

Leadership for Excellence in the Political Context

Dr. Fernando Fernández-González

Head of Clinical Neurophysiology – Hospital Central de Asturias, Oviedo - Spain

fgfernando@msn.com

Dr. Palmira López-Fresno

President of the Quality on Services Committee– Spanish Association for Quality - Spain

lpalmira@msn.com

ABSTRACT

The first cellula or Criterion 1 of the European Foundation for Quality Management (EFQM) Holistic Model is Leadership. It relates to the behaviour of the executive team and all other managers as developers and clarifiers of the vision, values and strategy of the organisation. This European Model is a carrier of democratic values and is applicable to private and public organizations. From a philosophical point of view, we can focus Public Leadership under two perspectives: normalisation and/or formalisation. The public server's unavoidable values are selflessness, integrity, objectivity, accountability, openness, honesty and they should promote and support these principles by leadership and example. We propose EFQM model as a tool to prevent dirty hands. In this way, value premises of democratic council and local government are the individual and group autonomy, the acceptance of competing interest, the reasoning consideration of alternatives, representation, accountability, participation and debate, free concurrence and transparency. The Mayor is a model, a warrantor, a promoter, an educator and facilitator of community improvement. The Council, councillors, elected and no-elected members, officers, stakeholders and community in general share the leadership. The Mayor has the function of democratic entrepreneur.

Keywords: Cellular system, Co-operative leadership, EFQM Model, local government, quality management, town council.

1.0. Introduction

1.1. Leadership within EFQM Model framework

The EFQM Excellence model can be look as a balanced cellular system, where each *cellula* [López-Fresno; Fernández-González, 1999] has a pre-defined maximum weigh and the total utopian and maximal account for the model is 1000 points. The EFQM holistic approach for management can be applied to private and public organisations.

The first *cellula* o Criterion 1 of the EFQM Model is Leadership (100 points). In this context, Leadership relates to the behaviour of the executive team and all other managers (co-operative leadership) as developers and clarifiers of the vision, values and strategy of the organisation: “Excellent Leaders develop and facilitate the achievement of the mission and vision. They develop organisational values and systems required for sustainable success and implement them via their actions and behaviours. During periods of change they retain a constancy of purpose. Where required, such leaders are able to change the direction of the organisation and inspire others to follow”. Even though the European model is a carrier of democratic values, from a first approach the stewardship role of business leaders has become institutionalised as a concern for organisational wealth and shareholder return, rather than democratic principles of governance [Cragg, 2000]. On the other hand, Eskildsen, Kristensen and Jorn Juhl (2004) reduce de Criterion 1: “The company has established a programme (vision, mission) for development of the organisation” and conclude that private companies put higher emphasis on the criterion “leadership” in relation to achieving excellence rather than public organisations. Is it a criterion prudently assumable when we look at Town Councils organisations? Are there different ways to understand and focus leadership?

Leadership is a concept originally developed in folk psychology to explain social influence in groups [Calder, 1977]. Leadership involves behaviours, traits, characteristics, and outcomes produced by leaders as these elements are interpreted by followers [Andrews and Field, 1998]. From a philosophical point of view, we can focus Public Leadership under two perspectives: normalisation and/or formalisation. Conforming to a standard of attributes we can normalise leadership criterion but when we look for formalisation inconsistencies can be detected. “Formalisation not only embodies codified knowledge, it also defines appropriate and inappropriate behaviour or outcomes” [Walsh and Dewar, 1987]. “The Seven

Principles of Public Life” stated by the Report on Standards of Conduct of Public Life [Nolan report, 1995] are a reference. In this way, a code of conduct for board and staff members of the quasi-autonomous non-governmental organisations, such as education, social aid, urban development, homes, health care, etc., should be unavoidable for each organisation. Two questions come up: Are there public servers without selflessness, integrity, objectivity, accountability, openness, honesty and the competency to promote and support these principles by leadership and example? Yes, there are dirty hands. Is EFQM model a tool to prevent dirty hands? We concur with this expectation. In our experience, the Spanish National Health Service’s hospitals increase the EFQM implementations as a requirement, among others, to improve health care leadership.

1.2. Democratic leadership at Town Councils

The exercise of the electoral right by the Spanish people identifies different scenarios. Results from elections show that citizens elect political leaders based not only on political party values, but also on their personal expertise and competency. Thus for example, as a result of the 2003 Municipal and Autonomic or Local Government elections at the northern autonomous region of “Principado de Asturias”, 56,5% of citizens voted for a Mayor from the conservative right party versus 37,3% who did it for socialist plus communist left parties. At the same 2003 elections, 51,5% of the electorate voted for socialist plus communist parties for President of the Local (Autonomic) Government, versus 39,3% who did it for the conservative right party.

People search for real achievements, not for promises. One of the consequences has been a growing acceptance that councillors are not the only “voice” which expresses the community’s needs and aspirations. People need to touch and feel achievements. More fundamentally, it is clear that many people are losing faith in political parties. As a result some local politicians are now openly sceptical about political parties. But, Careful! Watch out! In 2004 the young people’s network of e-mails modified during the reflexive journey the general opinion and induce the Govern of Spain’s change from the conservative PP political party to the socialist PSOE. From mobile phone to mobile phone young-people refused “lying” leadership. “Holders of public office should be as open as possible about all the decisions and actions they take. They should give reasons for their decisions and restrict information only when the wider public interest clearly demands” says the Nolan report (1995). Are young people sleeping? No, young people have a clear leadership criterion.

Although there are many different conceptions of leadership and its enactment differs across cultures, time and regimes, at the heart of the democratic leadership resides the notion of equal freedom for all to deliberate the aims of society. In this way, value premises of democratic council and local government are the individual and group autonomy, the acceptance of competing interest, the reasoning consideration of alternatives, representation, accountability, participation and debate, free concurrence and transparency.

We identify three politically oriented types of Spanish Mayor Leadership: the Task-oriented leadership, the Team-oriented leadership and the “Laissez fair” leadership. The first one is predominantly conservative related; the second one predominates at socialist town councils, and the “Laissez fair” is no-party related, apolitical self-designated or ex-party members. The misconduct and dirty hands were detected anywhere. The dirty hands probabilities at Task-oriented and Team-oriented leadership were minimal but the concurrence produces newspaper benefits.

Task-oriented and Team-oriented leaderships fit better in the EFQM Model. The principles of selflessness, integrity, objectivity, accountability, openness, honesty and leadership are values premise to EFQM Model Criterion 1. Leadership perception of the citizens arise from recognition and inference processes. Leadership gets up as an interaction between two or more members of a team, group, population, etc., that often involves a structuring or restructuring of the situation and the perceptions and expectations of members. There is not leadership without results.

1.3. The bad politician and the “dribbling” leadership success

Leadership seems installed in human perception, power relations, adaptation behaviour, etc. Leadership has wider contours, it is influenced by the language used, by selection of definitions and assumptions, by manipulation of knowledge, by followers and antagonists. Leadership is a cultural construct related to lifestyles and good or bad manners. After the Bresnev era and Berlin’s wall break-down a new post-modern leadership has appeared.

In the field of literature a set of writers reflected the economic and social change. On October 12, 2006, the Swedish Academy announced that the Turkish novelist Orhan Pamuk had been awarded the 2006

Nobel Prize in literature. Pamuk identifies three characteristics on the actual thriving post-modern men/women: money, lack of culture and loss of ideological values. So, i) many people believe that the money is a result of speculation, not a result of work; ii) non-culture is their affection and trash TV reflect their in-culture, because old culture is a waste of time; iii) and the spiritual, ideological or traditional values loss is their boasting. This type of post-modern people can be detected among political or business leaders.

With similar results there are two opposite types of bad-leaders. The first one is a new middle age leader specialized on the practice of “The dribbling leadership success” or “How to ruin your own organization and consider yourself to be wonderful” [Rosanas Marti, 2003]. His/her success is based on: promotion of pseudo-charismatic behavior, special expertise to dribbling the problems, marketing their scarce knowledge, apply a fashion reengineering, there are no rules, etc. When he/she achieves good results in the short term (although in the medium and long term the projects implemented should damage the company) he/she moves to another organisation, taking benefit of his/her high “exchange rate”. So, if within a short period of time the organisation goes bad, the answer is simple: “Of course, it’s because I’m very good and I moved”. If, on the contrary, the organisation goes well, the answer is also simple: “Of course, it’s because I’m very good and I was working there”. There are politicians with deep expertise in structuring their activities in periods of 3-4 years with the only objective to achieve short term results that let them to promotion within their political party till unsuspected limits.

An old type of bureaucratic and passive organization leadership is the other face of the break-down of democratic values. The motion picture IKIRU (translated as Vivir / Life, 1952) from the acclaimed social master Akira Kurosawa, inspired by Leo Tolstoy’s “The Death of Ivan Ilyich”, shows the best pictures about quality of Public Services. This movie shows a lot off dis-quality circumstances.

The definition of European Model leadership criterion is based on five sub-criteria: i) leaders must develop mission, vision and values and a role model of a culture of Excellence; ii) Leaders are personally involved in ensuring the organisation’s management system is developed, implemented and continuously improved; iii) Leaders interact with customers, partners and representatives of society; iv) Leaders reinforce a culture of Excellence; v) Leaders identify and champion organisational change. The normalization and formalization of these sub-criteria are the basic, flexible piece and minimal requirement to preserve democratic structured organizations, and to guaranty a successful Quality Management and Excellence implementation and sustainability.

1.4. The Mayor: politician, manager or entrepreneur?

We can focus the relationship provider-receiver of services under the point of view of the “contract” that lies on its base. We consider a first management model is based on a Mercantile contract. In the mercantile contract one quantity of money covers the needs of the customers. It focus the service as an individual coverage, different to the legal contract or the social one that looks for a universal coverage. It allows to differentiate the products and/or services in order to segment and rank the customers depending on their purchasing power. Customers are focused differentially. This model is not applicable to the public sector of a welfare state.

The second one is based on the Legal contract. In this type of model the citizens, as administrators, are passive individuals (users) of the public activity, and their rights are kept almost intact along the time, with only small changes. Citizens are focused as beneficiaries. A typical example should be a paternalistic city council.

The third management model is based on the Social contract. In it the citizens, as clients, adopt a more active role. They present their changeable demands, based on their needs and expectations, and expect them to be satisfied. In the case they are not, there is a risk of losing legitimacy. Citizens as owners. This is the model applicable to a democratic city council that fulfils the requirements of Criterion 1 of the EFQM Model.

In Spain the Mayor is a periodically elected member. He/she can be re-electing without temporal limitation. Leach and Wilson (2000) identifies four political leadership’s functions: i) to maintain cohesiveness to build a coalition in a multi-party controlled councils or to maintain intra party commitments in a majority authority; ii) to give strategic direction and develop policy; iii) to represent the authority to the wider world; iv) to ensure that things get done through effective implementation. But what is the Mayor role? Is he/she a political leader, a political manager or an entrepreneur? The Mayor is the head of the community. The Mayor manages community conflicts to change demands from affective-emotional contents to cognitive-executive ones. The Mayor is a model, a warrantor, a promoter, an

educator and facilitator of community improvement. The Council, councillors, elected and no-elected members, officers, stakeholders, community in general share the leadership (co-operative leadership). In this way the Mayor has the function of democratic entrepreneur, because innovation and improvement are bottom-up related. Innovation and improvement to growth need channels and drivers.

2.0. Case studies

We present two experiences of Spanish town councils that are references in Quality Management and Excellence. The first one is based on the application of the EFQM holistic model as the management model and the second one is based basically on the application of a process management approach.

2.1. *Ayuntamiento de Alcobendas. Town Council*

Introduction: Alcobendas is a small city located 13 km far from Madrid, the capital of Spain. It has a population of 110.000 people and an extension of 45 square km. Almost 25 years ago the city council initiated a journey of innovation and continuous improvement, led by its Mayor, to bring the council's services closer to the citizens and improve them. Recently has received the gold level recognition (EFQM Levels of Excellence -Recognition's scheme) and the ONU Award to Quality in Public Services. It's the first city council in Spain having the EFQM gold level recognition.

Number of employees: 1500 (includes council and public companies under its authority).

Major: Elected in 1983. From socialist political party. Previous experience in management.

Elected members: 12 from PSOE socialist party, 12 from PP conservative party and 1 from IU communist-ecologist coalition.

Leadership style: Team-oriented.

Organisational structure: Three levels: political, top management and operational.

Management pillars: i) Strong orientation to satisfy citizen's needs (to provide the best service according to their needs and expectations); ii) efficiency in using the public resources; iii) adoption a global and integrated management model and application following a cellular implementation criteria; iv) quality viewed as an inherent aspect of management (quality of management versus quality management).

District Special Characteristics: Four socio-economic areas structure this small town. There are two industrial poles at the north and sud, with the upper social classe at east, worker class at nord and middle class at old and central town.

Main Milestones in it's way to Excellence: As related in Table 1.

2.2. *Ayuntamiento de Esplugues. Town Council.*

Introduction: Esplugues de Llobregat is a town located 10 km far from Barcelona – Spain, with a population of 46.550 people and an extension of 4,6 square Km. In the last decades it has changed from being basically an industrial town to be a service provider town. The new requirements forced a re-orientation of the management towards efficiency and quality of services. Esplugues town council is a referent within Spain and also internationally in the application of management style and models until now characteristics of the private organisations.

Number of employees: 276.

Major: From socialist political party.

Leadership style: Task-oriented.

Organisational structure: Two levels: political level, executive level (since 1991 there is a General Manager in charge of all the executive areas).

Management pillars: i) Strong orientation to satisfy citizen's needs (to provide the best service according to their needs and expectations); ii) high efficiency in using the public resources; iii) adoption of a process management model within a global management framework (EFQM Model).

District Special Characteristics: Middle up to upper social classes.

Main Milestones in it's way to Improvement and Excellence: By 1991 the town city council realised that radical changes were needed in order to be able to tackle the change from being an industrial town to become a service provider town, within a framework of limited resources. A new management structure was needed in order to achieve the objectives. A General Manager was appointed to be in charge of all the executive areas and the entire organisational structure was redesigned. In a first step (1991-1993) they focused on efficiency, in order to optimise resource management. By 1994 the town council tried to apply a continuous improvement program with a wider scope, but with limited success. As a result, there was a

need to implement a process management orientation, within a global and integrated model, in order to be able to satisfy, in a sustaining way, the increasing demands and expectations from citizens. By 1996 they initiated the implementation of the process management model that has been complemented with many other policies and projects to fulfil the needs of all stakeholders. Their model has become a best practice for many public and private organisations.

3.0. Conclusions

The EFQM Model is a carrier of democratic values. Although there are many different conceptions of leadership and its enactment differs across cultures, time and regimes, at the heart of the democratic leadership resides the notion of equal freedom for all to deliberate the aims of society. The Mayor is a model, a warrantor, a promoter, an educator and facilitator of community improvement, a democratic entrepreneur. The Council, councillors, elected and no-elected members, officers, stakeholders and community in general share the leadership. We propose the European Model not only as a global and integrator management framework, but also as a tool to prevent dirty hands, both in private and in public organisations. The normalization and formalization of the five sub-criteria of Leadership in the EFQM Model are the basic, flexible piece and minimal requirement to preserve democratic structured organizations.

In the two analysed case experiences, team-oriented and task-oriented leaderships revealed successful in order to conduct, under a co-operative leadership, the quality management and continuous improvement project in a sustaining and transparent way, within the framework of the European Model.

Year	Milestones – Change management towards Excellence	Item
The Roots		
1980's	Implementation of a Management by objectives program.	
1987	First evaluation of citizen's satisfaction with some of the services provided by the city council.	
1991	Set up of a management center (Investigation, Planning, Organisation and Information Technologies). Training to Top Management.	
1993	Citizen's rights campaign. System to receive and manage complaints and suggestions.	
1995	Strategic Plan 1995-2005. Starting of Quality Project (Service commitments; improvement workshops in four areas; accreditation and certification of three areas; Implementation of IT to bring the service nearer the citizens; periodical citizen and employee's satisfaction evaluation).	
From Microsystem approach to System consolidation.		
1998	First EFQM self-assessment in one area (sports).	
1999	ISO 9002 certification of one department. UNE 45000 accreditation of the municipal laboratory.	
2000	First EFQM self-assessment in the entire organisation. Second Quality Plan (Continuous improvement and formalisation in the areas of service commitments, improvement workshops and employee's suggestions management; new IT software to manage complaints and suggestion from citizens; annual satisfaction evaluation to citizens and employees; quality training plan; improvement of internal communication; process management).	
2002	Second EFQM self-assessment. Silver Level - EFQM Recognition for Excellence (410-500 points). First Spanish city council with silver level.	
2003	Partial self-assessment. ONU Award to Public Services.	
Non-Stop Improvement		
2005	Third EFQM self-assessment. Gold Level -EFQM Recognition for Excellence (510-540 points). First Spanish city council with gold level.	
2006	Excellence Award. Spanish Ministry of Public Administrations.	

Table 1: Main milestones of Alcobendas City Council towards Excellence

References

- Andrews, JP. & Field, RHG. [1998] *Regrounding the concept of leadership*. Leadership & Organization Development Journal. Vol. 19, 3:128-136
- Calder, BJ [1977] *An attribution theory of leadership*. In Staw, BM and Salancik, GR (Eds). New Directions in Organizational Behaviour. St. Clari Chicago. Cited by Andrews JP and Field RHG.
- Cragg [2000] *Human rights and Business ethics: fashioning a new social contract*. Journal of Bussiness Ethics. Vol 27, 1/2:205-214
- Donnelly, M. [1999] *Making the difference: quality strategy in the public sector*. Managing Serv. Quality. Vol 9 1: 47-52
- EFQM [2003] *EFQM Excellence Model*. EFQM, Brussels.
- Eskildsen JK, Kristensen, K. & Jorn J. [2004] *Private versus public sector excellence*. TQM Magazine. Vol 16, 1:50-56
- López-Fresno, P., Fernández-González, F. [1999]. *Medical Adhocracy and Cellular Implementation of Quality Systems*. Proceedings of the 11 th QMD Annual Conference. American Association for Quality.
- Nolan Report [1994] *Standards in Public Life First Report of the Committee on Standards in Public Life*. Chairman Lord Nolan London: HMSO Cm 2850-I
- Pamuk, Orhan [2003]. Estambul: ciudad y recuerdos. Random House Mondadori, SA Barcelona. pp. 225-226
- Rosanas Martí, J [2003]. *Cómo destrozarse la propia empresa y crearse maravilloso*. Ediciones Granica SA. Barcelona
- Walsh, JP, and Dewar, RD, [1987] *Formalization and organizational life cycle*. The Journal of Management Studies Vol 24; 3:215-231.

Authors' Backgrounds

Dr. Fernando Fernández-González

Medical Doctor. Head of the Clinical Neurophysiology Department –Hospital Central de Asturias. Former President of Spanish Clinical Neurophysiology Society. From 1983 to 1993 he was the Executive Adviser of the Spanish Minister of Health and Director of Technology and Health Care Assessment - Ministry of Health. Fernando has extensive managerial experience and has presented a wide range of papers in national and international conferences

Dr. Palmira López- Fresno

Palmira is President of the Quality on Services Committee - Spanish Association for Quality (AEC), Project Management Director at STIGA and Adviser of the Local Government in the area of quality improvement.