the very hard action in the first few months of stripping out senior managers. We've also taken out about £50m and reduced our workforce by 3,500. Some of our unions were quite upset about losing so many people. We just said the future's not sustainable at this level.

That's made us financially sound. For the third year running, our revenue accounts will balance. On the capital investment side, with the money we've been able to

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borrow or from the sale of assets, we've probably tripled the size of our programme delivery.

We've built three new bypasses at Biddulph, Burntwood and Rugeley in Staffordshire. Project costs were between £37m and £45m. We realised savings of between five to eight percent and the works were completed around three months ahead of schedule. And that's because of the way we procure the services and drive and deliver them.

A lot of our other public sector colleagues lost millions of pounds they'd invested with the infamous Icelandic banks, which went bust. Fortunately, we didn't. But equally, they hadn't looked ahead. They were living year to year. They didn't look to make the savings or try and get better value out of what they had. At this time when the economy is failing, they have to make major savings and downsize and lose services, so they're taking a double hit.

We were very clear on what we had to do. In doing so, performance has shot through the roof because we cleaned up the system. It wasn't just removing money and people. We then re-engineered, put money into leadership training, got into systems thinking and a whole range of other things, which has put us into a good financial position.

Of course, we must continue to achieve efficiencies going forward. Further efficiency savings of between three and five

percent annually will be needed over the next three years, and the majority of these are likely to come from changes in our workforce.

Q If a new government is elected, what does that mean for the administration and the work you've done on changing the culture?

We've been spending time talking privately with a lot of the people who, if they were successful, would see themselves as forming the new administration. We've been taking them through what we've been doing; how we've got to where we are now.

One of the things I have said to them is that apart from any major political initiatives, we need to maintain momentum. We've built some pace. We can't afford for an organisation of this size to stop and rethink its fundamental principles.

What we've been trying to achieve is just operating from very good basic values that a good organisation would have in place or would want to have in place irrespective of any particular party political leanings. They are very keen on performance and value for the money, on empowerment. Hopefully, we have a very similar set of thoughts and ideas.

If they do take control, one of the things I want to do is include them in some of these sessions with the senior managers so they can see what we're trying to say, what we're trying to do and how we're trying to achieve their political objectives.

Q What is it in your leadership that enables you to give people that sense of passion?

I've always worked hard, tried hard, played hard. You play to win. And if you win, fine. If you don't, well, no point getting upset about it. It's the way I live my own life. I still try to do exciting things. I try and encourage everyone else to come to work and enjoy it. Just smile. Enjoy. Talk to people. I suppose it's about doing what I talk about, which is delivery; you don't add value if you don't deliver. I know that I have to be aware of my leadership shadow. I've got to remember that in an organisation, we have people of different ages. We still have some people who are just learning to walk, and we have other people who are Olympic sprinters, and I've got to support them in their different ways.

Q What provides you with the greatest personal satisfaction?

I suppose I like chasing the deal; getting things ready and sorted. Once the deal's done, I've already moved on to some-

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thing else and let everybody else enjoy the results and the success of that.

Apart from all the big financial deals, the thing that gives me the biggest personal satisfaction is knowing that what we do is going to give somebody the opportunity to make a good life for themselves.

I feel this when I see some of the children we've got in care who've passed some examination or are leaving us and going into work or higher education, or, when I see a guy who's working on a building site for us and he's probably got a young partner and a couple of kids. We've provided some training and given him some skills and he's now able to get a house and look after his family.

This is what it's all about. It keeps me going. ■

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