The Local and Regional Government Research Unit at Cardiff University is conducting a large research project examining the impact of strategic management on service improvement in Welsh local government. This is a major piece of independent research, funded by the Economic and Social Research Council, that runs until 2004. The questionnaire is the main method we will be using to survey local authorities in Wales. We will also undertake short follow-up interviews with members and officers. The research findings will be fed back to local authorities on an on-going basis to help you to continue to improve. They will also be presented to the Wales Improvement Network and at other improvement forums in Wales.

The questionnaire is in 4 sections:

- **PART A** asks you about strategy-making in your specific service area;
- **PART B** asks you about the content of strategies in your specific service area;
- **PART C** asks you about the performance of your specific service area;
- **PART D** asks you about factors affecting your specific service area.

The pilot project carried out in May 2002 indicated that the questionnaire will take on average about 15 minutes to complete.

To answer the questions either:

- Highlight the appropriate circle by clicking it with your mouse button:
- Or type the answer in the space provided.

Please give your views freely. If you do not know an answer, please leave blank.

Once you have finished, please save the file and email it to: serviceimprovement@cardiff.ac.uk

Please return the file by no later than 31st January 2003.

Please note, all responses will be treated in **COMPLETE CONFIDENCE**.

For more information and assistance contact:

Rhys Andrews  
Tel: 02920 87 6014  
E-mail: AndrewsR@cardiff.ac.uk
YOUR ROLE

Your Name

Your Job Title

Responsibilities of your role

Your Service

Description of your service's functions

Your Department

Your Authority

Your Improvement Review if you are being reviewed (and the date)

Length of service in the Authority

When did you join this Authority (in any capacity) -
Tick Appropriate Box

○ Before April 2002 - Please Answer ALL Questions
○ After April 2002 - Please return this questionnaire unanswered

Please indicate if you were involved in completed Best Value Reviews during:

2000/2001

2001/2002

2002/2003

Tick box

Could you please confirm your e-mail address

(Please Type Here)
PART A: STRATEGY-MAKING

The following set of questions asks you to think about strategy-making in your service. (By strategy-making we mean the way the authority decides how to deliver services or the ways you go about selecting new approaches to service delivery.)

Section 1: The way we make our strategies

The questions in this section explore how strategies are made in your service.

Please indicate the extent to which you agree with the following statements about strategy-making in your service. (Please click the circle closest to your own view).

1. We are regularly challenged with new goals and aspirations for the service:
   Agree [ ] [ ] [ ] [ ] [ ] [ ] [ ] [ ] Disagree

2. Strategy in our service reflects broad goals:
   Agree [ ] [ ] [ ] [ ] [ ] [ ] [ ] [ ] Disagree

3. Strategy making is a formal procedure in our service:
   Agree [ ] [ ] [ ] [ ] [ ] [ ] [ ] [ ] Disagree

4. Strategy is based on formal analysis of the service's needs:
   Agree [ ] [ ] [ ] [ ] [ ] [ ] [ ] [ ] Disagree

5. We assess alternative strategies:
   Agree [ ] [ ] [ ] [ ] [ ] [ ] [ ] [ ] Disagree

6. We follow precise procedures to achieve targets:
   Agree [ ] [ ] [ ] [ ] [ ] [ ] [ ] [ ] Disagree

7. Targets in the service are matched to specifically identified citizen needs:
   Agree [ ] [ ] [ ] [ ] [ ] [ ] [ ] [ ] Disagree

8. Strategy is made on an on-going basis:
   Agree [ ] [ ] [ ] [ ] [ ] [ ] [ ] [ ] Disagree

9. Strategy develops through negotiation with external stakeholders (e.g. voluntary/private sector groups):
   Agree [ ] [ ] [ ] [ ] [ ] [ ] [ ] [ ] Disagree
10 Strategy develops through consultation with local citizens:  

<table>
<thead>
<tr>
<th>Agree</th>
<th>Disagree</th>
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11 People in the service are willing to take risks:  

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<tr>
<th>Agree</th>
<th>Disagree</th>
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12 Strategy in the service develops through experimentation:  

<table>
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<tr>
<th>Agree</th>
<th>Disagree</th>
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</table>

13 Strategy is based on little analysis of the service's needs:  

<table>
<thead>
<tr>
<th>Agree</th>
<th>Disagree</th>
</tr>
</thead>
</table>

14 Strategy in the service evolves slowly:  

<table>
<thead>
<tr>
<th>Agree</th>
<th>Disagree</th>
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</table>

15 Strategy is usually based on existing practices:  

<table>
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<tr>
<th>Agree</th>
<th>Disagree</th>
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</table>

16 There is no discernible strategy-making process:  

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<tr>
<th>Agree</th>
<th>Disagree</th>
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17 Strategy-making is deliberately avoided:  

<table>
<thead>
<tr>
<th>Agree</th>
<th>Disagree</th>
</tr>
</thead>
</table>

Section 2: The role of people in strategy-making

The questions in this section explore the influence of different people on strategy-making in your service:

Please indicate the extent to which you agree with the following statements about strategy-making in your service. (Please click the circle closest to your own view).

18 Strategy for our service is usually made by the Chief Executive:  

<table>
<thead>
<tr>
<th>Agree</th>
<th>Disagree</th>
</tr>
</thead>
</table>

19 Strategy for our service is usually made by the Corporate Management Team:  

<table>
<thead>
<tr>
<th>Agree</th>
<th>Disagree</th>
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</thead>
</table>
20 Strategy for our service is usually made by the Head of Service: Agree

21 Strategy for our service is usually made by elected members: Agree

22 Strategy for our service is usually made by external agencies: Agree

23 The service’s mission is determined by the Chief Executive: Agree

24 The service’s mission is determined by the Corporate Management Team: Agree

25 The service’s mission is determined by the Head of Service: Agree

26 The service’s mission is determined by elected members: Agree

27 The service’s mission is determined by external agencies: Agree

28 Managers in the service serve as personal examples of how our people should behave: Agree

29 The strategy we follow is dictated by our way of doing things: Agree

30 Our targets are strictly defined by external agencies: Agree

31 All staff are involved in the strategy-making process to some degree: Agree
32 Most staff have input into decisions that directly affect them:  

33 Strategy reflects the interaction of different interests in the service:  

34 Staff throughout the service understand what needs to be accomplished to deliver continuous improvement:  

35 There is strong resistance to rapid change within the service:  

36 Strategy develops through negotiation between higher-level management and officers:  

37 Strategy develops through negotiation between higher-level management and external agencies:  

38 There is no internal pressure to create or develop strategy:  

39 There is no discernible pattern of responses to pressure from external agencies:
PART B: STRATEGY OF THE SERVICE

The following set of questions ask about the strategy of your service (By strategy we mean the overall outlook and direction of the service, rather than the strategic plan or other documents for the service). The questions examine how your service seeks to position itself and the typical content of its strategic decisions.

Section 1: The content of strategies in the service

The questions in this section explore the content of the strategic choices taken by your service.

Please indicate the extent to which you agree with the following statements about your service. (Please click the circle closest to your own view).

1. We continually redefine our service priorities: Agree  ○ ○ ○ ○ ○ ○ ○ ○ ○ ○ Disagree

2. We seek to be first to identify new modes of delivery: Agree  ○ ○ ○ ○ ○ ○ ○ ○ ○ ○ Disagree

3. Searching for new opportunities for service delivery is a major part of our overall strategy: Agree  ○ ○ ○ ○ ○ ○ ○ ○ ○ ○ Disagree

4. We often change our focus to new areas of service provision: Agree  ○ ○ ○ ○ ○ ○ ○ ○ ○ ○ Disagree

5. We seek to maintain stable service priorities: Agree  ○ ○ ○ ○ ○ ○ ○ ○ ○ ○ Disagree

6. The service emphasises efficiency of provision (e.g. high quality and low cost): Agree  ○ ○ ○ ○ ○ ○ ○ ○ ○ ○ Disagree

7. We give little attention to new opportunities for service delivery: Agree  ○ ○ ○ ○ ○ ○ ○ ○ ○ ○ Disagree

8. We focus on our core activities: Agree  ○ ○ ○ ○ ○ ○ ○ ○ ○ ○ Disagree
9. We have no definite service priorities:  

10. We change provision only when under pressure from external agencies:  

11. The service explores new opportunities only when under pressure from external agencies:  

12. We have no consistent response to external pressures:  

13. The service invests heavily in marketing and/or PR:  

14. We provide existing services to new users:  

15. The service invests heavily in research and development:  

16. We provide new services to new users:  

17. We expand the range of services we provide:  

18. We provide new services to existing users:  

19. We have discontinued some services altogether:  

20. The service is adopting new approaches to budgeting (e.g. to assess the outcomes achieved in major policy areas):
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<td>21</td>
<td>The service frequently obtains additional internal funding:</td>
<td>Agree</td>
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<td>Disagree</td>
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<tr>
<td>22</td>
<td>The service frequently obtains additional external funding (e.g. from the Welsh Assembly Government (WAG)):</td>
<td>Agree</td>
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<td>Disagree</td>
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<td>23</td>
<td>We obtain additional resources by increasing charges to users:</td>
<td>Agree</td>
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<td>Disagree</td>
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<td>24</td>
<td>We pursue a policy of contracting/outsourcing (e.g. the same/similar service delivered by another agency under contract):</td>
<td>Agree</td>
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<td>Disagree</td>
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<td>25</td>
<td>We pursue a policy of externalisation (e.g. passing/selling a service to another agency):</td>
<td>Agree</td>
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<td>Disagree</td>
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<td>26</td>
<td>The service works in partnership with users:</td>
<td>Agree</td>
<td></td>
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<td>Disagree</td>
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<td>27</td>
<td>The service works in partnership with the voluntary sector:</td>
<td>Agree</td>
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<td>Disagree</td>
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<td>28</td>
<td>The service works in partnership with the private sector:</td>
<td>Agree</td>
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<td>Disagree</td>
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<td>29</td>
<td>The service works in partnership with other local or public authorities:</td>
<td>Agree</td>
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<td>Disagree</td>
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<td>30</td>
<td>The service works in partnership with other departments within the authority:</td>
<td>Agree</td>
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<td>Disagree</td>
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<td>31</td>
<td>The service is creating new internal structures (e.g. new business/service units):</td>
<td>Agree</td>
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<td></td>
<td></td>
<td>Disagree</td>
<td></td>
<td></td>
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<tr>
<td>32</td>
<td>Services are moving between departments:</td>
<td>Agree</td>
<td></td>
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<td></td>
<td>Disagree</td>
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</table>
Section 2: Autonomy of the service

Please indicate the extent to which you agree with the following statements about the autonomy of your service. (Please click the circle closest to your own view).

39 Our service has a great deal of autonomy: Agree ○ ○ ○ ○ ○ ○ ○ ○ ○ ○ Disagree

40 Our service has more autonomy than other services in the authority: Agree ○ ○ ○ ○ ○ ○ ○ ○ ○ ○ Disagree

41 Our service has more autonomy than similar services in similar authorities do: Agree ○ ○ ○ ○ ○ ○ ○ ○ ○ ○ Disagree
PART C: PERFORMANCE OF THE SERVICE

We would like to know how you assess the performance of the your service. We would like you to think about the performance of the service relative to similar services in similar authorities and to estimate its current performance.

To what extent do you agree that your service performs well in comparison with others in relation to: (please click the circle closest to your own view).

1 Quality of outputs (e.g. how reliably your services are delivered)  
   Agree [ ] [ ] [ ] [ ] [ ] [ ] [ ] Disagree

2 Quantity of Outputs (e.g. the volume of service delivered)  
   Agree [ ] [ ] [ ] [ ] [ ] [ ] [ ] Disagree

3 Efficiency (e.g. cost per unit of service delivery)  
   Agree [ ] [ ] [ ] [ ] [ ] [ ] [ ] Disagree

4 Effectiveness (e.g. whether your objectives were achieved)  
   Agree [ ] [ ] [ ] [ ] [ ] [ ] [ ] Disagree

5 Value for Money (cost-effectiveness)  
   Agree [ ] [ ] [ ] [ ] [ ] [ ] [ ] Disagree

6 Consumer satisfaction  
   Agree [ ] [ ] [ ] [ ] [ ] [ ] [ ] Disagree

7 Equity (e.g. how fairly your services are distributed amongst citizens)  
   Agree [ ] [ ] [ ] [ ] [ ] [ ] [ ] Disagree

8 Staff satisfaction  
   Agree [ ] [ ] [ ] [ ] [ ] [ ] [ ] Disagree

9 Promoting the social, economic and environmental well-being of local people  
   Agree [ ] [ ] [ ] [ ] [ ] [ ] [ ] Disagree

10 Overall, to what extent would you agree that your service is performing well:  
   Agree [ ] [ ] [ ] [ ] [ ] [ ] [ ] Disagree
PART D: FACTORS AFFECTING THE SERVICE

The following set of questions explores how a range of issues inside and outside your service are affecting it.

Section 1: The socio-economic context

Please indicate the extent to which you agree with the following statements about the socio-economic context of your service. By socio-economic context we mean levels of deprivation, social change, population change and so on. (Please click the circle closest to your own view).

The socio-economic context in which the service operates:

1. is unpredictable (i.e. changes in unexpected ways)
   Agree [ ] [ ] [ ] [ ] [ ] Disagree

2. is changing rapidly
   Agree [ ] [ ] [ ] [ ] [ ] Disagree

3. is very complex
   Agree [ ] [ ] [ ] [ ] [ ] Disagree

4. is favourable
   Agree [ ] [ ] [ ] [ ] [ ] Disagree

5. Please indicate the extent to which you agree that the service is able to influence the socio-economic context:
   Agree [ ] [ ] [ ] [ ] [ ] Disagree
Section 2: The financial context

Please indicate the extent to which you agree with the following statements about the financial context of your service. By financial context we mean levels of funding made available and so on. (Please click the circle closest to your own view).

The financial context the service operates in:

6 is unpredictable (i.e. changes in unexpected ways)

7 is changing rapidly

8 is very complex

9 is favourable

10 Please indicate the extent to which you agree that the service is able to influence the financial context:

Section 3: The external political context

Please indicate the extent to which you agree with the following statements about the external political context of your service. By external political context we mean relationships with central government and its departments, relationships with other agencies and so on. (Please click the circle closest to your own view).

The external political context the service operates in:

11 is unpredictable (i.e. changes in unexpected ways)

12 is changing rapidly

13 is very complex
14 is favourable

15 Please indicate the extent to which you agree that the service is able to influence the external political context:

Section 4: The internal political context

Please indicate the extent to which you agree with the following statements about the internal political context of your authority. By internal political context we mean relationships between departments, members and officers, relationships between senior management and front-line staff and so on. (Please click the circle closest to your own view).

The internal political context the service operates in:

16 is unpredictable (i.e. changes in unexpected ways)

17 is changing rapidly

18 is very complex

19 is favourable

20 Please indicate the extent to which you agree that the service is able to influence the internal political context:
Section 5: The level of support

Please indicate the extent to which you agree with the following statements about the level of support your service receives from other agencies. (Please click the circle closest to your own view).

21 Central government agencies (e.g. Wales Assembly Government, Welsh Development Agency and so on) are supportive of the service:

Agree [ ] [ ] [ ] [ ] [ ] [ ] Disagree

22 Regulatory agencies (e.g. External inspectorates such as the Audit Commission, Estyn, Social Services Inspectorate for Wales, and so on) are supportive of the service:

Agree [ ] [ ] [ ] [ ] [ ] [ ] Disagree

23 Advisory agencies and professional bodies (e.g. WLGA, IDEIA and so on) are supportive of the service:

Agree [ ] [ ] [ ] [ ] [ ] [ ] Disagree

24 Finally, could you please indicate below how long it took you to complete the questionnaire and add any other comments you wish to make about the questionnaire and strategy and service improvement.

(Please Type Here)
Glossary of Terms Used in the Questionnaire

**Advisory agencies**
Non-governmental bodies whose function is to advise local authorities (e.g. Syniad).

**Audit Commission**
The organisation established by the government to ensure that public money is being used economically, efficiently and effectively.

**Central government agencies**
Centrally established Government bodies such as the National Assembly for Wales or the Welsh Development Agency.

**Continuous improvement**
The statutory requirement placed on local authorities by the Local Government Act 1999 to deliver continuous improvement in the economy, efficiency and effectiveness of their functions.

**Contracting out/ Outsourcing**
A function of a local authority service being delivered by another agency under contract.

**Core activities**
Those functions which are the primary service areas of a department.

**Economic and Social Research Council (ESRC)**
The UK's leading research funding agency providing research to business, the public sector and government on economic and social concerns.

**Estyn**
The inspectorate responsible for inspecting education in Wales.

**External stakeholders**
External statutory, voluntary or private sector organisations involved in the delivery of public services.

**Externalisation**
A function of a local authority service being sold or passed to another agency.

**Improvement and Development Agency (IDeA)**
The organisation established by and for local government to help councils deliver leadership, cultural change and performance improvement.

**Professional bodies**
Agencies representing the interests of particular professions or sectors.

**Regulatory agencies**
Inspectorates with responsibility for inspecting the delivery of public services in the UK.

**Research and Development**
Policy and delivery-oriented research (i.e. not market research).

**Service Improvement**
The general activity of improving service delivery.

**Social Services Inspectorate for Wales (SSIW)**
The inspectorate responsible for inspecting social services in Wales.

**Strategic management**
The set of decisions and actions within an organisation resulting in the formulation and implementation of a strategy.

**Strategy**
The overall direction and outlook of an organisation.

**Strategy-making**
The way an organisation decides how to deliver its service and products.

**Strategy content**
The typical content of an organisation's strategy.

**Targets**
Measurable aims for service delivery.

**Wales Improvement Network**
The all-Wales Improvement forum for local authorities coordinated by Syniad.

**Welsh Development Agency (WDA)**
The organisation established to coordinate economic development projects in Wales.

**Welsh Local Government Association (WLGA)**
The professional body representing the interests of local authorities in Wales.
Strategy Implementation Survey 2003

The Centre for Local and Regional Government Research at Cardiff University is conducting a large scale research project examining the impact of strategic management on service improvement in Welsh local government. This is a major piece of independent research, funded by the Economic and Social Research Council, running until 2004.

Questionnaires are being used to survey Welsh local authorities. Short follow-up interviews will also be undertaken with selected respondents. Findings will be fed back to councils on an on-going basis. Feedback from last year’s survey is available by emailing serviceimprovement@cardiff.ac.uk

We want to find out which ways of implementing strategies work best in which circumstances. Please give your perceptions and impressions about the service area your work mostly involves. Answers will not be treated as a reflection on your reputation or that of your service or authority. It will not be possible to identify respondents from the results.

A glossary of terms explaining the terminology used is included at the end of the questionnaire. We would be very grateful if you could complete and return the questionnaire by December 19th 2003.

Your help with this research is greatly appreciated.
Rhys Andrews

**INTRODUCTION: YOUR ROLE**

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<td>Your job title: Please type here</td>
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<td>Your Department: Please type here</td>
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PART A: IMPLEMENTING STRATEGIES

The following set of questions ask you to think about how strategies are implemented in your service area.

SECTION 1: APPROACHES TO STRATEGY IMPLEMENTATION

The questions in this section explore how strategies are implemented in your service area.

Please indicate the extent to which you agree with the following statements about strategy implementation in your service.

1. Strategies are implemented in ways directed by senior officers:  
   Agree  Disagree

2. Strategies are implemented in ways directed by cabinet members:  
   Agree  Disagree

3. We use a project/business plan to implement strategies:  
   Agree  Disagree

4. When implementing strategies we have clearly defined tasks with targets:  
   Agree  Disagree

5. When implementing strategies we regularly review progress against targets:  
   Agree  Disagree

6. When implementing strategies a new vision of where this service will be is communicated to all staff:  
   Agree  Disagree

7. When implementing strategies a number of significant changes are made to illustrate the new vision:  
   Agree  Disagree

8. Implementation is usually straightforward because we have already created common values amongst staff (e.g. a customer focus):  
   Agree  Disagree

9. When implementing strategies we often refine and amend them as we go along:  
   Agree  Disagree
SECTION 2: ENABLERS AND BARRIERS TO IMPLEMENTATION

The questions in this section explore barriers to the implementation of strategies in your service area.

Please indicate the extent to which you agree with the following statements about strategy implementation in your service.

21 The organisation generally assigns appropriate levels of funding to the implementation of strategies:  

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<th>Agree</th>
<th>Disagree</th>
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<td>Number</td>
<td>Statement</td>
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<tr>
<td>22</td>
<td>The organisation generally assigns appropriate levels of staff resources to the implementation of strategies:</td>
</tr>
<tr>
<td>23</td>
<td>It often takes longer to implement strategies than originally anticipated:</td>
</tr>
<tr>
<td>24</td>
<td>The established culture has made it difficult to implement new strategies:</td>
</tr>
<tr>
<td>25</td>
<td>Established ways of working have made it difficult to implement new strategies:</td>
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<tr>
<td>26</td>
<td>Staff generally understand the objectives of new strategies:</td>
</tr>
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<td>27</td>
<td>We usually have adequate technical/professional knowledge to enable us to implement new strategies:</td>
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<tr>
<td>28</td>
<td>If we do not have adequate technical/professional knowledge we are sent on courses/conferences to enable us to implement new strategies:</td>
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<td>29</td>
<td>Affected groups usually support the implementation of new strategies:</td>
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<td>30</td>
<td>Front-line staff usually support the implementation of new strategies:</td>
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<tr>
<td>31</td>
<td>Middle managers usually support the implementation of new strategies:</td>
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<td>32</td>
<td>Senior managers usually support the implementation of new strategies:</td>
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<tr>
<td>33</td>
<td>Elected members usually support the implementation of new strategies:</td>
</tr>
<tr>
<td>34</td>
<td>The implementation of our strategies often relies on other departments in the authority:</td>
</tr>
<tr>
<td>35</td>
<td>The implementation of our strategies often involves other organisations outside the authority:</td>
</tr>
<tr>
<td>36</td>
<td>Uncontrollable factors in the external environment often have an adverse impact on the implementation of our strategies:</td>
</tr>
</tbody>
</table>
37 Competing internal activities often distract attention from implementing strategies:

SECTION 3: EXTENT OF IMPLEMENTATION

The questions in this section explore the extent to which strategies are implemented in your service area.

Please indicate the extent to which you agree with the following statements about strategy implementation in your service.

38 Our strategies are implemented in full:

39 Our strategies usually achieve their intentions:

40 The actual implementation of our strategies does not deviate significantly from the planned implementation:

41 We generally implement all of our strategies in the same way:

SECTION 4: THE CONTENT OF IMPLEMENTED STRATEGIES

The questions in this section explore the content of the strategies which are implemented in your service area.

Please indicate the extent to which you agree with the following statements about your service.

42 Searching for new opportunities for service delivery is a major part of our strategies:
43 We emphasise stability and efficiency of provision (e.g. high quality and low cost):

Agree Disagree

44 Our strategies are strongly shaped by external pressures:

Agree Disagree

45 We provide existing services to new users:

Agree Disagree

46 We provide new services to existing users:

Agree Disagree

47 We provide new services to new users:

Agree Disagree

48 The service seeks additional funding (e.g. from the Welsh Assembly Government):

Agree Disagree

49 The service works in partnership:

Agree Disagree

50 The management structure of the service has changed:

Agree Disagree

PART B: PERFORMANCE OF THE SERVICE

We would like to know how you assess the performance of your service. Please think about the performance of the service relative to similar services in similar authorities to estimate its current performance.

To what extent do you agree that your service performs well in comparison with others in relation to:

1 Quality of outputs (e.g. how reliably your services are delivered):

Agree Disagree

2 Quantity of outputs (e.g. the volume of service delivery):

Agree Disagree

3 Efficiency (e.g. cost per unit of service delivery):

Agree Disagree

4 Effectiveness (e.g. whether your objectives were achieved):

Agree Disagree
5 Value for Money (cost-effectiveness):

6 Consumer satisfaction:

7 Equity (e.g. how fairly your services are distributed amongst local citizens):

8 Staff satisfaction:

9 Promoting the social, economic and environmental well-being of local people:

10 Overall, to what extent would you agree that your service is performing well:

---

PART C: FACTORS AFFECTING THE SERVICE

The following set of questions explore how a range of internal and external issues affect your service.

SECTION 1: THE SOCIO-ECONOMIC CONTEXT

Please indicate the extent to which you agree with the following statements about the socio-economic context of your service. By socio-economic context we mean levels of deprivation, social change, population change and so on. (Please click the circle closest to your own view).

The socio-economic context in which the service operates

1 is unpredictable (i.e. changes in unexpected ways):

2 is changing rapidly:

3 is very complex:

4 is favourable:

5 The service is able to influence the socio-economic context:
### SECTION 2: THE FINANCIAL CONTEXT

Please indicate the extent to which you agree with the following statements about the financial context of your service. By financial context we mean levels of funding made available and so on. (Please click the circle closest to your own view).

#### The financial context in which the service operates

<table>
<thead>
<tr>
<th>Statement</th>
<th>Agree</th>
<th>Disagree</th>
</tr>
</thead>
<tbody>
<tr>
<td>6 is unpredictable (i.e. changes in unexpected ways):</td>
<td></td>
<td></td>
</tr>
<tr>
<td>7 is changing rapidly:</td>
<td></td>
<td></td>
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<tr>
<td>8 is very complex:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>9 is favourable:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>10 the service is able to influence the financial context:</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### SECTION 3: THE EXTERNAL POLITICAL CONTEXT

Please indicate the extent to which you agree with the following statements about the external political context of your service. By external political context we mean relationships with the Welsh Assembly government and its departments, relationships with other agencies and so on. (Please click the circle closest to your own view).

#### The external political context in which the service operates

<table>
<thead>
<tr>
<th>Statement</th>
<th>Agree</th>
<th>Disagree</th>
</tr>
</thead>
<tbody>
<tr>
<td>11 is unpredictable (i.e. changes in unexpected ways):</td>
<td></td>
<td></td>
</tr>
<tr>
<td>12 is changing rapidly:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>13 is very complex:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>14 is favourable:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>15 The service is able to influence the external political context:</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
SECTION 4: THE INTERNAL POLITICAL CONTEXT

Please indicate the extent to which you agree with the following statements about the internal political context of your service. By internal political context we mean relationships between departments, members and officers, relationships between senior management and front-line staff and so on. (Please click the circle closest to your own view).

The internal political context in which the service operates

16 is unpredictable (i.e. changes in unexpected ways):

17 is changing rapidly:

18 is very complex:

19 is favourable:

20 The service is able to influence influence the internal political context:

SECTION 5: THE LEVEL OF SUPPORT

Please indicate the extent to which you agree with the following statements about the level of support your service receives from other agencies. (Please click the circle closest to your own view).

21 Central government agencies (e.g. Wales Assembly Government, Wales Development Agency and so on) are supportive of the service:

22 Regulatory agencies (e.g. external inspectorates such as the Audit Commission, Estyn, Social Services, Inspectorate for Wales and so on) are supportive of the service:

23 Advisory agencies and professional bodies (e.g. WLGA, IDeA and so on) are supportive of the service:
Finally, could you please add any further comments you wish to make about the questionnaire and strategy and service improvement. (Please type line by line)

Thank you for completing this questionnaire.

Please save this file, exit Excel and email the file as an attachment to:

serviceimprovement@cardiff.ac.uk

For further information and assistance contact:
Rhys Andrews, tel: 029 2087 6014, email: serviceimprovement@cardiff.ac.uk

Centre for Local and Regional Government Research, Cardiff University, www.clrgr.cf.ac.uk
## Glossary of Terms Used in the Questionnaire

<table>
<thead>
<tr>
<th>Term</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Advisory agencies</strong></td>
<td>Non-governmental bodies whose function is to advise local authorities (e.g. Syniad).</td>
</tr>
<tr>
<td><strong>Audit Commission</strong></td>
<td>The organisation established by the government to ensure that public money is being used economically, efficiently and effectively.</td>
</tr>
<tr>
<td><strong>Central government agencies</strong></td>
<td>Centrally established Government bodies such as the National Assembly for Wales or the Welsh Development Agency.</td>
</tr>
<tr>
<td><strong>Economic and Social Research Council (ESRC)</strong></td>
<td>The UK's leading research funding agency providing research to business, the public sector and government on economic and social concerns.</td>
</tr>
<tr>
<td><strong>Estyn</strong></td>
<td>The inspectorate responsible for inspecting education in Wales.</td>
</tr>
<tr>
<td><strong>External stakeholders</strong></td>
<td>External statutory, voluntary or private sector organisations involved in the delivery of public services.</td>
</tr>
<tr>
<td><strong>Improvement and Development Agency (IDeA)</strong></td>
<td>The organisation established by and for local government to help councils deliver leadership, cultural change and performance improvement.</td>
</tr>
<tr>
<td><strong>Innovation</strong></td>
<td>The general activity of improving service delivery.</td>
</tr>
<tr>
<td><strong>Professional bodies</strong></td>
<td>Agencies representing the interests of particular professions or sectors (e.g. the WLGA).</td>
</tr>
<tr>
<td><strong>Regulatory agencies</strong></td>
<td>Inspectorates with responsibility for inspecting the delivery of public services in the UK.</td>
</tr>
<tr>
<td><strong>Service Improvement</strong></td>
<td>The general activity of improving service delivery.</td>
</tr>
<tr>
<td><strong>Social Services Inspectorate for Wales (SSIW)</strong></td>
<td>The inspectorate responsible for inspecting social services in Wales.</td>
</tr>
<tr>
<td><strong>Strategic management</strong></td>
<td>The set of decisions and actions within an organisation resulting in the formulation and implementation of a strategy.</td>
</tr>
<tr>
<td><strong>Strategy</strong></td>
<td>The overall direction and outlook of an organisation.</td>
</tr>
<tr>
<td><strong>Strategy implementation</strong></td>
<td>The way an organisation implements its strategies.</td>
</tr>
<tr>
<td><strong>Targets</strong></td>
<td>Measurable aims for service delivery.</td>
</tr>
<tr>
<td><strong>Wales Improvement Network</strong></td>
<td>The all-Wales Improvement forum for local authorities coordinated by Syniad.</td>
</tr>
<tr>
<td><strong>Welsh Development Agency (WDA)</strong></td>
<td>The organisation established to coordinate economic development projects in Wales.</td>
</tr>
<tr>
<td><strong>Welsh Local Government Association (WLGA)</strong></td>
<td>The professional body representing the interests of local authorities in Wales.</td>
</tr>
</tbody>
</table>
RESEARCH REPORT

Strategy and Performance in Local Government

1. Background
A large literature suggests that strategic management makes a difference to the performance of firms in the private sector. Little attention has been devoted, by contrast, to the impact of organizational strategies in the public sector, despite the recent concern by policy makers and academics to identify potential sources of public service improvement. In this research we aimed to develop and apply strategic management models to public organizations, and to test empirically whether strategy content and processes have significant effects on performance.

2. Aims and Objectives
The aim of this project was to examine the impact of organizational strategy on public service performance. The objectives stated in the original application were to:

   a) apply strategic management theory to the processes and performance of local authorities;
   b) explain different strategic approaches to Best Value in Welsh local government;
   c) create data sets on the strategy processes and performance of local authorities;
   d) provide the first empirical evidence on the impact of strategic management on performance in the public sector;
   e) develop new strategy models that are relevant to public organizations.

All of these objectives have been achieved (see below), with the exception of (b). This objective became impossible to pursue when Best Value was abolished in Wales in 2002,
which in itself nicely illustrates one of the main themes of our research: the significance of the external environment for strategy and performance in the public sector.

In addition to achieving the four remaining objectives, we have also accomplished four extra objectives:

- an exploration of the effects of strategy content as well as strategy processes;
- an analysis of the impact of the socio-economic and regulatory context on local service performance;
- an evaluation of the relationship between strategy and performance in not only Welsh but also English local authorities;
- an examination of the effects of not only strategy formulation but also strategy implementation on service performance.

Taken together, the achievement of all eight of these objectives has allowed us to make a number of significant contributions to the literature on strategy and performance in the public sector, which have been disseminated through the journal articles and other publications that are listed below.

3. **Data and Methods**

We have constructed major data sets on strategic management and service improvement in both Welsh and English local government. These data sets cover strategy content and processes, organizational environments, and a range of aspects of service performance.

3.1 **Welsh local government**

a) Strategic management

Our units of analysis are Welsh local authority departments that are responsible for education, social services, housing, waste management, planning, highways, public protection, leisure and culture, and benefits and revenues.
Electronic survey

Data on strategic management were derived from electronic surveys of managers in Welsh local authorities conducted in 2002 and 2003. Multiple informant data collected from different tiers of management were used to ensure that our analysis took account of different perceptions of strategy within the service departments. The sampling frame consisted of 198 services and 830 informants, and responses were received from 46 per cent of services and 29 per cent of individual informants. Informants’ responses within each service were aggregated to generate service level data suitable for our analysis. A copy of the survey instrument is available at www.clrgr.ac.uk/research/strategy.html.

Interviews with service managers

We undertook interviews with 32 managers in a sample of local authority services in Wales during the period April to July 2003, and with 19 managers in a smaller sample of services during the period September to November 2004. The interviewees were respondents from our survey who were willing to discuss strategic management in their service in more depth.

b) Performance

National Assembly for Wales Performance Indicators

The performance of all major services in Welsh local authorities is measured every year through the production and publication of the National Assembly for Wales Performance Indicators (NAWPIs). These are based on common definitions and data which are obtained by councils for the same time period with uniform collection and independent verification procedures. To compare NAWPIs across different service areas we first divided each of them by the mean score for Welsh authorities, inverting some
(e.g. the percentage of unqualified school-leavers) so scores above the mean always indicated higher performance. This also allowed different indicators within a service to be combined to create composite measures of performance. Furthermore, taking performance as a percentage of the Welsh mean allows the data for different services to be pooled, because the measurement process removes service effects from the scores on the indicators (Andrews, Boyne and Walker, 2006b).

**Electronic survey**

Data on internal perceptions of performance were derived from our electronic survey of Welsh service managers. Survey respondents were asked ten questions on how performance in their service compared to similar services in similar authorities. Informants’ responses within each service were aggregated to generate service level data. The average score of these was taken as representative of that service.

**Inspection reports**

A further source of performance information is the reports published by the Best Value Inspectorate (BVI). Although Best Value was replaced in 2002 with the Wales Programme for Improvement, the BVI reports on Welsh services are important external perceptions of service performance.

**3.2 English local government**

Our units of analysis are English upper-tier local authorities that are responsible for education, social services, housing, waste management, planning, highways, public protection, leisure and culture, and benefits and revenues.
a) Strategic management

*Electronic survey*

We obtained access to data on strategic management from a survey of English local authorities. The survey instrument was piloted in 17 authorities. Data were collected in the summer of 2001 from all English local authorities. The sample consisted of 386 authorities and 4,184 informants. 81 per cent of authorities replied (314) and a 56 per cent response rate was achieved from individual informants (2,355). The English data were combined in the same way as the Welsh data described above. A copy of the survey instrument is available at www.clrgr.cf.ac.uk/bestvalue/bvquestionnaires.html.

b) Performance

*Core service performance*

All major English local authorities (London and metropolitan boroughs, unitary authorities and county councils) are subject to Comprehensive Performance Assessment (CPA), which classifies their performance into a number of categories. These categories are derived from judgements about a local authority’s core service performance (CSP) which ranges from a minimum score of 15 (12 for county councils which do not provide either housing or benefits) to a maximum of 60 (48 for county councils).

*Best Value Performance Indicators*

Best Value Performance Indicators (BVPIs) for English local authorities are prescribed by UK central government. The BVPIs provide data on all major local authority services, and cover a variety of dimensions of service performance. They are defined in detail for use by all local councils and are collected annually, and the data are verified by external auditors.
A further source of performance information is the reports published by the Best Value Inspectorate (BVI), which provide an indication of external perceptions of performance.

### 2.3 Methodology

a) Quantitative methods

*Factor analysis* – was used to test for the presence of underlying strategic stances in Welsh local services. *Multivariate statistical analysis* – was used to test models of the impact on performance of environmental constraints, regulation, strategy content, formulation and implementation.

b) Qualitative methods

*Document analysis* – was used to contextualize our research, by broadening our understanding of individual local authorities and providing important background information on relevant policy concerns within local government. *Semi-structured interviews* – were used to help us to interpret the results of our statistical models and provide firmer foundations for our hypotheses.

### 4. Results

This section commences with a discussion of the ways in which the performance of public organizations may be measured. Having highlighted issues to do with the main dependent variable in our studies, we show that organizations display a range of strategies and cannot be typecast into one dominant role, and that these strategies are likely to be associated with some key organizational characteristics. The results of statistical tests that explore the relationship between organizational performance and the
external environment, strategy content, process and implementation are then outlined. These demonstrate the importance of strategic management for public organizations, and the value of a coherent strategy for achieving higher levels of performance. In the conclusion to this section, and in Section 8, we highlight future directions for research in this field.

4.1 Organizational performance in the public sector

There is considerable uncertainty over the best way to measure and operationalize organizational performance in the public sector. We assessed the relative merits of different methods for measuring performance. Should performance measures be objective or subjective and, if subjective, should they be based on the perceptions of stakeholders who are internal or external to the organization? What is the relationship between objective and subjective measures, and between internal and external perceptions of performance? While studies of the measurement of firm performance abound, little work has been undertaken on public organizations. Performance is generally accepted to be a less complex concept in the private sector because most stakeholders agree that strong financial results are essential to business success. By contrast, no single dimension of performance is paramount in the public sector, and different stakeholders may have widely different interpretations of success and failure.

For our analysis, we compared NAWPIs and internal and external subjective perceptions of service performance in Wales in 2002 and 2003. The major lesson from our analysis is that objective and subjective measures of performance provide different pieces of the performance jigsaw. They are rarely measures of precisely the same elements of performance, so it is unsurprising that they are often not closely correlated. Nevertheless, it cannot be concluded that subjective perceptions of performance are ‘wrong’ simply because they are weakly related to objective measures. Except when either
subjective or objective measures are distorted by low reliability or deliberate error, neither is an inherently superior estimate of organizational performance in the public sector (Andrews, Boyne and Walker, 2006b).

A major issue in public management is the comparability of service achievements. In particular, can the performance of public organisations within different political systems be compared? In order to evaluate the relative success of Welsh councils we compared statistical evidence on their levels of performance, value for money and rates of improvement with that for English shire unitary authorities. We found few significant differences between the performance and value for money of councils in Wales and England in 1999/2000. Each system had a similar number of instances of mean higher performance. Likewise time-series comparison of the change in Welsh and English performance between 1997/98 and 1999/2000, revealed that their relative level of achievement was effectively identical. Our analysis revealed that Welsh councils were receiving lower inspection scores than their English counterparts not because they were achieving poorer results, but because they were judged by inspectors as insufficiently ‘modernised’ (Andrews, Boyne, Law and Walker, 2003).

4.2 Strategy content and public organizations

Existing classifications of organizational strategy have limited relevance to public organizations. They confuse strategy processes and strategy content, consist of simplistic taxonomies, and do not take sufficient account of the constraints faced by public organizations. We sought to remedy these problems by developing a strategy content matrix that comprises two dimensions: strategic stance (the extent to which an organization is a prospector, defender, or reactor) and strategic actions (the relative emphasis on changes in markets, services revenues, external relationships, and internal characteristics) (Boyne and Walker, 2004). This argument that organizational strategies
are a mix of prospector, defender and reactor stances was investigated using factor analysis to test the following propositions on 90 Welsh local authority departments: P1: Organizations vary in the extent to which they are prospectors, and measures of prospecting load on one common factor; P2: Organizations vary in the extent to which they are defenders, and measures of defending load on one common factor; P3: Organizations vary in the extent to which they are reactors, and measures of reacting load on one common factor. Our findings show that public services do have distinctive and coherent strategies which fit the concepts of prospecting, defending and reacting (Andrews, Boyne, Law and Walker, 2006a).

4.3 Strategy, structure and process

Little prior research has been conducted on the strategic stance of public organizations or the link between strategies, organizational structures and processes of formulation and implementation. We carried out a comprehensive empirical analysis of the Miles and Snow (1978) model of organizational strategy, structure and process in 90 Welsh local services. We developed the Miles and Snow model by distinguishing between strategy formulation and implementation, hypothesising: H1 – a prospector strategy is positively related to decentralization; H2 – a defender strategy is negatively related to decentralization; H3 – a reactor strategy is not related to the extent of decentralization; H4 – rational planning is more positively related to a defender than a prospector strategy; H5 – logical incrementalism is more positively related to a prospector than a defender strategy; H6 – a reactor strategy is not consistently related to either rational planning or logical incrementalism.

We found that organizational structure has the closest relationship to the Miles and Snow model of strategy. Although both prospecting and defending services are associated with decentralization, this is much stronger for prospectors. Reacting services,
as predicted, have no clear internal distribution of power over organizational strategy. For formulation and implementation, there are few differences in the processes that prospecting and defending services use. Miles and Snow (1978) argue that defenders are likely to be more rational and prospectors more incremental, but our evidence indicates that this is not the case. Nevertheless, services with a reacting stance are, as predicted, less likely than prospectors and defenders to have a consistent style of both formulation and implementation (Andrews, Boyne, Law and Walker, 2006a).

4.4 External constraints and performance

The relative importance of constraints and choices in the explanation of organizational processes and behaviour is a central issue in the social sciences (Hrebiniak and Joyce, 1985). Research on UK local government suggests that external constraints have a powerful influence on inter-authority variations in expenditure decisions (Danziger, 1978; Sharpe and Newton, 1984; Barnett et al., 1992; Boyne et al., 2001). However, little is known about the impact of organizational context on local service performance. This is now a highly pertinent topic because central government performance management regimes in the UK assume that organisational performance is attributable to decisions made by local policy makers rather than circumstances beyond their control. We tested this assumption by developing and applying a statistical model of SEEP (Social, Economic, Environmental and Political) constraints to the outcomes of CPA in English local government.

Our statistical results show that local service performance is significantly constrained by external circumstances. In particular, councils that confront diverse service needs find it more difficult to perform well. By contrast, large size and economic prosperity are conducive to high performance. This indicates that centralized performance management regimes need to ensure that judgements on service
achievements are genuinely free of the influence of exogenous variables. Otherwise, there is a clear danger that central government will mistakenly praise some organizations for apparent success that reflects good fortune, and blame others for ostensible failure that is attributable to an intractable environment (Andrews, Boyne, Law, and Walker, 2005).

Public sector reforms may seek to actively change the external environment of public organizations. Since 1997, a huge expansion in public service regulation has occurred, with a growing focus on ‘site visits’ by inspectors that are appointed by central government (Hood et al., 1999, 2000). The policy premise is that regulation in general, and inspection in particular, can place pressures on organizations to deliver services more efficiently and effectively. To what extent is performance affected positively by this external variable, and do internal characteristics, such as organizational strategy, reinforce or counteract the impact of external regulation?

We tested the separate and joint effects of regulation and strategy on performance in 51 Welsh public service departments. Regulation was assessed on the basis of the number of inspection events and service managers’ perceptions of the supportiveness of regulators. We found that, controlling for prior performance and the level of service expenditure, regulation significantly improves the effectiveness of local strategies if it is viewed by service managers as helpful. Such supportive regulation is likely to strengthen the effectiveness of a successful strategy, and to shift a neutral strategy in a positive direction. In other words, if the regulatory regime is seen as helpful, then the impact of local strategies for service improvement is enhanced. The evidence suggests that the impact of organizational strategies in the public sector is contingent on the characteristics of regulatory regimes (Andrews, Boyne, Law and Walker, 2006b).
4.5. **Strategy content and performance**

A core managerial function is to shape strategy content, which has been argued to be a central influence on public service performance (Boyne, Martin and Walker, 2004; Boschken, 1988; Nutt and Backoff, 1995). However, no systematic empirical evidence exists on the validity of this proposition. By contrast, many studies of private organizations show that strategy content matters (Ketchen, Thomas and McDaniel, 1996; Miles and Snow, 1978; Slater and Olson, 2000). We have undertaken the first empirical tests of the proposition that strategy content is a key determinant of organizational performance in the public sector.

Strategy content comprises two dimensions: strategic stance (following Miles and Snow, the extent to which an organization is a prospector, defender or reactor) and strategic actions (the relative emphasis on changes in markets, services, revenues, external relationships and internal characteristics). This model of strategy content was operationalised using survey data and applied to the CSP element of CPA in 119 English local authorities. The statistical results show that strategy content makes a difference to public service delivery. Organizational performance is associated positively with a prospector stance and negatively with a reactor stance. Furthermore, local authorities that seek new markets for their services are more likely to perform well. This initial evidence suggests that the key to service improvement is the ‘big picture’ of strategic orientation rather than the pixels of strategic operationalisation. In this sense, strategy content may be akin to the concept of organizational culture, being about how an organization sees itself and what it is attempting to achieve, rather than the specific small steps that are taken to realise its goals. The results also suggest that measures of strategy content must be included in valid theoretical and empirical models of organizational performance in the public sector (Andrews, Boyne, Walker, 2006a).
We also tested the separate and joint effects of strategy and regulation on performance in 51 Welsh public service departments. Strategy was measured on the basis of factors that revealed the underlying strategic stance of Welsh local services, corresponding with Miles and Snow’s (1978) categories of prospecting, defending and reacting (see section 4.2 above). We found that, controlling for prior performance and the level of service expenditure, the strategy that is most strongly associated with service success is prospecting. Organizations that emphasise innovation and change in service provision are more likely to achieve better results, which is broadly in line with prior evidence on organizational strategy in the private sector and our evidence on English local authorities.

4.6 Strategy processes and performance

It has long been argued that strategy processes have an impact on organisational performance, but there has been little work that has empirically tested this proposition. Our research examines the style of formulation and implementation adopted by the organisation. That is, the pattern of strategy processes that has become institutionalised into ‘the way we do things around here’. We examine three key styles: rational planning, logical incrementalism and strategy absence.

(a) Formulation

We used our measures of planning, logical incrementalism and strategy absence (see section 4.3 above) to test the effects of different strategy formulation processes on performance. Prior research examining the effects of planning in organizations indicates that a positive association with performance would be anticipated (Boyne, 2001). No known work has empirically examined the impact of logical incrementalism or strategy
absence on performance in public agencies. An absence of strategy processes is hypothesised to be negatively correlated with performance, as is logical incrementalism.

We tested for the separate effect of strategic stance and strategy processes in 47 Welsh public service departments. Measures of strategy processes were added to the core model described in section 4.5 above. The results of this analysis indicate that logical incrementalism and strategy absence were negatively associated with performance when controlling for strategic stance. No relationship was found for rational planning. These results suggest that negotiation and bargaining in the strategy making processes do not result in higher performance (at least as measured by objective indicators, alternative measures from different stakeholder groups may provide different findings). The results for strategy absence corroborate those from the strategy content model. These findings (together with those reported below for implementation) build a story that organizations without coherent strategies and processes seem destined to achieve low performance. The non-significant result for rational planning is surprising given the weight of prior evidence. It is, however, possible that the abolition of Best Value, itself a rational management framework imposed by central government, destabilised and weakened the relationship between planning and performance during the time period covered by our analysis.

(b) Implementation

Implementation is a key element of strategy, but one which has been relatively neglected. Despite this it is generally perceived as a highly significant determinant of performance (Noble, 1999, Hickson et al., 2003) and there have been calls for more research to examine the link between both the content and process of change and performance (Fernandez and Rainey, 2006). A number of different implementation styles are discussed in the literature. Thompson (2000) argues that they can be categorised
according to the degree of centralisation, the use of formal means to induce compliance and the extent to which formulation and implementation is separate. This categorisation produces a spectrum of approaches to implementation with rational/command at one end and incremental or generative at the other. In addition to rational and incremental styles we also examine the impact of strategy absence on performance. Prior research suggests that rational styles are associated with positive impact on performance (Pinto and Prescott, 1990). Elements of a logical incremental approach are also perceived as helpful (Woolridge and Floyd, 1990). In contrast, strategy absence appears to be less successful (Hickson et al., 2003).

We tested for the impact of implementation style on performance in 40 Welsh public service departments. The results indicated that both logical incrementalism and strategy absence were negatively associated with performance. No relationship was found for strategic planning, which contradicts much of the literature. Overall, these results suggest that there is no style of implementation that is consistently likely to lead to improvements in performance.

We explored this issue further by examining whether the impact of implementation style on performance was influenced by the strategic stance of the organization. No known prior work has systematically examined the link between implementation style, strategic stance and performance. Our results show that rational implementation was positively correlated with performance for defending strategies and that incrementalism was positively correlated with performance for prospecting strategies. This confirms Miles and Snow’s (1978) suggestion that strategic stance and processes should be tightly coupled. The impact of implementation style is clearly contingent on the strategic orientation of the organization.
4.7 Conclusion

Our findings strongly suggest that the impact of organizational strategies on service performance is contingent on a range of external and internal variables. These include the socio-economic and regulatory context, and organizational structures and processes. This provides a new framework for understanding the impact of organizational strategies that moves away from the ‘one size fits all’ approach that is often reflected in government policies to a more nuanced understanding of the circumstances under which different approaches work. Nevertheless, our results clearly show that organizations in which managers are unable to discern clear strategies are likely to be poor performers in any set of circumstances. A combination of reacting and inconsistent processes is truly the lemon of strategic management in the public sector.

5. Activities

Papers were presented at four conferences during the research project. Papers presented at the Academy of Management Meeting are subject to full peer review, and our paper at this conference in 2006 has been selected for a special round table session on ‘New Perspectives and Research on the Strategy Process’. Our conference papers are:


Alongside these academic conferences, papers have been given at policy events. A one-day seminar was held in June 2003 on Public Service Excellence (see http://www.clgr.cf.ac.uk/events/publicserviceimprovement.html for details). Interim research findings were presented at the Spring Wales Improvement Network meetings during 2002 and 2003.

The project also served as a launch pad to serve on a number of policy committees in Wales. For example, Walker sat on the Best Value and Housing committee organized by the Housing Division of the Welsh Assembly Government, and the Best Value Group of the Welsh Federation of Housing Associations up until July 2004, and Boyne sat on the Welsh Assembly/WLGA Performance Management Review Group. Work on this project also contributed to Boyne’s appointment as a member of the National Audit Office’s Expert Panel on Performance Management, and his membership of the United Nations’ Expert Group on Public Sector Effectiveness, and Walker’s appointment as an advisor to the OECD on performance measurement and management.

6. Outputs


7. **Impacts**

This research has already made a significant impact on both academics and practitioners.
The work on the comparative analysis of performance in England and Wales played an important part in the eventual abolition of Best Value in Wales. This work was presented to members of the Welsh Local Government Association and to the Public Service and Audit Committee of the Welsh Assembly Government. It is currently available at http://www.wlga.gov.uk/uploads/publications/467.pdf. In addition, our research on the importance of environmental constraints has been used by the Audit Commission. In particular, they used our research as a basis for further work on the impact of deprivation on Comprehensive Performance Assessment Scores.

Academics have also made use of the available work from the project. A number of the models have been applied in new contexts. For example, the work on strategy content and performance has been applied to US data on education (Meier et al., 2006) and to health organisations in the US (Beynon and Kitchener, 2006). We expect that this will continue and develop further as more of our work is published. In addition, some of the data generated as part of this project is already being used by other academics. Mclean, Hatter and MacGregor have been given a copy of the data set which they are currently using in their ESRC project ‘Public Services: Correlates of Success in Performance’ Assessment’ (ref no: RES-153-25-00 60).

8. **Future Research Priorities**

Our theoretical and empirical work has generated a model of strategy and performance which is summarised in diagram 1. The model suggests that the socio-economic and regulatory context influences performance directly, but also operates through strategic and organizational variables. Similarly, the impact of strategy on performance is mediated by organizational structures and processes, as well as influencing performance directly.
We have tested many of these links in our empirical work for this project. Others, however, remain to be theorised and tested. For example, how does the regulatory context influence organizational structures and processes, and how do these effects in turn influence the relationship between strategy and performance? What is the impact of prospecting, defending and reacting on different dimensions and different stakeholder perceptions of performance? What are the feedback effects of high (or low) performance on strategy content and processes? We believe that this theoretical framework provides a very promising foundation for a programme of research on organizational strategy and performance in other parts of the public sector and in other nations, and has the potential to deliver further important insights on the relationship between organizational strategy and public service improvement.
ANNEX A

References


