

The new leadership paradigm for the public sector

The world is evolving at an unprecedented pace, which is forcing public sector organisations to adapt their operations and develop their leadership capabilities and behaviours. Marika Tammeaid, Director of Development and Dr Petri Virtanen, CEO, at the Finnish Itla Children's Foundation collaborated to publish their book *Developing Public Sector Leadership: New Rationale, Best Practices and Tools* (Springer, 2020). Their work outlines the changes required in public sector leadership development to enable public sector organisations to make the switch in identity to a service focus.

Society is more interconnected than ever before. We all have information readily available at our fingertips, and we expect to have our voices and opinions heard. Traditionally, the public sector has occupied a command and control type position in society, but things are changing. Instead, there is an appetite for our public institutions to play a far more nurturing role which encourages innovation, foresight, collaboration, and progress.

A significant shift is underway, which requires a new style of leadership. Marika Tammeaid, Director of Development, and Dr Petri Virtanen, CEO, at Finnish Itla Children's Foundation, have studied the fundamental shifts that the public sector needs to make and what this means for leadership, leadership development, and leadership capability. They have published their findings in their book

Developing Public Sector Leadership: New Rationale, Best Practices and Tools (Springer, 2020).

Marika Tammeaid and Dr Virtanen describe our new society as one which is open, meaning that all citizens have access to information and a voice. Society runs 24 hours a day so that individuals can act far more spontaneously than in the past. We've shifted from a machine and production-based focus to a society that is interconnected and based around service. These are trends that have required an identity shift for the public sector and its leaders.

THE VUCA MODEL

For organisations the change has been described as a shift to a 'VUCA-world' of volatility, uncertainty, complexity and ambiguity. The authors note the work of Van der Wal (2017) who has also elaborated its consequences for public sector leadership. Some organisations have taken inspiration from external sources, and they have adapted well to this new world. Their leaders have evolved, learning to plan for different circumstances and reallocate resources. However, other public institutions are lagging and they require a mindset and identity shift to fulfil the new expectations.

THE NEW LEADERSHIP PARADIGM

The current role of the government has been the subject of many discussions and academic literature. In the past, the government focused on matters like state finances, government



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subsidies and regulatory power, but there is now a massive shift in mindset and identity occurring. Now society is asking about how the public sector as whole creates value and how it encourages collaboration.

Gone are the days of command and control type vertical leadership, where planning and action were dictated from the top of the organisation down through the reporting lines, eventually reaching the most junior employees. We now expect public institutions to enable development and progression, not only regulating the society. Those leading public institutions through these times must be masters of change leadership, with excellent people skills, and not just experts in their technical field. Leaders need to shift their mindset from telling to asking, trusting, innovating, and collaborating. They must ask 'what value have I created today?' and 'who have I served?'

These things are easy to say but challenging to implement. They present one of the most significant challenges faced by the leaders of this generation and are a call to action for organisational development efforts in the sector. Marika Tammeaid and Dr Virtanen have identified four critical trait-shifts that public sector leaders must make in their identity and mindset to thrive in this new world.

1. From management to design thinking

Today's world has constantly changing dynamics which necessitates

organisations that are agile, that can thrive under significant change, and that can innovate for efficiency along the way.

It signals a move away from top-down direction setting and control, to much more collaborative processes that recognise individuals as humans and not cogs in a wheel. The authors describe a shift in leadership from the stance of a paternalistic public service expert to a collaborator who brings stakeholders and their voices together in the process of innovating public services.

Today's public sector leadership has to master horizontally motivated accountability, by engaging with all the stakeholders who have an interest in public policymaking, such as citizens, service users, patients and clients. Horizontal leadership requires humility and a recognition that service-users often know best.

Leaders only succeed if they enable their organisations to break free of any silos and collaborate with other organisations to further society's interests. It's about

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taking a helicopter view and bringing people together for the greater good.

2. From machine-centred to human-centred

The public sector is often seen as a machinery producing right decisions based on laws, rules and regulations. This approach neglects to recognise that the work also in public sector is done by humans and their interaction. Tammeaid and Virtanen are on the same lines with Laloux (2014), who noted that focusing on people requires a shift away from hierarchies to community engagement. Individuals must be empowered and

upon their technical expertise. In the worst cases content specialists became bad leaders focusing still mainly on content matters. Today's public sector requires real leaders at the helm who excel at leading by example, understanding individuals and their capabilities, and motivating people so that they can deliver the most value possible.

Tammeaid and Virtanen recommend that leaders should focus on the emotions of their teams; leaders must have the emotional intelligence to know how to get the best from their people. Leaders need to know or learn how to unleash

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given permission to bring their whole selves to work, rather than putting on a work persona that leaves some of their creativity at home.

Organisations must invite colleagues, service users and stakeholders into conversations about how the public sector operates and ultimately its purpose. This shared insight will create more value than anything that results from siloed working.

3. From experts to leaders

Traditionally the leaders of public institutions were often promoted based

and nurture creativity in their people. They must be comfortable taking risks and allowing employees to test out new ways of working. Some of the risks will result in failures; that's business as usual with innovation.

The new leaders need to help their teams learn the new ways of working while unlearning the old mindsets that no longer serve us. The authors refer to this as a shift from expert managers to public administration leaders. This cadre of leadership is first and foremost a group of human-centric leaders who realise that

today's complex society is not the issue. The real problem comes when the public sector tries to solve society's complexities with outdated systems and a mindset that no longer works.

4. From public authority to public service

The core purpose of today's public sector is to serve by promoting and furthering the collective interests of our society. Put simply; public institutions exist to improve the quality of life for each of us and the collective.

This focus on public planning requires a shift in public policymaking. The policies can no longer be designed in a silo and dictated. Public policymaking must incorporate the views of service users and focus on the needs of society.

How can leaders take practical steps to make this shift?

The shift will manifest in behaviours, such as openness and a desire to listen to service users, and a culture of collaboration within public institutions. A service ethos can embed in the organisation by encouraging every team member to ask a few simple questions, including: How can I help? Whose help do I need? How approachable am I?

LEADERSHIP IDENTITY SHIFTS

A change in purpose and identity is firmly underway in the public sector. The changes resulted from the need to be more innovative, more human-centred and service-orientated to add value in today's dynamic world. The four traits that Tammeaid and Virtanen have identified must now embed in all public institutions through methods such as capability development through real-setting experiments, job rotation, stakeholder interviews, performance management, training, coaching, communications and conversations. How successfully all public institutions are in making this shift depends significantly on their implementation of the practical steps to embody the new mindset, identity and ways of working.

You can read more about Marika Tammeaid and Dr Petri Virtanen's findings in their book *Developing Public Sector Leadership: New Rationale, Best Practices and Tools* (Springer, 2020).

Behind the Research



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Research Objectives

The Itla Children's Foundation contributes to building wellbeing, equality and a good future for children and families with children living in Finland.

Detail

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Bio

Dr Petri Virtanen currently serves as the CEO of the Finnish Itla Children's Foundation and the Professor of Administrative Science at the University of Vaasa. Previously he was Project Director at the Finnish Innovation Fund Sitra, responsible for the public sector leadership programme, and Professor of Administrative Science at the University of Tampere. He has also worked in consultancy business (as

a CEO of Net Effect Ltd.) and as a civil servant (as a Head of Unit in the Ministry of Finance). Dr Virtanen is an Adjunct Professor at three universities (the Universities of Lapland, Tampere and Helsinki).

Marika Tammeaid is a Solution-Focused Coach and learning designer currently working as the Director of Development at the Finnish Itla Children's Foundation. Previously she was responsible for designing and leading the "Route for renewal" public sector leadership training courses at the Finnish Innovation Fund Sitra. Marika Tammeaid (M.Soc.Sci, Clinical Supervisor) has long personal

experience in leading and developing public sector organisations and public sector leadership (Ministry of Finance, State Treasury, Nordic Council of Ministers). On a continual basis, Marika Tammeaid teaches solution-focused thinking and change leadership in the centres of continuing education at several universities.

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Collaborators

Key child policy organisations in Finland and international collaborators

References

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- Van Der Wal, Z. (2017) *The 21st Century Public Manager*. Palgrave, London.



Personal Response

What are the top three things that public sector organisations can do to achieve these shifts in their leadership?

/// Shifting the strategical focus across exiting public policy domains and organisational siloes, start experimenting new working methods in citizen/client interface, personal job rotation.

In your opinion, is the training of existing leaders or the recruitment of a new leadership population, the better approach to supporting this shift in the public sector?

It is important to see the potential in the present leaders and support it by coaching and training, and in addition to that accelerate rotation and new recruitment. //