

ORGANISATIONAL BEHAVIOUR IN THE PUBLIC SECTOR

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ORGANISATIONAL BEHAVIOUR IN THE PUBLIC SECTOR

A Critical Introduction

BY

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INVESTOR IN PEOPLE

This book is dedicated to Andrew, Anna, Denise and Matthew.

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Several factors and numerous people have influenced the discussion of organisational behaviour in this book and have provided inspiration, knowingly or otherwise, for the perspective I adopt. The first influence was the inadequacy of many existing textbooks in the classroom setting, especially when teaching students who had come into the university for afternoon and evening classes after a morning at work in the local public sector. I felt that the available sources had relatively little to say to the needs and experience of such students and that even avowedly ‘critical’ sources tended towards the overly-theoretical or the dogmatic. The second factor was my own experience of working in local government and in higher education where it was clear that the organisations concerned were under considerable pressure both from expanding expectations and from reduced funding. An increasing obsession with ‘line management’ throughout the public sector has done little to address these pressures or to enhance the quality of the services provided. The third factor was my personal body of research with a range of colleagues over many years, comprising discussions with managers and employees in the public sector, along with many management development sessions for staff of local public organisations.

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Professor John Fenwick
Newcastle upon Tyne
2021

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SCOPE AND PURPOSE

INTRODUCTION

This book is about organisational behaviour in the public sector. It adopts an explicitly critical perspective. ‘Critical’ does not denote a narrow political or ideological point of view but is understood as a wider concern with criticality in relation to theory, politics and – especially – practice. The book offers an alternative approach to the orthodoxy of mainstream texts in organisational behaviour and public management. It provides instead a text which is theoretically sceptical of the dominant unitarist and functionalist orthodoxies of organisational behaviour – that is, of perspectives which assume consensus and stability in the organisation and where conflict is seen as dysfunctional and damaging – and which provides a lively and timely coverage of current debates, informed throughout by an enquiring perspective on the real daily issues faced by those who work in public sector organisations, including local government, the NHS, education and other areas of public service.

The author subscribes to the view, usually attributed to Kant, that practice without theory is blind and theory without practice is idle. This has been a guiding thought in writing this book. Although existing approaches to organisational behaviour have value in supporting learning and teaching and in providing reference points for students, there are two major shortcomings with conventional approaches. They tend to:

- be concerned overwhelmingly with the private sector. Reference to the public sector is brief and simplistic, perhaps focussing upon ‘transferable skills’ from one sector to another, and often outdated in the light of the fluid and shifting nature of the public sector following the global economic crises of 2008 and the enhanced role of the State arising from the coronavirus crisis of 2020 onward. The chapters that follow

aim to address a public sector which is now in uncharted territory, its boundaries with private sector and third sector voluntary organisations often becoming blurred, its decision-making and management increasingly grounded politically, and all within an ever-more volatile real-world environment; and

- have a predominantly orthodox theoretical orientation. It is not only that such texts focus largely on the private sector. It is also that they focus on organisational behaviour from a narrow managerialist point of view, derived from foundationalist, modernist and rationalist approaches with all their assumptions about how people act and interact within organisations. The approach throughout this book is anti-managerial: it is not however anti-management, a distinction which the subsequent discussion will make clear.

WHAT IS ORGANISATIONAL BEHAVIOUR?

Throughout this book, organisational behaviour is understood to be both a field of academic enquiry and an area of practical activity.

As a field of enquiry, it embraces research into and study of how people behave within an organisational setting. This includes the study and analysis of how employees, managers and other actors (who significantly, in the public sector, include political actors) behave and interact within their organisations. Such a field of enquiry includes the characteristics of people within organisations (including their position, their role, their age, their gender, their skills and their knowledge) mediated by factors beyond the immediate control of the individual (including relationships of power and hierarchy, organisational culture, and external financial and political constraints). Importantly for our analysis of public sector organisational behaviour, this field of enquiry includes the study of what organisations do to people; how, if at all, people can influence the organisation; and the ways in which conflict arises and is dealt with. Organisational behaviour denotes this rich area of research and study.

As an area of practical activity, it signifies the ways in which people behave within their organisations, including the ways in which managers behave in relation to other employees, the ways in which employees may implement or resist what managers want them to do, the strategies that people within the organisation use to further their interests, coalition building, conflict and interpersonal relations, mediated by factors that impact upon individual behaviour including trust, fear, blame, confidence, knowledge, courage and

compliance. Organisational behaviour is about what people do and it is also, importantly, about what organisations do. In the public sector, this is strongly shaped by external political factors.

In defining organisational behaviour in this manner, the attempt is made to differentiate the critical approach from that of received orthodoxies influenced by the baleful legacy of scientific management. The scientific management approach, formulated over a century ago by [Taylor \(1911\)](#), held that by close examination of the work process individual productivity could be maximised. This was thought not only to maximise the organisation's profits but also to increase individual work satisfaction and individual reward. The emphasis was upon efficiency, scientifically calibrated. In the early part of the twentieth century this approach would be challenged to some degree by the human relations approach (e.g. [Mayo, 2003](#)) which placed much greater emphasis upon social relationships at work and upon non-material incentives and disincentives to individual performance. Scientific management had the potential for authoritarian management, whilst human relations fostered paternalistic management. To this day, these two approaches have continued to influence thinking about people and organisations, although not necessarily explicitly. They have been subsumed within an orthodoxy of organisational behaviour. Organisational behaviour within orthodox perspectives, as well as being principally focussed upon the private sector and the USA/UK context, has exhibited an obsession with control of employees and a monolithic concern with consensual organisational goals and their achievement. In the second sense of our definition of organisation behaviour, the world has moved on, but this is not reflected in what passes for organisational behaviour in the first sense.

CHALLENGING THE PUBLIC ORGANISATION

The tools of American organisation analysis, fashioned in the mid-twentieth century, do not help us or the public sector employee to understand the twenty-first century public organisation or its turbulent political and business environment. The following chapters will consider the ways in which sense is made of sometimes bewildering experience. Challenge can be enacted in different ways, perhaps through explicit confrontation or adopting different ways of seeing the reality of the organisation. Actors in organisations make sense of what is around them in a variety of ways, using whatever tools are available to interpret their own experience. 'Sense-making' does not refer to some mystical contemplative process. The intention is to link directly to

behaviour, by focussing upon the strategies that actors employ to get by, to comprehend and apprehend, sometimes to challenge or to openly resist, and to define their own place, and their work, within the organisation.

The managerial position is that the organisation knows best. It seeks compliance. This book argues that there is often no ‘best’ solution. The organisation itself may instead benefit from admitting the possibility of different solutions offered by its members. ‘...practitioners look for their own solutions, and use their own sense-making techniques on the basis of the information they have available’ (Fenwick & McMillan, 2010, p. 198). This is offered as an optimistic perspective. The public organisation may learn from its members, whilst managers – branded perhaps as ‘leaders’ – do not always know best. This adds another layer to conventional discussions of ‘organisational learning’ (e.g. Senge, 2006) which often denotes the learning of individual members. This book suggests that the organisation may learn from its members, if it has the structures and culture to do that and to not see every difference of perspective as a challenge or threat. Yet this does not generally correspond to organisational reality.

It is no accident that most organizations learn poorly. The way they are designed and managed, the way people’s jobs are defined, and, most importantly, the way we have all been taught to think and interact ... create fundamental learning disabilities. (Senge, 2006, p 18)

The book seeks to emphasise the power and the value of the individual in the shadow of a public organisation politically defined, wherein multiple accounts and multiple meanings of organisational life are available on both the level of individual experience and the level of academic discourse – the two senses of ‘organisational behaviour’ with which, as noted above, the book is concerned.

GLOBAL RELEVANCE

The centre of gravity in organisational behaviour is no longer automatically that of the United States and Anglophone Europe and Australasia. Although the principal academic journals and the research that they publish may still be dominated by English language articles and Western organisational settings it is clear that the real-world of organisational behaviour has shifted. China has effectively underwritten the enormous debts of Western countries, principally those of the United States, and thus a notionally communist society has sustained the continued, if faltering, attempts to rebuild capitalist economies

from 2008 onward. This is entirely comprehensible, given the crucial requirement of China to sell its output to functioning Western economies.

In both academic work and practice, debates about public and private sector performance resonate in India as much as they do in the West (Gupta & Kumar, 2021). Discussions of the impact of the New Public Management (NPM) – which will be summarised later in the book – are as relevant in China as they are in the UK or the USA (Tian & Christensen, 2020). This close interdependence of countries on a global scale, irrespective of ostensible political ideology, values or social systems, is the crucial component of a globalisation which, day-to-day, is manifested in mundane ways through the same cars, smart phones, music or clothes the world over. Global interdependence operates in the relationship of low-cost manufacture in Asia to the dynamic of continually expanding Western consumption, the latter being a necessary element of eventual economic recovery. The global balancing act of economic stability places the organisation in a permanently new context, currently undergoing massive turbulence resulting from the coronavirus pandemic. It is no longer appropriate (if indeed it ever was) to consider the organisation – public or private – as a self-contained entity, to be analysed solely in terms of internal structures, goals or through the lens of received models of change such as those of Lewin (1947) who saw change in terms of ‘unfreezing’ the organisation as it is, then implementing the desired changes, and finally ‘refreezing’ the organisation in its amended form. These still feature heavily in orthodox accounts but make no sense in the fluid global world of the contemporary organisation.

SCOPE OF THIS BOOK

The chapters to follow will explore key concepts from organisational behaviour – including organisational structure and culture, power, leadership and ethics – with practical applications for the contemporary public organisation, utilising a critical theoretical perspective. This discussion will be illuminated by practical case studies from practitioners, which will be of relevance to both public sector employees and students of business and management, informed by the real concerns of the contemporary public sector in a period of economic and political turbulence and uncertainty. On this basis, key emergent themes will be identified including, for instance, the role of voluntary and community third sector organisations, hierarchy and power, and perspectives drawn from political economy including the changing ownership of local public services, all of which are relevant to the work of the

public organisation and the individual people who work in the provision of public services.

Following the present introductory discussion, Chapter 2 looks at **power and control** in the public sector organisation. This remains a key theme throughout the book as a whole. The initial discussion in this chapter considers ways in which control is exercised and, sometimes, challenged. This includes a discussion of soft power and hard power, hierarchy, sources of power, individual differences including the importance of those based upon gender, age and other factors upon which discrimination may be based, whistleblowing and emotional labour. Addressing the adopted imperative to be ‘practical and critical’ the discussion considers what the contemporary public sector is *for*, including its characteristic values and culture, and advances the argument that the public sector remains both distinctive and socially essential.

The book then moves in Chapter 3 to a review of **voice and blame** in the organisation, including an analysis of silence and fear. Brinsfield (2014, p. 115) notes that this topic includes both ‘suppression’ of voice and the opportunity for ‘expression or participation’ and provides a detailed catalogue of concepts associated with both which we shall consider in this chapter. Milliken and Lam (2009) have suggested that when silence comes to dominate, the chance to know about what is *not* working may be lost. Yet organisations may seek, as we shall see, to promote precisely such silence. This chapter includes a critical discussion of the methods organisations may employ to ensure compliance. Not all is negative however and some attention is given to how public organisations may successfully capture the voices of employees in order to enhance organisational success. As in many other areas of the topic, trust (or lack of it) is important here in building a robust organisation.

In Chapter 4 the significant topic of **leadership** is tackled. This is an area about which so much has been written in orthodox organisational behaviour textbooks (e.g. Brooks, 2018; Doherty & Horne, 2002; Smith, Farmer, & Yellowley, 2012) but, whilst not gainsaying the value of such texts, the relevance of the leadership debates therein is of questionable relevance to the real world of public sector practice. Leadership, as we shall see, may provide a positive example within the organisation but alternatively it may, through the exercise of insensitive hierarchical power and a culture of blame, also erode the ethos of public service which may have motivated people to work in the public sector to begin with. Hard leadership depends upon *power*: that is, upon the exercise of hierarchical powers and the potential use of sanctions to generate compliance. Soft leadership depends upon *values*: upon shared and co-operative endeavour to generate common solutions (Fenwick & Johnston, 2020, pp. 85–86). This is a fundamental distinction yet the self-defined

leader tends towards a hard leadership model to underwrite and justify their approach to staff. The soft leadership approach may be written off as weak and ineffective. The narcissistic leader, ably described by [Fulop, Linstead, and Dunford \(2004, p. 348\)](#), has a vision not of the organisation, but of themselves, seeking to get what they want at the expense of others in their quest for self-validation. This chapter will invite the reader to come to their own judgement about how leadership may be exercised.

Chapter 5 considers the **structure and culture** of the public sector organisation. This is a familiar topic in orthodox texts but the usual assumptions are that structures are relatively stable apart from discrete periods of managed change and that organisational culture can be deliberately changed by adjustment of underlying structures. It will be argued in this chapter that none of this is accurate or helpful in the contemporary world. Instead, reorganisation of structures may be undertaken when the organisation is unclear about its own aims and objectives, and continuous reorganisations may engender ‘uncertainty’, ‘fear’ and ‘short term attitudes’ ([Leach & Percy-Smith, 2001, p. 236](#)). We will find that the relationship between structure and culture is more complex than often assumed.

The important areas of **ethics and values** are considered in Chapter 6. The public service organisation is rooted in distinctive values of public service and alleviation of need, and the public sector as a whole is not tied to shareholder or private interests. The ‘third sector’ – that is, voluntary and community organisations – which has an increasing role in service provision also has important founding values. The values of the private sector are not solely about private profit and may also embrace community responsibility, philanthropy and public good. This chapter explores the ethical and normative basis of the public sector organisation and how this may be eroded by managerialism and hierarchy.

Leadership, cultural change and the other elements outlined above are assessed through the lens of organisational power, focussing upon both theoretical understanding and practical meaning. The view that there are universal skills of management, applicable to all sectors and all contexts, is rejected. There is a focus upon normative and ethical leadership manifested in the sense-making activities of employees, and not necessarily defined hierarchically from senior managers. The rise of the third sector, with its distinctive moral compass, is considered in the light of government contraction of the public organisation as direct service provider.

Alongside examples of good practice, complementary themes of the book are those of challenge, change and resistance. This element of the book examines how people may prevail in organisational settings where change is being

driven through against their interests, by managers or – importantly in the public sector – by government. There are existing references in the more critical literature to ‘organisational misbehaviour’ including cheating, bullying, lying and even sabotage (Wilson, 2010). There is a distinction to be drawn here between individual acts of denial, which one may see as relating to the sense-making process and the attribution of meaning to everyday experience in the organisation, and the more organised – usually, collective – forms of resistance through explicit challenges to managerial power.

The chapter themes are interlinked and mutually supportive. There is a continuing concern throughout to link theory and criticality to everyday experience.

The book concludes with an overall assessment of organisational behaviour in the contemporary public sector. It seeks to reconcile some of the outstanding debates, recognising that the uncertain nature of the public sector makes complete resolution impossible. In drawing together its themes and materials, it seeks to assess prospects for the public organisation in the future, making use of insights from organisational learning (e.g. Eriksson-Zetterquist, Mullern, & Styhre, 2011), aspects of political economy, the issue of whether people ‘speak up or remain silent’ in organisations (Milliken & Lam, 2009), and materials drawn from organisational behaviour as a whole (e.g. Rollinson, 2008).

THE PUBLIC ORGANISATION IN TURBULENT TIMES

‘Public organizational life presents a potential crucible of pain and trauma’ (Vickers & Kouzmin, 2001, p. 98). This statement will be recognised by many who experience daily life within the public sector. Vickers and Kouzmin (2001) are critical of the assumption of limitless resilience amongst employees in public organisations. ‘One who is resilient may be considered irrepressible; buoyant; enduring; flexible: the person who bounces back – unchanged – from exposure to trauma’ (Vickers & Kouzmin, 2001, p. 96). Since they wrote these words, the pace of change in an increasingly uncertain public sector has advanced unchecked, not least since the worldwide financial implosion of 2007–2008 cast doubt on the accepted role of the public sector and the coronavirus pandemic generated a (continuing) rebalancing of the global economy. Vickers and Kouzmin (2001) argued that the ‘reengineering’ of the public sector has had damaging effects, from which it is not always easy to ‘bounce back’ on an individual level, and that resistance to change – one of the themes we explore in this book – becomes seen as unacceptable (pp. 96–97).

‘One must consider the possibility, however appalling, that actors may be “changed”, “altered” or “damaged” permanently as a result of their