

**THE CONTRIBUTION MADE BY PROGRAMME LEADERSHIP CONSULTANTS TO THE
CREATION AND MAINTENANCE OF MOMENTUM FOR PUBLIC SERVICE CHANGE
PROGRAMMES AND THE IMPLICATIONS FOR THEIR CLIENT SPONSORS**

*THEORY BUILDING WITHIN THE CONTEXT OF A CASE STUDY OF THE MALTESE
PUBLIC SERVICE (1987-2001)*

Konrad Mizzi B.Sc. M.A.

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Abstract

Consultants have diversified their offerings to include support for the formulation and implementation of complex public sector change programmes. Such programme leadership consultants provide mixed advisory-programme delivery support, which often translates into longer engagements. This growing phenomenon is less common and understood than the traditional view of consultants who act as advisors, and requires the focus of academia. The context of the research is a case study of the Maltese Public Service, wherein major change programmes were launched and sustained over a long time-frame. The case study spanned multiple legislatures and witnessed various changes in leadership and strategy. Interestingly Consultants were engaged throughout the case study in both an advisory and a programme leadership capacity, and contributed to the creation and maintenance of momentum for the change programmes, until the programmes eventually ran out of energy. These programmes were also confronted with resistance.

The research builds on existing theory to inform our understanding of the contribution programme leadership consultants can make to the creation and maintenance of momentum for change programmes, and implications for the client sponsor of the change programmes. Whilst representing only one aspect of consultancy engagements, this presents important considerations for client sponsors.

The case study was bracketed from the perspective of client sponsors of the change programmes into three policy cycles based on change archetypes adopted. The researcher developed a Theoretical Framework which guided the research process and comprised of a number of theory building themes. The theory building themes were translated into research questions for each policy cycle. Four theory building chapters focus on the analysis of the case study, theoretical analysis and relationship to existing theory, and the formulation of theoretical propositions guided by the theory building themes.

The thesis has contributed to knowledge development at two levels. Firstly a theoretical framework was developed and refined which defines and better informs our understanding the phenomenon and comprises five Theory Building themes: *Leverage of the Consultants' Relationship with the Client* (CL); *Power and Political Strategies Deployed by Consultants* (P&P); *Consultants' ability to Adapt over time* (AD); *Resistance and Consultants' Mitigation Strategies* (R&M); and *Programme Leadership Techniques and Discipline adopted by Consultants* (NA). Secondly the thesis has informed our current theoretical understanding of such consulting engagements, with implications on client sponsors of such change programmes by applying the theoretical building themes and research questions to examine three policy cycles wherein different change archetypes were adopted.

The thesis also presents practitioner implications for Consultants and Client Sponsors of Change programmes, presents a discussion on generalisation of findings, highlights the limitations associated with the research undertaken and unresolved theoretical issues, and proposes pointers for future research.

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Chapter 1

Introduction

This Chapter introduces the phenomenon which has been examined in this thesis and provides the reader with an overview of the structure and organisation of this theory building thesis.

1.1 Overview of the phenomenon

Management Consultants are known to adopt a strict problem solving process to address client challenges (Rasiel, 1999) and to focus on advisory engagements. This is consistent with the engagements undertaken by the major strategy boutiques such as McKinsey and the Boston Consulting Group. However the Consultancy sector is a broad and diverse, and includes different types of groups and organisations offering different propositions to clients.

Burke (2008) observed that nowadays management consultancy is a huge industry and major firms have established practices focused on supporting the delivery of change programmes. The big consulting firms such as Deloitte Consulting have established Programme Leadership practices focusing on delivering major change programmes, which:

Take a holistic approach to the delivery of projects and programmes in complex organisations.

Align projects with your overall strategic objectives, and transform client business strategy into a coordinated portfolio of initiatives.

Enable the development and implementation of new processes and systems as well as build on the skills and abilities of client people (Deloitte web-site, 2010).

This type of support often includes a mixed advisory-delivery proposition, which often translates into longer engagements. The widespread involvement of consultants in implementation and delivery may contradict perceptions that this is the domain of line management. However, this phenomenon has been observed across the Public Sectors of countries which adopted a modernisation agenda from the early 1990s through to the present day.

For instance in the United Kingdom Public Sector, most major transformational change programmes have engaged management consultants to support programme definition as well as implementation. Programme leadership and change management consultancy accounted to £400m out of £2.6bn spent on Consultancy by the UK Government in 2006 (NAO, 2006).

This is an interesting development since Consultants were traditionally involved in the content of change are now also engaging in the process of change. Burke argued that “the distinction is important because the former (content), the what, provides the vision and overall direction for the change; and the process, the

how, concerns implementation and adoption” (Burke, 2008: 23). This widespread involvement of Consultancy organisations in the formulation and implementation of complex change programmes has also triggered criticism from the business press. For instance, Craig and Brooks (2006) suggested that the New Labour Government in the United Kingdom had sidelined the civil service and that most policy was developed and implemented by “cash-hungry consultants”. Craig and Brooks also suggested that power was handed over from the civil service to consultants.

While such practitioner and business publications do cite the involvement of Consultants in the implementation of change, emerging organisation theory literature provides little emphasis on this growing phenomenon. It is recognised that the field of consulting is characterised with new approaches and researchers generally lack behind practitioners in the field.

It is also noted that while strategic management has expanded in many areas of organizational life, most noticeably the public sector, most discussions on consulting practice are oriented towards the private sector. Public sector literature does give some attention to the role of Consultants as technical advisors often engaged to depoliticise issues and provide technical solutions. However, little emphasis in literature has been dedicated to explaining the role of programme leadership consultants in the delivery of major change programmes in the public sector. Such change initiatives in the public service entail a break from the status quo and thus require development of policy whether taking the form of a desired state of affairs, specific proposals, decisions of Government, new programmes or envisaged outcomes (Hogwood and Gunn, 1984).

This phenomenon of utilising consultants to formulate and implement major change programmes in the public sector is widespread and requires the attention of academia. Moreover political pressure on public sectors across the globe continues to trigger the formulation of new change programmes to address emergent challenges. This formulation of such programmes has certainly triggered the growth of programme leadership consultancy practices. It is thus important for academia and policy makers to understand the approaches and tactics deployed by such consultants and the resulting intended and unintended consequences on public service organisations.

This thesis sets out to explore some aspects of this emerging phenomenon through a case study analysis and undertake a theory building study. Since the phenomenon under investigation is relatively complex and little is known about it, a case research approach was adequate to explain holistically its dynamics over the case time frame (Stoecker, 1991). The case study selected is that of the Maltese Public Service, wherein a major change programme was launched and sustained over a long time-frame. As a result of research undertaken for a Masters Degree dissertation, wherein power dynamics were examined within the Maltese Public Service (Mizzi, 2000), the researcher observed the phenomenon and developed a keen interest to build on the foundations of this earlier research and understand the mixed advisory-programme delivery

roles played by management consultants in formulation and implementation of change programmes within the context of a public sector political arena such as the Maltese Public Service.

The Maltese Public Service provided a rich and rare case study context for the phenomenon of interest (Hartley, 1994). During the timeframe of the case study, Government engaged management consultants and consulting structures to shape the content of change and also to lead various aspects of the resultant implementation programme across the Maltese Public Service between 1987 and 2001. This case provides the research context to better understand the phenomenon which is increasingly being observed in public services.

During this case study period, various different approaches to change were attempted which were influenced by changes in the political leadership. Such changes in leadership also entailed political behaviour and major shifts in the distribution of power (Pettigrew, 1985). In addition, micro-states such as Malta are known for their complex web of relationships within Government (Warrington, 1994). All this characterised the context of organisation change of the Maltese public service as an interesting “political arena” using Mintzberg’s (1983) terminology. The case study is of a longitudinal nature and lasted between 1987 and 2001, which spanned four legislatures and experienced differing organisational change archetypes and external contingencies.

Interestingly Consultants were engaged throughout the case study in both an advisory and a programme leadership capacity, and were instrumental in creating and sustaining momentum for the change programmes over time. The programme delivered some benefits but also triggered resistance. In this respect, Pettigrew *et al* raised the following question as a major literature gap: “how do change agents maintain the momentum for change over time, given the now well understood tendency for change processes to run out of energy and momentum” (2001: 704). This theme of enquiry is relevant to the proliferation of programme leadership consulting phenomenon in the Public Sector wherein consultants are increasingly involved throughout change programmes from policy formulation to programme delivery and implementation of change programmes. Possibly consultants can contribute to creating and maintaining momentum for change programmes, if assigned programme leadership roles within change programmes. Whilst this theme is only one potential aspect of consultancy engagements, it was an important consideration within the case study for this type of programme leadership consultants.

The research sets out to undertake theory building by informing our understanding of the contribution that consultants can make to the creation and maintenance of momentum for change programmes whilst supporting the review of the present state, the definition of the future state and implementation, and implications for the senior client sponsors of change programme. The goal of this doctoral research is

concerned with analysing a real world phenomena and not prescribing normative decision models or best practice approaches.

It is noted that Chapter 1 only presents this high level overview of the phenomenon. The focused research theme of the thesis is presented in Chapter 2 following the literature review, which involves the identification of literature gap, the formulation of theory building themes based on previous literature and the formulation of research questions within the context of the case study timeline.

This Chapter proceeds by presenting the structure of this theory building study.

1.2 Structure and organisation of theory building study

The research focused on carrying out case study analysis with a theory building objective rather than theory testing. This section concludes the introduction by providing the reader with an overview of the structure and organisation of this theory building study, which is aligned to academic best practice guidelines.

Chapter 2: Literature Review and Theory Building Framework

Chapter 2 commences by presenting the literature review of the phenomenon being researched. This process assisted the researcher in understanding concepts and interrelationships between consultants, organisational change, and organisational politics and power.

The review of literature was followed by a section which identified the gaps in existing research and better defined the phenomenon being investigated. Subsequently the key research focus of the thesis was elaborated on and four theory building themes were developed building on previous research.

The Chapter proceeds by defining the key parameters of the theory building study and also presents the theoretical basis the researcher adopted to bracket the case study. The researcher defined the key research parameters based on academic best practice and these can be considered as the research boundaries (Platt, 1984).

Subsequently an overview of the case study which provided the context for the research is presented, and the theory building themes were translated into specific research questions within the context of the various brackets of case study. In this respect it was recognised that when using the case study analysis, these research questions will work best where they are tentative thus recognizing that they may be modified in light of issues and events discovered (Hartley, 1994). Moreover research problems addressed in such a thesis are more descriptive than prescriptive (Lundberg, 1976: 7-8).

Chapter 3: Methodology

Chapter 3 defines and justifies the use of case research methodology, outlines the use of sub-cases within the broader context, highlights the key elements of the research protocol including techniques used to gather data and sources of evidence and addresses research validity issues.

Chapters 4 to 7: Case Study Analysis and Theory Building

The focus of the thesis was to analyse this real word phenomenon and to develop theory. The objective of researching such a case study is “to map novel, dynamic, and / or complex phenomena ignored or inadequately explained by existing theories” (Keating, 1995: 69). In presenting the case study analysis and theory building sections, the researcher recognised that case study research is more difficult to fit in the standard journal article and is often described in research books (Hartley, 1994). To ensure clarity, the case study analysis and theory development chapters were structured into four chapters in line with the case study bracketing process developed in Chapter 2 as follows:

Chapter 4 Review of the Present State of the Public Service and Definition of a Radical Change Programme: Mid 1987 to Mid 1990.

Chapter 5 The Implementation of a Radical Change Programme: Mid 1990 to Mid 1996.

Chapter 6 Change of Administration and the Resultant Strategic Change Programme: Mid 1996 to Mid 1998.

Chapter 7 Change in Administration, New Priorities and Resultant Incremental Change Initiatives: Mid 1998 to 2001.

It is noted that due consideration was given to transition implications and continuity between states thus ensuring that events in the case study are not examined as detached chapters or episodes.

In this respect, the Case Analysis and Theory Building Chapters follow Lewis and Grimes (1999) advice on case research. Hence the chapters present an analysis of the various stages of the case study guided by the theory building themes. More specifically the theory building chapters present:

- contextual information to the respective case study stage;
- analysis of the various sections of the case study guided by the respective theory building themes and research questions;
- analysis of the relationship of the case study analysis to existing theory, and the formulation of theoretical propositions, which were guided and also categorised against theory building themes and questions explored.

It is noted that in line with the exploratory nature of the case research the researcher also explored emerging concepts which were not anticipated at the onset when the theory building themes were developed.

A summarised presentation of the findings of the various Theory Building Chapters presenting the theory building themes, research questions and theoretical propositions in response to these questions are collated in Appendix C for ease of reference.

Chapter 8: Discussion and Conclusion

Chapter 8 commences by reviewing the contribution made by the research to theory building and knowledge development in the domain.

This chapter reviews the contribution to knowledge development within the context of the theory building themes and research questions developed in the literature review and theoretical framework chapter (chapter 2), which guided the study of the phenomenon. In this respect expected and unexpected findings are also reviewed.

The Chapter proceeds by examining the implications of the research for practicing programme leadership consultants as well as senior client sponsors of change programmes. Chapter 10 finally concludes by presenting a discussion on generalisability of the thesis, and also presents the limitations of the research undertaken and pointers for future research.

Literature Review and Theory Building Framework

This Chapter commences by presenting the literature review and conceptual definitions associated with the phenomenon being researched. This process assisted the researcher in understanding concepts and interrelationships between consultants, organisational change, and organisational politics and power.

The review of literature was followed by a section which identified a literature gap and better defined the emerging phenomenon being investigated. The chapter proceeds by elaborating on the phenomenon of interest by developing four theory building themes which better define the aspects of the phenomenon which the research will focus on based on an understanding of previous literature.

The Chapter proceeds by defining the key parameters of the theory building study and also presents the theoretical basis the researcher adopted to bracket the case study. The researcher defined the key research parameters based on academic best practice and these can be considered as the research boundaries (Platt, 1984). An overview of the case study timeline is also presented.

Subsequently the theory building themes were translated into specific research questions within the context of the various brackets of case study. In this respect it was recognised that when using the case study analysis, these research questions will work best where they are tentative thus recognizing that they may be modified in light of issues and events discovered (Hartley, 1994). Moreover research problems addressed in such a thesis are more descriptive than prescriptive (Lundberg, 1976).

2.1 Conceptual Definitions

This section deals with conceptual definitions of phenomena being studied. The public sector is known for its complexity as evidenced in Wilson's (1989) study on Government bureaucracies wherein bureaucracy is not described as a simple and uniform phenomenon. This complexity is augmented by intense political competition between different groups in Government agencies (Wooddell, 2002) and attempts to implement change programmes. This section presents the relevant concepts on management consultancy and their linkages with organisation change and organisation politics. In this respect it is recognised that theories of organisational politics and power offer an interesting theoretical dimension to how public sector policies are developed and implemented (e.g. Marshall, 1986). Moreover, theories of change and organisational politics are elaborated upon as these are critical in understanding consultants' contribution to formulation and implementation of complex change programmes. It is emphasised that the importance of interplay between these different theoretical perspectives was recognised as being critical to theory building (Van de Ven and Poole, 1985).

2.1.1 Consultants and Change

As part of their discussion on the positioning school, Mintzberg, Ahlstrand and Lampel (1998) noted the emergence of strategy consulting in the 1960s, 1970s and 1980s, with “strategy boutiques” each offering strategic positioning solutions.

Literature on management consultants has examined such methodologies and consulting firms’ approach to change. For instance Werr *et al* (1997) examined the functions and methods of change in large consulting firms. Consultants are known to adopt a strict problem solving process (Rasiel, 1999).

Consultants are also active in the diffusion and application of new management models and act as carriers of knowledge across organisations (Roberts, 2003). The role of management consultants in the production and diffusion of knowledge is evident in the public sector (e.g. Bloomfield and Danieli, 1995) and in explaining the diffusion of management fads (Huczynski, 1993). Faust (2002) also suggested that management consultancies have become protagonists in knowledge intensive economies. In response to this phenomenon, Reihlen, Smets and Veit suggested that:

the rise of management consulting is not merely a product of economic needs. It results at least in part from the consultancy firms’ rhetorical strategies to shape management discourse, develop a reputation as thought leaders, and establish their concepts as appropriate remedies for a range of management problems (2010: 318).

This is clearly tied to the ability of consultancy firms to legitimise their institutional capital both at a firm-level as well as at the broad consultancy industry level. Reihlen, Smets and Veit also referred to Oliver’s (1997: 709) definition of institutional capital which is “the firm’s capability to support value-enhancing assets and competencies” through the “effective management of the firm’s resource decision context” and proceeded by arguing that:

In this sense, an organization’s institutional capital increases in proportion to its embeddedness in, and active management of, its institutional context facilitating the acquisition, creation, and improvement of superior resources. Such institutionally contingent resources may include legitimacy, reputation, or the client relationships that, in turn, underpin the competitive advantage of consultancies. Hence, the strategies for managing the institutional context so as to create or sustain institutional capital are vital to consultancy firms’ success. Within New Public Management initiatives, management consultancies are increasingly seconding members to government and policy-making committees (Bill and Falk (2006); Faust (1998)). A prominent example in Germany is the so-called “Hartz Committee” on labor market reform, to which McKinsey and Roland Berger Strategy Consultants seconded senior members. Work on policy-making committees builds reputation, but more importantly, it constitutes a deliberate attempt to demonstrate the value of consulting services for society. Similar to client outplacements, these temporary secondments represent a form of co-option that enhances consultants’ institutional capital, creating public awareness and legitimacy for consulting work in this sector (2010: 318).

Reihlen, Smets and Veit (2010) also summarised the strategies adopted by consulting firms for creating and sustaining institutional capital in the table below:

Table 2 1 Consulting firms' strategies for creating institutional capital

Strategy	Practices of consulting firms	Explanation from an institutional point of view
Co-option / Lobbyism	<ul style="list-style-type: none"> • Networking • Outplacement • Work on committees 	<ul style="list-style-type: none"> • Institutionalisation of the firm's own consultancy service
Membership	<ul style="list-style-type: none"> • Professional associations • Professional principles • Networks in knowledge arenas • Exclusive group of major management consultancy firms 	<ul style="list-style-type: none"> • Creating institutional constraints for non-members • Institutionalisation of concepts • Circumvention of institutional constraints
Standardisation	<ul style="list-style-type: none"> • Standardising business problems and solutions • Influencing the knowledge and fashion discourse 	<ul style="list-style-type: none"> • (Temporary) institutionalisation of company's own concepts
Influence	<ul style="list-style-type: none"> • Influence the value systems of target industries • Use of trends • Use of multiplier effects 	<ul style="list-style-type: none"> • Establishment of a value system for one's own services
Extract from: Reihlen, Smets and Veit (2010) - Table 3: Strategies of consulting firms for creating and sustaining institutional capital.		

In discussing the consideration of ideas by management Sturdy, (1997) argued that managerial anxiety over the uncertainty which is emphasised and reinforced by consultants plays a key role in their take-up. Moreover, the interactive process between consultants and managers tends to be neglected in literature (*ibid.*). In this context Arnold and Nguyen (2006) attempted to address this gap. The researchers recognised the criticality for management consultants to foster long-term relationships. More specifically they argued that the key relationship is between the individual consultant and the individual manager from the client firm.

Roberts (2003) cites Alfred Keiser's essay that noted that insecure managers often depend on consultants in order to appear to be following the latest trends. Jackall (1998) argued that manager's anxiety for new approaches to exert control over their organisations and career fuels the need for consultants. However, Consultants are many a time constrained from providing rational solutions by their client's political agendas and tradition.

Moreover, Sturdy illustrated empirically how consultancy is fuelled by "their provision of a sense of reassurance to management and at the same time reinforcing or creating insecurities" (1997: 359). Moreover:

the consultants' sense of control may however be challenged by the increasing sophistication of clients and their criticisms of, and resistance to, consultancy, which is shown to be founded on the threat consultants pose to their sense of competence. Anticipatory responses by consultants such as developing new styles and solutions may counter criticism and renew managerial anxiety. (Sturdy, 1997: 397).

On a similar note, Mckinley and Scherer (2000) hypothesised that consultants will be biased toward portraying a turbulent environment because this increases the client's need for consultant services. As such, many restructuring and organisational changes involve external change agents and organisational development consultants. While most research undertaken focuses on the role of external consultants, some organisational development literature examined the task of organisational development consultants involved in planned and ongoing efforts to change organisations (e.g. Greiner and Schein, 1988).

In this context, Cummings and Worley (1997) put forward a general model of planned change. The consulting change engagement was described in sequential phases involving entering, contracting, diagnosing, intervening, evaluating and sustaining change. Entering an organisation is recognised as one of the most difficult tasks faced by external consultants (Harding, 1992) who come from outside an organisation for the duration of an engagement (Kleiner, 1992). The importance of external consultants managing their entry and exit processes was also emphasised by Kaarst-Brown (1999). Such further work or sell on is essential part of the consulting business (Rassam and Oates, 1991).

Based on the foundations developed by Lewin (1946), French (1969) and Schein (1988), Shaw (1997) noted that planned change should be achieved in a consulting engagement through the phases of the consulting cycle. Such a cycle involves gaining entry, agreeing a working contract, data collection, analysis and diagnosis, feedback to clients, formulating proposals and decisions to act, implementation, evaluation and follow up (*ibid.*). Although this model is depicted as a series of sequential steps, Schein (1988) suggested that various activities and steps are undertaken concurrently.

Lundberg (1997) attempted to outline the foundations of a general model of consultancy pointing to the need of integrative theory on the phenomenon. The proposed domain for such a theory comprised the client perspective, consultant systems of all sizes and known types, and be about change. However, as admitted by the author, the article has emphasised generality and simplicity over precision (Lundberg, 1997) but has laid some foundations and pointers for further research. Lundberg noted that:

an attempt to construct a general model of consultancy appears to be both timely and needed. Consultancy is growing in size and importance as well as becoming more specialized and differentiated. Research into consultancy is rare at the present time and the literature appears fragmented and discursive at best - most likely because consultancy is at present underconceptualized, some would say even atheoretical Consultancy thus remains largely wrapped in a mystery (1997: 193).

This reinforces the centrality of change in studying management consulting. In this context, Worren *et al* (1999) describes the emergence of change management as a service offered by major consulting firms. In this respect, large consultancy firms are now comparable to large corporations in terms of their size (Empson, 2007) and span across all major sectors. Burke (2008) observed that nowadays management

consultancy is a huge industry and major firms have a change management practice. This is a different phenomenon to advice taking to support decision making (refer to Bonaccio and Dalal, 2006).

However, Baitsch and Heideloff (1997) argued that a systems approach on organisations enables an understanding of organisations' limited potential for major change. In a systems perspective, members of the organisation are viewed as a system having shared assumptions on all aspects of the organisation that are the basis of organisational routines. These same organisation routines limit the organisation's propensity to change. Moreover, Baitsch and Heideloff (1997) linked this perspective to Simmel's (1992) argument that when consultants enter an organisation they are not familiar with organisational routines. Hence the actions of consultants will be a disturbance to the organization's organisational routines.

In this respect, Argyris (1995) suggested that in order to be effective consultants need to reach a consensus with members of the host organisation on a picture of the current state of the organisation. This is particularly difficult given that the role of consultants is to effectively recommend changes to organisational routines.

Kaarst-Brown (1999) noted that in certain instances consultants are co-opted by senior management, have restricted power, or may have their own agenda. In this context French and Bell (1995) encouraged the organisation development practitioner to learn about power and political strategies and tactics of influence. Mclean (1984) suggested that consultants source of power is derived from the relationship with the client.

The work of Greiner and Schein (1988) and Pettigrew (1975) indicate that there are negative aspects of power and organisational politics involved in consulting engagements. The external consultants may abuse their power or be co-opted by senior members of the organisation for their own goals, which are at conflict with the change initiatives objectives. Such power dynamics may impact on the fit of a consultant for a change initiative and on the success of the planned change initiative (Zeira and Avedisian, 1989).

In this respect, Jackall (1988) noted that managers cannot often be seen not to cooperate with consultants. However they may engage in subtle forms of resistance. On a similar note, Pettigrew (1985) argued that managers will withdraw their interest and support if they think that they are losing control to the consultants or interested parties.

From the above it is evident that organisational change and organisational politics, and power dynamics are central to the assignments undertaken by management consultants. The relevant literature on organisational change and organisational politics and power is presented below and will be critical in developing theory building themes for this thesis.

2.1.2 Organisational Change

This section attempts to provide a summary of the key conceptual definitions of organisational change that may be related to change initiatives that will be studied in the context of the consulting case study, the key change typologies that will provide the theoretical framework for the categorisation of the various change initiatives driven by consultants during the course of the case timeline and the link between change initiatives, resistance and organisational politics.

The “study of change and development is one of the greatest themes in the social sciences” (Pettigrew *et al*, 2001: 697). Organisation change literature gives due consideration to the forces of the external environment and its discontinuous nature, which can cause both disruption as well as trigger creativity (Burke, 2008). Serious problems in the current order and declining performance are recognised as antecedents to change (Boeker, 1989). However, Ford and Ford (1994) argued that the attraction of alternatives may also act as an antecedent to change.

Gladwell (2000) argued that change often happens because a few individuals trigger the spread of a “virus” and described three roles of such individuals. The roles include connectors who can bring things together, mavens who collate and share information, and salesman who are persuaders and recognise that little things can trigger major change.

Beckhard and Harris (1987) put forward a transition model for organisation change which includes three distinct conditions:

the future state, where the leadership wants the organisation to get to; the present state, where the organisation currently is; and the transition state, the set of conditions and activities that the organisation must go through to move from the present to the future (Beckhard and Harris, 1987: 29).

It is also argued that in order to attain legitimacy, organisations adopt new structures and practices that are isomorphic to those of other organisations, even in the absence of evidence that such adoptions will result in enhanced efficiencies (Dacin, 1997; DiMaggio and Powell, 1983; Oliver, 1991; Scott, 1995). Such organisational similarity facilitates transacting.

Meyer and Rowan (1977) argued that an organisation’s chances of survival are higher if they conform to the values of the institutional environment. Conformity to such externally prescribed values gives these organisations legitimacy and is thus less likely to be scrutinised by external bodies (Meyer and Scott, 1983). This also provides stability and predictability (Meyer and Rowan, 1977) and greater access to scarce resources (Pfeffer and Salancik, 1978). Moreover, Amis *et al* concluded that:

Organizations that contained members who held values congruent with the prescribed changes were able to successfully engage in the transition process. Conversely, those organizations with members who opposed the changes entered into a period of largely superficial conformity, mainly in response to certain coercive pressures, but ultimately reverted to designs more consistent with the values held within the organization. (2002: 436).

As far back as 1951 Kurt Lewin proposed a three staged model of change that is still widely cited. Lewin (1951) argued that awareness for the need to change is followed by stages of unfreezing, change and refreezing. Miller (1976) later proposed a model of archetypes comprising states of strategy, structure, process and situation and also transitions between archetypes. Miller also put forward the view that strategic and structural change is quantum rather than incremental. Quantum change occurs when change occurs on many elements concurrently rather than piecemeal (Miller and Friesen, 1980). Moreover, change comes in packages (*ibid.*).

Tushman and Romanelli (1985) developed the punctuated equilibrium model of change. The model suggests that the nature of change is discontinuous. The authors argued that long periods of convergence typified by incremental change are interrupted by brief periods of reorientations typified by discontinuous radical change. The distinction between incremental and radical change is also noted. Driven by organisation leaders, periods of discontinuous change or punctuations overcome organisation inertia which limits change during periods of equilibrium. During reorientation simultaneous shifts in strategy, power, structures and control systems are evidenced.

Moreover, Gersick (1991) suggested that the design of the playing field and rules are altered during metamorphosis. The author also undertook complementary research (Gersick, 1988, 1989, 1994) that suggested that the speed and course of change were impacted by temporal pacing and event pacing. The former is suited to non-routine situations where punctuated change may occur. Event pacing is best suited for incremental change where events trigger action focusing on the chosen strategic path.

In summarising the differences between continuous and discontinuous change Burke (2008) argued that:

These differences have implications for how we plan organization change: if it is discontinuous, we are focusing on transformational factors such as mission, leadership, and culture and we are attempting to affect the deep structure (Gersick, 1991) of the system.; if continuous, our focus is on factors such as structure, systems and climate (Burke, 2008: 278).

Brown and Eisenhardt (1997) disputed the representativeness of the punctuated equilibrium model. Based on research in the high changing computer industry, Brown and Eisenhardt (1997) concluded that organisational survival is contingent on an organisation's ability to continuously change rather than undertake rare punctuated change.

Moreover, Taylor (1999) argued that change which Tushman and Romanelli would have defined as discontinuous was also defined as discontinuous by senior management. It was also noted that Tushman and Romanelli's research looked at implications at senior levels of organisations. However, individual members of organisations do not necessarily perceive the nature of change in the same way (Taylor, 1999). Mintzberg, Ahlstrand and Lampel (1998) also noted that a particular change may be defined as incremental by one observer and radical by another.

Levy (1986) provides an alternative classification of change wherein first order change involves incremental adjustments that do not affect the organisation's core and second-order change involves change of the organisation system's basic rules.

Following an analysis of various perspectives to strategic and incremental change Ferlie *et al* stated that:

Incremental change is relatively smaller in scale, producing change outcomes which are focused on one function or unit of an organisation. Strategic change, on the other hand, is seen as affecting major subsystems and producing outcomes which impact many parts of an organisation. The timescale of strategic change is seen to be longer. There are areas of uncertainty, particularly relating to processes. (1996: 90-1).

Burke noted that "planned organization change, especially on a large scale, affecting the entire system, is unusual: not exactly an everyday occurrence" and emphasised that "revolutionary change – a major overhaul of the organization resulting in a modified or entirely new mission, a change in strategy, leadership, and culture – is rare indeed" and that "most organization change is evolutionary" (2008:1). He also noted that "organisations are created and developed on an assumption of continuity, to continue surviving, and to last" (Burke, 2008: 1). He also emphasised that:

Most efforts by executives, managers, and administrators to significantly change the organisations they lead do not work. By "change significantly" I mean to turn the organisation in another direction, to fundamentally modify the "way we do things", to overhaul the structure – the design of the organisation for decision making and accountability – and provide organisational members with a whole new vision for the future....

Most organisation change is not significant or successful. Organisational improvements do occur, even frequently, and do work, but large-scale, fundamental organisation change that works is rare. (Burke, 2008: 11).

Pettigrew (1985, 1987) studied transformation at a major UK chemical company, ICI in a processual approach that went beyond examining an isolated and acontextual episode of change. Based on the ICI case, Pettigrew concluded that change did not occur as an ongoing incremental process, radical change took place at periodic intervals, and periods of radical change were associated with environmental factors and changes in leadership. In this respect, Aldrich suggested that "to qualify as transformation, changes must involve a qualitative break with routines and a shift to new kinds of competencies that challenge existing organizational knowledge" (2003: 163).

Burke also argued that:

Revolutionary change or transformation requires different tools and techniques for bringing about successful organisation change than do methods for evolutionary or continuous change. The former requires total system events, such as (1) an initial activity that calls attention to the clear need for a dramatic modification of mission and strategy due to changes that have occurred in technology or (2) new, unforeseen forays by a significant competitor. The latter requires improvement measures in how a product is designed, how a service is delivered, or how quality is measured and upgraded. A transformation requires the immediate attention of all organizational members, whereas a continuous improvement action may require the attention of only a certain segment of the organisational population, or a phased involvement of all organisational members over time. (Burke, 2008: 21-2).

Some students of change also make the distinction between transformational change and strategic change. Transformational change may be defined as a form of strategic change wherein the impact is radical (e.g. Romanelli and Tushman, 1994; Gersick, 1991). The processes of change, speed and role of crisis may also be distinguishing variables. However, the differences between strategic change and transformational change are not clear.

Tichy (1983) suggested that strategic change involves change in one of strategy, structure, technology or control systems. However, Grinyer *et al* (1988) studied transformation in terms of strategy, power distribution, structures, control systems and culture and concluded that change in any of these variables may indicate transformation. The study also noted the importance of external threats and strong and committed senior management in turnaround situations.

Strategic change was also described as a process of logical incrementalism, involving both planned and evolutionary processes (Quinn, 1980). In this respect, Weikk and Quinn (1999: 375) suggested that “small continuous adjustments created simultaneously across units, can cumulate and create substantial change” presuming “tightly coupled interdependencies” (1999: 375).

This is in contrast with proponents of revolutionary change (e.g. Miller, 1976). Moreover, transformational change involves a long period of reappraisal prior to the change effort (Child and Smith, 1987).

Kotter (1995) emphasised the importance of leadership to the change process given that change requires creating a new system and institutionalising the new approaches. Chakravarthy and Lorange (1991) also emphasised the key roles of leaders in driving organisational change. Transformational leaders motivate organisation members to identify with the leader’s vision and renounce self-serving behaviour in the interest of the organisation (*ibid.*). In this respect, transformational leaders recognise the need for change, create a new vision, institutionalise the change (Tichy and Devanna, 1990), champion the change (Kotter, 1995) and create a culture that is receptive to change (Brown and Eisenhardt, 1997). It is also noted that aligning short-term operations with long-term vision is central to effective transformation (Novak, 1997). It is recognised that transformational leadership is best suited for non-routine situations (Bass, 1985). Hence transformational leadership is better suited to temporal pacing triggered change and punctuated change.

The importance of matching of strategies for change with the appropriate leadership approaches and organisation culture was emphasised by Gould (1996). Citing concepts depicted by popular theorists such as Senge (1990) and Wheatley (1992), Old (1995) suggested that real organisational transformation occurs when there is change at the deeper levels of an organisational system that impact on conceptualisation, behaviour and action.

There is convincing evidence that leadership of organisations matters and has an impact on organisation performance (Burke, 2008). In this respect Burke (2008) cited Nohria and Roberson (2003). This study suggested that CEOs account to circa 14% of the variance in the financial performance of organisations.

Moreover, Bass (1998) carried out research on leadership using the Multifactor Leadership Questionnaire and observed traits of transformational leadership which are summarised in the table below.

Table 2 2 Traits of Transformational Leaders

Trait	Description
Charismatic leadership	Role models who are admired , respected and trusted Team members emulate leaders Take risks and are consistent Demonstrate high levels of ethical and moral conduct
Inspirational motivation	Provides meaning and challenge Cultivates a team culture Clearly communicates expectations Strong commitment to goals
Intellectual stimulation	Encourage innovation, challenge of assumptions and new ways of working Do not criticise team members in public
Individual consideration	Due attention to individual achievement needs Mentors and coaches Recognises differences across team members Management by walking around Follows up on delegated actions without team members feeling that they are being controlled

Burke (2008) reviewed leadership self-examination literature and summarised the key traits of leadership, which included:

Tolerance for ambiguity: The courses that organisation change will take are not exactly predictable, being able to live with this kind of ambiguity is important.

Need for control: It is difficult to be a "control freak" and lead change effectively, organisation change is messy, sometimes chaotic, and seemingly out of control; thus, being clear about what one can control and needs to control and what one is not likely to be able to control is critical (Burke, 2008: 248).

Burke (2008) also noted that effective leaders need to have "an above-average level of energy and capable of (1) working long hours when needed, (2) interacting with lots of people, and (3) energising others. Burke also observed that "of the thousands of citations in Stodgill's (1974) and later, Bass's (1990) handbook on leadership, one of the few consistent findings was that effective leaders are typically high-energy people" (Burke, 2008: 250). He also suggested that CEO's and senior executives are better positioned to examine the external environment and assess the need for change (*ibid.*). Burke also pointed out that there is a gap in literature with respect to understanding the impact of leaders have on the success of organisation change programmes as opposed for corporate performance.

On a similar note O'Toole (1999) also emphasised the importance of leaders' involvement in the crafting of powerful vision statements, which mobilises appropriate behaviour by making clear the case for change. However, O'Toole (1999) argued that ambition is the only trait which is required for effective leadership.

In describing the early stages of organisation change, Burke (2008) cited Richard Evans, the former CEO of BAe on the subject of resistance:

Pushback as Evans described it, is to be expected – not from everyone, perhaps only a minority, but heat is generated nevertheless, especially if those who are pushing back are opinion leaders in the organization. These are the times when the change leader must use as much self-control as she or he can muster, working hard (1) to listen, (2) not to be defensive, and (3) to display patience of Job (Burke, 2008: 262).

O'Toole (1995) argued that successful organisational change had top-management support; was built on the unique strengths and values of the organisation; was not imposed from above; was holistic, was planned; changes were made in the power structure of organisations; change was approached from a stakeholder viewpoint and change became ongoing. In this respect, Kotter and Heskett (1992) also suggested that organisations which were able to adapt their culture also performed well. Lawler and Worley (2006) also argued that organisations need to be configured in a way which facilitates change for them to survive. Such a configuration has design implications which span across external environment scanning, mission, strategy development, organisation design, structures, performance management and reward systems.

This view was reinforced from a practitioner perspective by two former McKinsey consultants, Foster and Kaplan (2001) who argued that unlike in previous times, the assumption that organisations which were “built to last” survived longest is no longer valid in the context of today’s capital market structures.

Former consultants such as Foster and Kaplan (2001) contributed significantly to the change management discipline and highlighted that corporations now exist in a discontinuous age. They argued that the biggest threat for organisations is “Cultural Lock-in”, which is:

the inability to change the corporate culture even in the face of clear market threats – (this) explains why corporations find it difficult to respond to the messages of the market place. Cultural lock-in results from the gradual stiffening of the invisible architecture of the corporation and the ossification of its decision-making abilities, control systems, and mental models. It dampens a company’s ability to innovate or to shed operations with a less-exciting future. Moreover, it signals the corporation’s inexorable decline into inferior performance. (Foster and Kaplan, 2001: 16).

In this context Gersick argued that “incremental changes in a system’s parts do not alter the whole” and that “as long as the deep structure is intact, it generates a strong inertia, first to prevent the system from generating alternatives outside its own boundaries, then to pull any deviations that do occur back into line” (1991: 19). Burke acknowledged that “no doubt, more than 95% of organizational changes are evolutionary” (2008:69). However revolutionary change does occur. Burke (2008:68): summarised the conditions which are conducive to result in revolutionary change:

- (a) internal disruptions that pull sub-systems and activities out of alignment with each other and / or the environment, for example, intrusion of a foreign body from an acquisition or a merger*
- (b) changes in the system’s environment that threaten its ability to obtain resources, for example the creation of new technology or severe consolidation of an industry via huge mergers. (2008: 68).*

Burke and Litwin (1992) developed a model of Organisational Performance and Change based on analysis of events which occurred at British Airways and attempted to categorise the variables impacting change. In this respect:

Organisational change, especially an overhaul of the company business strategy, stems more from the environmental impact than from any other factor. Moreover, in large scale or total organisational change, mission, strategy, leadership and culture have more “weight” than structure, management practices and systems. That is, having organisational leaders communicate the new strategy is not sufficient for effective change. Culture change must be planned as well and aligned with strategy and leader behaviour. These variables carry more weight, because changes in them (e.g. organisational mission) affect the total system. It depends on where in the organisation a structured change might occur. (Burke and Liwin, 1992: 529).

In this context Weick and Quinn (1999) suggested that episodic change includes:

Organisational changes that tend to be infrequent, discontinuous and intentional. The presumption is that episodic change occurs during periods of divergence when organizations are moving away from their equilibrium conditions. Divergence is the result of a growing misalignment between an inertial deep structure and perceived environmental demands. This

form of change is labelled episodic because it tends to occur in distinct periods during which shifts are precipitated by external events such as technology change or internal events such as change in personnel. (Weick and Quinn, 1999: 365).

Fitzgerald (1988) also recognised the difficulty of attempting large scale cultural upheaval. Moreover, the major impact of change is on individuals rather than the holistic organisations (Bridges, 1986). In this respect, Burke and his associates recognised the importance of the individual response, planning, managing of people and organisational aspects and evaluation in change initiatives (Burke 1988; Burke *et al*, 1993). Argyris (1973) argued that changes in managerial behaviour and attitudes should precede changes in organisation design while the importance of commitment to change was noted by Staw (1981).

Glendon (1992) reinforced this argument and suggested that effective organisational change has to involve an element of commitment by the organisational members impacted. This is of central importance given that resistance to change is particularly strong when interventions are designed to either reduce or redistribute managerial influence (Greiner and Schein, 1988). Moreover, resistance from organisational members can significantly deter the success of a planned change (Cummings and Worley, 1997). Resistance to change may occur due to personal investment that individuals make in organisations that may become sunk costs due to the change process (Amis *et al*, 2002).

In discussing coercive pressures and the impact they have on dealing with resistance to change, Amis *et al* argued that:

Whether formally or informally exerted, there clearly are times when the powerful nature of the pressuring institution forces an organisation to comply with changes being prescribed, regardless of any resistance that may exist. This is particularly likely to be the case when changes are first proposed. Thus, we suggest that coercive pressures will likely play a vital role in instigating programs of radical transformation when there is widespread opposition to the change with the organisation. (2002: 438).

However, Beer, Eisenstat and Spector (1990) adopted a different perspective and argued that:

while senior managers understand the necessity of change, they often misunderstand what it takes to bring it about. They assume that corporate renewal is the product of companywide change programs and that in order to transform employee behaviour; they must alter a company's formal structure and systems. Both these assumptions are wrong... Using examples drawn from their four-year study of organizational change at six large corporations, they argue that change programs are, in fact, the greatest obstacle to successful revitalization and that formal structures and systems are the last thing a company should change, not the first.

The most successful change efforts begin at the periphery of a corporation, in a single plant or division. Such efforts are led by general managers, not the CEO or corporate staff people. (1990: 158).

Pettigrew (1987) concluded that strategic change requires changing core beliefs. Hence, these changes will become institutionalised through their legitimacy. Structural decisions are the domain of the organisational elite (Walsh, Hinings, Greenwood and Ransom, 1981). Hence such structural changes often occur when the

changes match the values held by the organisational elite or new actors gain power to become the organisational elite (Fligstein, 1991). In this respect, Amis *et al* (2002) argued that a radical transformation requires that the changes will be congruent with the dominant value the held by the non-elite members.

Given these negative implications, Judson (1991) argued that managing resistance and getting commitment are essential to the success of any change effort. Moreover, it is now recognised that resistance can be managed and how organisation members are treated and how change is implemented has direct influence on the intensity of resistance (Cobb *et al*, 1995).

Moreover, at the onset of many major change programmes the level of overall staff inclusion is low with only a small fraction of the workforce being involved. The lack of information and the ambiguity surrounding these changes results in rumours and ultimately resistance (Jick, 1993). By the time of change many organisational participants would have already developed attitudes which are different from those management intended.

Tushman (1977) argued that diversity of views, beliefs and goals in organisational change triggers political behaviour. Hence, political behaviour appears to inevitably accompany organisational change. Burns (1966) and Mangham (1979) argued that organisational politics are central to academic understanding and practical intervention of change. Moreover, change and uncertainty can intensify political behaviour (Schon, 1963; Frost and Egri, 1991).

Political dynamics are critical for organisational reconfiguration (Hardy, 1996) and planned organisation change (Kumar and Thibodeaux, 1990). However, Ward (1994) argued that while the political behaviour cannot be ignored during change, political behaviour is not beneficial. In this respect, Egan (1994) made an interesting distinction between institution-building and power-building politics presenting the benefits of the former and the negative consequences of the latter. Moreover, Kanter (1983) emphasised that the change architect requires power skills for coalition building and managing resistance.

As will be illustrated in the literature examined in the next section, research on organisational politics and power describes various political strategies, tactics and dynamics. However, while most literature on organisational change prescribing models for implementing change (e.g. Burnes, 1992; Eccles, 1994) recognises political and power dynamics, these concepts are not contextually elaborated in great depth. However, in researching change Pettigrew and his colleagues adopted a contextual and processual approach that recognised the importance of political factors in strategic change (Pettigrew, 1987, 1988; Pettigrew, Ferlie and McKee, 1992). Dawson (1996) also presented some contextual analysis of change and the practical implications of political behaviour such as obtaining and maintaining commitment.

2.1.3 Organisation Politics and Power

An understanding of organisational politics and power is a critical theoretical perspective that is required by the researcher to examine the role of consultants at the strategic apex of organisations, which is considered as a major political arena. As evidenced in the previous section power and political tactics related theoretical frameworks are important given that the role of consultants is being investigated within the context of change programmes. This section outlines the relevant concepts of organisational politics, defines the political arena and describes political tactics and power dynamics.

In this respect, organisational politics (OP) was long considered by many organization theorists to be inappropriate in organizations because it undermines rationality (Burns, 1961; Pettigrew, 1973). However Simon (1957, 1959) argued that the rational model of decision-making ignored internal politics of the organizational system. March (1962) was particularly influential in a change of attitude towards OP by developing theory on organizational decision making that sparked a discussion on OP. March suggested that organizations are political coalitions in which decision making processes and setting of goals are subject to bargaining processes. Further interesting work from economics challenged the traditional assumption that economic actors are rational. Although not often cited in OP literature as the work by Simon, March and Cyert, Williamson's work on the relationships between economic actors was also influential. In assessing Williamson's (1964, 1967, 1970) research, Bauer and Cohen noted that:

Williamson has embarked upon a twofold project: it is both theoretical and political. The task he undertakes is to break away from the analysis of an abstract market and to replace it with one entailing the study of relationships between economic actors with bounded rationality, motivated by individual projects, and possessing only partial information. (1983: 82).

Political science researchers also questioned the rational model of decision making. Lindblom's (1959) publication created a stir by challenging the management thinking of the time. His article recognized Government policy making as being a messy process rather than a linear controlled process. Another interesting contribution was made by Allison (1971) that depicted how organizational politics shape policy-development processes.

Existing literature on organizational politics (OP) offers diverse definitions to the area of study depending on two elements (Drory and Romm, 1990). The first being the level of analysis - whether organizational politics is studied at individual, group or organizational level. The second differing element being whether the outcomes, means or situational characteristics of organizational politics are studied.

Robbins (1976) put forward the least restrictive view of OP. This suggests that any self-serving behaviour by an organization member is political. This proposition suggests further that all behaviour is self-serving, thus resulting in all organizational behaviour being political. However, Mayes and Allen (1977) suggest that although this approach is intuitively appealing, it can be argued that all wilful behaviour serves some

self-interest. In this respect Frost and Hayes (1979) argue that self-serving behaviour is political when the objective is not to serve others, or to mis-serve others. Pettigrew (1973) suggested political behaviour is self-serving and acts against the organization's objectives. Moreover, attempts to influence non-sanctioned ends are considered politically induced behaviour (Mayes and Allen, 1977).

The most emphasized political arena in organizations is resource allocation (Harvey and Mills, 1970; Pettigrew, 1973; Pfeffer, 1981). Pettigrew defines political behaviour as:

behaviour by individuals or, in collective terms, subunits within an organization which makes a claim against the resource-sharing system of the organization. (1973: 17).

Harvey and Mills (1970) used a similar definition in studying the political aspects of adaptation to change. They suggested that adaptive change results in conflict through its effects on the distribution of scarce resources among organizational units. Political processes such as coalition formation, bargaining and side payments address such conflict. Moreover, Pettigrew (1973) noted that the success of making such a claim in furthering the claimant's interests depends on his political ability to generate support for his demand.

Divergences of interests among organizational units are emphasized by closed-system theories of organizations (e.g. Cyert and March, 1963; Dalton, 1959). March suggested that:

a business firm is a political coalition and the executive in the firm is a political broker. The composition of the firm is not given; it is renegotiated. The goals of the firm are not given; they are bargained. (1962: 672).

In *A Behavioural Theory of the Firm*, Cyert and March (1963) suggested that the sequential attention to goals results in organization slack where total resource demands at any given time are not sufficient to totally exhaust an organization's resources. The organization's coalition balances resource demands through bargaining processes where side payments are defined.

It has been suggested there is a strong relationship between the acquisition of power and organizational resources. This relationship is defined because control over resources enhances power and also because power is considered as a resource. In this respect Burns (1961) considers the exploitation of resources to achieve control over others as an OP process. Tom Burns emphasized that:

Corporations are co-operative systems assembled out of the usable attributes of people. They are also social systems within which people compete for advancement; in so doing they make use of others. Behaviour is identified as political when others are made use of as resources in competitive situations. Material, or extra-human, resources are also socially organized. Additional resources, resulting from innovation or new types of personal commitment, after the prevailing equilibrium and either instigate or release political actions. Such action is a mechanism of social change. (1961-62: 257).

However tension between the interests of groups is inevitable part of delivery (Dalton, 1959) and should be expected. This perspective is aligned to the Pluralist view, which is derived from exchange theory where

the power of an actor is derived from the possibility this actor has to provide other groups / individuals with relevant resources (Kelly and Thibaut, 1978). The power process is characterised by exchange and negotiation of resources. Power of Departments depends on the function of the department. However this varies across organisations and can change over time (Pfeffer, 1992),

Salancik, Pfeffer and Kelly (1978) argue that the person or organizational subunit that emerges as influential is one that is most capable of dealing with uncertainty. Hence power lies in the hands of the actor that can provide a critical resource to the organization that cannot immediately replace that function. Hickson *et al* (1971) argued that the power of an organizational unit is a function of three variables operating in a multiplicative manner: capability of coping with uncertainty multiplied by substitutability of that capacity multiplied by centrality of unit to organization's workflow.

In the Pluralist view the change model is characterised by conflict management and negotiation. Boonstra and Bennebroek Gravemhorst (1998) argued that "all interest groups play their roles in the change process, based on their position in the organization, their departmental power sources, and their own interests.. Resistance to change is seen as a result of the exercise of power and can be understood as a struggle to achieve power or to escape from it. The change managers focus on preventing conflict in the change process by regulating participation of the groups involved, by top-down decision making and implementation, or by negotiation about the objectives of the change process and the way it is organised and managed (1998:105).

Boonstra and Bennebroek Gravemhorst (1998) also argued that in the context of exchange theory, "management usually possesses a considerable amount of position and personal power. It can use these power bases to win conflicts and to strengthen their position in the negotiation process. This increases the chance that their interests are realized at the expense of the interests of other parties involved in the change process" (1998: 106). They also suggested that the use of such an exchange strategy is more suitable to politically sensitive situations where multiple parties with opposing interests have a balanced relationship and hence enter into a negotiation process to agree the objectives of change, the approach to change and the roles of different parties in the change process. However Boonstra and Bennebroek Gravemhorst (1998) also acknowledge that the pluralist's view has been criticised because it assumes that all parties can defend their interests in a negotiation process.

In this respect, Bradshaw (1998) argued that "surface-structural power" is where the power processes are embedded in the structure and systems of an organisation. Hence the way to change requires restructuring the organisation and redistributing sources of power.

Interestingly Pettigrew and McNulty (1995) argued that power is situational and has to be understood in its structural conditions and contextual factors (e.g. outcome of historical exchanges; organisational culture; influence of content and environment; the political, social and legal context of power processes).

Hence, Burns (1961) suggests that the political process of resource exploitation results in more control over others and more comfortable individual existence. Pfeffer (1981) defines OP as those organizational processes with the aim to acquire, develop and use power and other resources to obtain preferred objectives in circumstances where uncertainty surrounds decision-making. The relationship between OP and power is not only associated with derived power as a consequence of political behaviour. Power is also a means of political behaviour. In this respect Martin and Sims (1974) suggest that OP is concerned with relationships of control and influence. Mayes and Allen defined OP as:

the management of influence to obtain ends not sanctioned by the organization or to obtain sanctioned ends through non-sanctioned influence means. (1977: 675).

With respect to influence, network theory also provides additional insights into OP relating to the establishment and use of networks. Boonstra and Bennebroek Gravemhorst (1998) argued that the networks of interdependent groups are characterised by co-operation and competition. Moreover the distribution of power in organisations is often characterised by stability. For a review on literature relating to networks of corporate power, refer to Scott (1991).

It has been suggested that to be political an organizational process must at least involve two parties, an initiator and a target or subject of behaviour (Drory and Romm, 1990). Mintzberg's (1985) theoretical typology of OP emphasises the centrality of influence. Mintzberg sees OP as one influence system surrounding an organization, among authority (formal power), ideology (accepted norms) and expertise. Mintzberg (1983) views OP as a subset of power, treating OP as informal power and illegitimate in nature, in its means and sometimes in its ends. Power is defined as the capacity to effect organizational outcomes (Mintzberg, 1983). Moreover, Mintzberg described thirteen different political games played within organizations that can be categorised as games to: resist authority; counter resist authority; build power bases; defeat rivals; and effect organizational change. Other typologies were developed such as the one by Zald and Berger (1978) describing three types of social movements in organizations.

Relating to OP, Allen and Porter (1983) define influence as an organizational process with intended objectives. They distinguish between behaviour that is sanctioned by the organization and behaviour that is not sanctioned. The distinction on what constitutes political behaviour and what does not is often based the presence or absence of intent. Porter *et al* (1983) also noted that OP refers to behaviour outside the behavioural boundaries prescribed by the organization. Interestingly, Pfeffer (1981) suggests that what constitutes legitimate behaviour and what does not, is defined by those in power as a political game with

the objective to perpetuate their power. Moreover, Pfeffer (1981) argues that often the true motives of political action are undisclosed. Instead false acceptable motives are often presented.

Mechanic (1962) discussed sources of influence directed at higher levels. In this respect, Pettigrew and McNulty (1995) argue that the assumption that power rests with those at the apex of an organization cannot be made. Pettigrew and McNulty also suggest that:

there is now ample empirical evidence from organizations of many different kinds, in many societies, that power and influence of senior position holders is constrained by the countervailing influence of others inside and outside their own organizations, as well as by rules traditions, and other institutional arrangements. (1995: 848).

This complies with the views Herman (1981) expressed in his book, *Corporate Control, Corporate Power*. Most studies of power have focused on hierarchical power, the power of supervisors over subordinates, however, Farrell and Peterson (1982) suggest that political influence is also applied laterally. Perrow (1970) suggests that power is a structural phenomenon created by division of labour and departmentalisation.

The association of conflict with OP was mentioned in literature (e.g. March, 1962; Mintzberg, 1985; Tushman, 1977), conflict being defined as a situation where an organizational member or group undertake self-serving behaviour at the expense of other organizational members or groups. Such political behaviour leading to a lack of consensus often results in resistance (Frost and Hayes, 1979). Frost and Hayes (1979) adopt a process-oriented definition of OP, in that what makes behaviour political is not its content but whether the behaviour results in resistance or not.

Tushman (1977) put forward the view that political processes take place during decision making under conditions of uncertainty. This view suggests that when decisions are made in the absence of sufficient information, and objectives are subjectively open to interpretation, an OP perspective is required to comprehend organizational activities. This relationship between uncertainty and political processes is evidenced in studies of budgetary and resource allocation processes (Pfeffer and Salancik, 1974) and decision making in industrial firms (Pettigrew, 1973) among others. Moreover, the study of uncertainty enables researchers to understand the role of political processes in the formation of power and its related dynamics.

2.2 Literature Gap and Theory Building Themes

The section follows the literature review and commences by identifying a literature gap, which provided focus to the research undertaken. The section proceeds by elaborating on the literature gap and defining the theory building themes of the phenomenon being researched. These themes are based on relevant previous literature from the inter-related disciplines of organisational change, power and organisational politics and

management consultancy. These theory building themes will be subsequently refined and translated into research questions within the context of the case study (in section 2.3).

2.2.1 Literature Gap and the Phenomenon

As discussed in section 1.1, Management Consultants are known to adopt a strict problem solving process to address client challenges (Rasiel, 1999) and to focus on advisory engagements. However management consultancy is a huge industry with practices of different sizes offering various customer propositions across industry sectors. Lundberg (1997) attempted to outline the foundations of a general model of consultancy and proposed that such a theory comprises the client perspective, consultant systems of all sizes and known types, and be about change. However, Lundberg acknowledged that the research emphasised generality and simplicity over precision, but did provide pointers for further research. Lundberg argued that consultancy is “underconceptualised” and “atheoretical”. Interestingly Lundberg emphasised that research on consultancy should focus on change. This has also been emphasised by other researchers such as Worren *et al* (1999) and Cummings and Worley (1997). Cummings and Worley (1997) put forward a general model of planned change. The consulting change engagement was described in sequential phases involving entering, contracting, diagnosing, intervening, evaluating and sustaining change.

Burke (2008) also observed the proliferation of consulting practices focusing on supporting the delivery of change programmes. This type of support often includes a mixed advisory-delivery proposition, which often translates into longer engagements. The widespread involvement of consultants in implementation and delivery may contradict the common perception that this is the domain of line management. However, this phenomenon has been observed across the Public Sectors of countries which adopted a modernisation agenda.

This is an interesting development since Consultants were traditionally involved in the content of change are now also engaging in the process of change. Burke argued that “the distinction is important because the former (content), the what, provides the vision and overall direction for the change; and the process, the how, concerns implementation and adoption. (Burke, 2008: 23). Hence Consultants are increasingly engaged by clients to support both the definition of the future state as well as the transition state, which entails “the set of conditions and activities that the organisation must go through to move from the present to the future” (Beckhard and Harris, 1987: 29).

Such change initiatives in the public service entail a break from the status quo and thus require development of policy whether taking the form of a desired state of affairs, specific proposals, decisions of Government, new programmes or envisaged outcomes (Hogwood and Gunn, 1984) In this respect, Public sector literature does give some attention to the role of Consultants as technical advisors often engaged to

depoliticise issues and provide technical solutions (e.g. Jamrozik, 1991). In discussing policy analysis and implementation, Hogwood and Gunn (1984) proposed a policy framework that can be used for both description and prescription. In the context of the framework some references have been made to Consultants in the capacity of technical advisors. More specifically reference to consultants is made:

- As to whether they should be engaged to support the decision making process so as to bring to the organisation a fresh and objective assessment. Hogwood and Gunn also noted that the engagement of consultants may result in resistance from internal groups;
- In that Management consultants may be particularly useful for carrying out a legitimating exercise that takes the form of an Evaluation and Review.

It is noted that increasingly practitioner and business publications have gone beyond describing consultants in an advisory role, and do cite the involvement of Consultants in the implementation of change (e.g. Craig and Brooks, 2006). However, little emphasis in academic literature has been dedicated to explaining the ongoing role of consultants throughout the various stages of public sector change programmes, from policy definition to implementation and policy renewal.

In pointing out typical what-to-do questions that are aligned to a processual and time based analysis of change, Pettigrew *et al* (2001) cited previous work on how change processes run out of energy over time (Beer, Eisenstadt and Spector, 1990; Pettigrew, 1998) and raised the following question as a major literature gap:

How do change agents maintain the momentum for change over time, given the now well understood tendency for change processes to run out of energy and momentum (2001: 704).

This theme of enquiry is relevant to the proliferation of the phenomenon in the Public Sector wherein consultants are increasingly involved throughout change programmes from policy formulation to programme delivery and implementation of change programmes. Possibly consultants can contribute to creating and maintaining momentum for change programmes, if assigned programme leadership roles within change programmes.

Another leading organisation change scholar Burke also emphasised that importance of maintaining momentum for change to counter the natural trend towards equilibrium and highlighted that recognising and rewarding change champions is critical to maintain momentum. Moreover Burke (2008) also suggested that the change leader must constantly monitor the organisation's external environment, being alert to new forces which may require adaptation. Burke also quotes Pascale *et al* (2000) by arguing that preventing homogeneity also counters pressures to reach equilibrium. Burke builds on these principles and argued that:

This principles from science of living systems suggest that change leaders would do well to counter equilibrium and sustain the change effort by infusing "new blood" into their organisations, that is, not cloning themselves. The point is that although a complete overhaul of the people involved in the change would be absurd, having some proportion (20%? 30%?) who

are new to the effort (hired from the outside or shifted over from other parts of the organisation) counteracts the support equilibrium such as tired thinking, solidified norms, and "group think" (Burke, 2008: 267).

This is certainly relevant to the phenomenon given that Consultants may also be considered as one form of introducing "new blood" to help create and sustain the momentum of change programmes. Such research has been given even less attention in both private and public sectors (vide Pettigrew *et al*, 2001). Such understanding requires detailed analysis of the role of Consultants throughout policy cycle processes including their involvement in policy formulation, implementation and organisational change, review and also policy renewal. The role played by Consultants in these stages may be critical to sustaining momentum of change initiatives and this may have implications on the change programmes concerned.

Burke (2008) also provided some interesting insights on "sustaining momentum". For instance he suggested that another way to sustain change is to launch new change initiatives to renew energy, whilst ensuring alignment to the original change objectives. Burke also noted that:

Sustaining change means in large measure (1) to understand that many consequences of interventions cannot be anticipated, (2) to not allow these unforeseen outcomes to become barriers to the change effort, and (3) to take swift action with different initiatives and tactics to ensure momentum on new paths towards change goals. (Burke, 2008: 274-5).

However Burke also acknowledged that our understanding of momentum is very limited and suggested that "we must learn more about organisation change momentum, or how to sustain change once we are under way" (Burke 2008, 284-5). Such an understanding requires a recognition of the importance of context, continuity and timing (Pettigrew *et al*, 2001) and must not only consider the content but also the process of change (Pettigrew, 1987).

Hence the intent of this thesis is to undertake theory building by informing our understanding of the contribution that consultants can make to the creation and maintenance of momentum for change whilst supporting the review of the present state, the definition of the future state and implementation, and consequences for the change programme. The goal of this doctoral research is concerned with analysing a real world phenomena and not prescribing normative decision models or best practice approaches.

Burke (2008) made reference to four phases of change: pre-launch; launch; post-launch and further implementation; and sustaining the change. However he only made reference to momentum during sustaining the change phase. However the researcher did not limit the examination of momentum solely from the perspective of sustaining a change programme which is already underway. The researcher focused on how can consultants contribute to creating and sustaining momentum for change programmes whilst reviewing the present state, helping define the future state and supporting the transition state, which is "the set of conditions and activities that the organisation must go through to move from the present to the future" (Beckhard and Harris, 1987: 29).

The next section proceeds by elaborating on the key research theme which emanated from the literature gap. More specifically four theory building themes are developed based on previous research which guided the researcher to explore the key research theme.

2.2.2 Theory Building Themes

The researcher recognised that when using the case study analysis, research questions will work best where they are tentative thus recognizing that they may be modified in light of issues and events discovered (Hartley, 1994). In initiating the research process, the researcher recognised that “trying to make phenomena or reality fit preconceptions of order and construction too early has obvious dysfunctional consequences for discovery” (Lundberg, 1976: 7-8). Hence prior to defining the research questions within the context of the case study the researcher defined the Theory Building Themes associated with the phenomenon based on previous literature. It is also emphasised that these themes will guide a research process which is more descriptive than prescriptive, and which attempts to analyse a real world phenomenon rather than prescribe normative decision models. In this context Pettigrew *et al* (2001) suggested some difficult questions on change agents which are least studied and suggested some temporal and situation questions for future research. For instance:

Where does a change agent begin a given change initiative, and what are the varying degrees of receptivity to change in this or that organizational division or national business context? Even if change agents know about the factors shaping degrees of receptivity to change, how should they customize the content and process of change to reflect the contexts of different parts of their organizations? The pragmatic temporal questions are also largely unstudied and inadequately understood. Where does one intervene first, and why (cf. Robertson et al., 1993)? What sequence of change interventions might flow from initial moves? What pace of change is appropriate in different settings to meet local and companywide objectives? And how do change agents maintain the momentum for change over time, given the now well understood tendency for change processes to run out of energy and momentum (Pettigrew et al, 2001: 704).

These questions may also be relevant to the role of Consultants as “Change Agents” who attempt to create and sustain momentum for change programmes. Hence Pettigrew’s questions provided the researcher with some guidance in formulating the theory building themes of this thesis.

This section proceeds by elaborating on the key focus of the thesis, which is:

The contribution that programme leadership consultants can make to the creation and maintenance of momentum for change programmes whilst supporting the review of the present state, the definition of the future state and implementation, and the implications for client sponsors of the change programme.

More specifically four theory building themes guided by previous literature have been developed to help understand the above research theme. These theory building themes are presented below.

Theory Building Theme - Leverage of the Consultants' Relationship with the Client (CL)

McLean (1984) suggested that consultants source of power within a client organisation is derived from the relationship with the client. Other researchers suggested that in certain instances consultants are co-opted by senior management, have restricted power, or may have their own agenda (Kaarst-Brown, 1999).

Notwithstanding the impact that the client-consultancy relationship may have on Consultants power within a host organisation, the interactive process between consultants and managers tends not to be examined in depth in literature (Sturdy (1997). Lundberg (1997) attempted to outline the foundations of a general model of consultancy pointing to the need of integrative theory on the phenomenon and argued that the client perspective should be a key component of such theory. More recently, Arnold and Nguyen (2006) attempted to address this gap. The researchers recognised the criticality for management consultants to foster long-term relationships and argued that the key relationship is between the individual consultant and the individual manager from the client firm.

Given the importance of the Client-Consultant relationship for Consultants to secure entry into an organisation (Harding, 1992) and also sell-on further services (Rassam and Oayes, 1991), it is logical to attempt to understand how consultants can develop and leverage their relationship with the client both during policy formulation to contribute to the creation of momentum for proposed the change, as well as during implementation when change initiatives need to be sustained.

In line with the primary research focus this theory building theme will seek to build on existing theory and to explore:

- How Consultants can develop and leverage their relationship with the client during policy formulation stage to contribute to the creation of momentum for change programmes?
- How the Consultants' relationship with the organisational leadership contributes to sustaining momentum for change programmes during the implementation?

Theory Building Theme - Power and Political Strategies Deployed by Consultants (P&P)

The work of Greiner and Schein (1988) and Pettigrew (1975) indicate that there are negative aspects of power and organisational politics involved in consulting engagements. Hence it is important to understand

such organisational politics and power dynamics to ascertain their implications on planned change initiatives (Zeira and Avedisian, 1989).

Tushman (1977) put forward the view that political processes take place during decision making under conditions of uncertainty. This view suggests that when decisions are made in the absence of sufficient information, and objectives are subjectively open to interpretation, an organisation politics perspective is required to comprehend organizational activities. Many change programmes face such conditions of uncertainty. In discussing the consideration of ideas by management Sturdy, (1997) argued that managerial anxiety over the uncertainty plays a key role in engagement of consultants.

Moreover, Salancik, Pfeffer and Kelly (1978) argued that the person or organizational subunit that emerges as influential is one that is most capable of dealing with uncertainty. Hence power may lie in the hands of the actor that can provide a critical resource to the organization that cannot immediately replace that function. In the context of the research being undertaken, it is pertinent to argue that a Consultant may be the actor who acquires power in such conditions.

The relationship between organisation politics and power is not only associated with derived power as a consequence of political behaviour. Power is also a means of political behaviour. Hence it may also be expected if Consultants acquire power within a client organisation that such power may also be leveraged as a means for political behaviour, which may possibly lead to influencing clients on change programme direction and contribute to sustaining momentum during implementation.

Other key political considerations which are related to consultants includes their ability to “legitimise their institutional capital” (Reihlen, Smets and Veit, 2010) In this context Reihlen *et al* summarised typical strategies adopted by Consulting firms to create institutional capital, which are particularly relevant to the Public Sector. However these strategies are firm or practice level strategies as opposed to strategies which are deployed for specific change programmes. In the context of this thesis the latter needs to be explored to help understand how Consultants can institutionalise (DiMaggio and Powell, 1983; Meyer and Rowan, 1977; Scott, 1995), generate commitment (Glendon, 1992; Staw, 1981) and resource (Harvey and Mills, 1970; Pfeffer, 1981) the change programmes and hence maintain their deployment.

In line with the primary research focus this theory building theme will seek to build on existing theory and to explore:

- What political and power strategies were used by consultants and how were they deployed to influence policy determination and contribute to the creation of momentum for change programmes?
- What power dynamics were leveraged by the Consultants to institutionalise, generate commitment and resource the change programmes and retain the deployment of consultancy services?

Theory Building Theme – Consultants’ ability to Adapt over time (AD)

In discussing the restructuring and change at British Airways, Burke and Litwin (1992) argued that major organisational change, involving a new corporate strategy emanates more from the environmental impact than other factors. In the context of the Public Service programmes a change in Government is often considered to be an environmental factor which has major impact on Government programmes. It is envisaged that such events may prove to be a major test for programme leadership consultants to adapt and convince the new administration of the merits of their involvement in a change programme, and hence merits investigation.

Burke (2008) also suggested that major change programmes often fail to realise intended benefits. This view is supported by Beer, Eisenstat and Spector who argued that senior sponsor of change often misunderstand the how to bring about change and often assume that organisation wide programmes will enable change and argued that:

Using examples drawn from their four-year study of organizational change at six large corporations, they argue that change programs are, in fact, the greatest obstacle to successful revitalization and that formal structures and systems are the last thing a company should change, not the first (1990: 158).

If this is the case in some programmes, it is envisaged that senior sponsors of such major long-term change programmes will at some point during the change process realise that an organisation-wide change programme is not delivering its intended benefits. Hence it is also pertinent to explore how Consultants react to such occurrences.

In line with the primary research focus this theory building theme will seek to build on existing theory and to explore:

- How do Consultants adapt and what tactics do they deploy to contribute to maintaining momentum for change programmes in the event uncertainty which emanated from a change in leadership?
- How Consultants react when a change programme is not delivering visible results to contribute to maintaining momentum for the change programme?

Theory Building Theme - Resistance and Mitigation Strategies by Consultants (R&M)

O’Toole (1995) argued that successful change was built on the unique strengths and values of the organisation; was not imposed from above; and changes were made in the power structure of an organisation. The latter is of central importance given that resistance to change is particularly strong when interventions are designed to either reduce or redistribute managerial influence (Greiner and Schein, 1988).

However during the early stages of change when new proposals are formulated the powerful force of the pressuring institution often forces compliance notwithstanding resistance (Amis *et al*, 2002).

This may have an implication on consultants' involvement in change processes. In line with Amis *et al*'s argument, it may be expected that Consultants can help mitigate resistance from line management more effectively during the review of the current state and policy formulation through the support of their sponsor (e.g. Cabinet Minister).

However it is anticipated that the situation during implementation may be different, when Consultants enter the organisation for prolonged periods of time and engage with a wide cross-section of stakeholders. Boonstra and Bennebroek Gravemhorst noted that "management usually possesses a considerable amount of position and personal power" (1998: 106). This is accentuated by "surface-structural power" where the power processes are embedded in the structure and systems of an organisation (Bradshaw, 1998). When consultants enter an organisation, they are not familiar with organisational routines (Simmel, 1992) and their actions will be a disturbance to the organisation's routines. Hence unless power is redistributed and if the deep structure of an organisation remains intact, the organisation will prevent the system from generating alternatives and will pull any deviations outside its boundaries back in line (Gersick, 1991). This may present significant challenges for consultants during implementation especially within the context of dealing with the core Public Service and may have significant consequences on the change programme.

In line with the primary research focus this theory building theme will seek to build on existing theory and to explore:

- What were the dynamics and sources of tensions between consultants and management during the formulation of a picture of the current state and the formulation of a vision for change and their implications on the change programme?
- What factors contributed to resistance to change programmes involving consultants and what strategies were adopted by Consultants to mitigate the concerns of the resistance group?

2.3 Refinement of Theory Building Themes within context of Case Study of the Maltese Public Service

This section defines the key parameters of the theory building study and also presents the basis the researcher adopted to bracket the case study to ensure theoretical relevance. The researcher defined the key research parameters based on academic best practice and these can be considered as the research boundaries (Platt, 1984), which framed the context for defining the detailed research questions.

The section proceeds by refining the theory building themes (defined in section 2.2) within the context of the case study of the Maltese Public Services which is also presented. This will ensure that the conditions in which the phenomenon is studied are not oversimplified in the research.

2.3.1 Theoretical Bracketing of the Case Study

To enable a processual, contextual and theoretical analysis of the consultancy dynamics the researcher aggregated the case outline into case periods each representing a series of episodes so that they can be given meaning (Schutz, 1967). This aggregation process of temporal periods is similar to a bracketing process and will inevitably impact meaning.

However aggregations of time into brackets have not been based on convenience. The researcher bracketed the timeline around a series of events that have significant meaning to the actors that form part of the study and are also theoretically meaningful and linked to the phenomenon being investigated (George and Jones, 2000). This was based on the inputs derived from preliminary interviews with key actors and the fit with theoretical constructs that emerged from the literature review. Abrams (1982) defines an event in historical research as an identifier of transition from one form of social organisation to another. George and Jones (2000) argued further that aggregations should be linked to the way in which the actors of the study bracket their own experiences and make sense of it. If the researcher had bracketed the experiences based on other parameters such as Government legislatures, data access and codification would have been undertaken with greater ease. However, this would have occurred at the expense of theoretical relevance.

In this respect, Porras and Robertson argued further that:

to some degree, the issue of whether change occurs incrementally or in a discontinuous fashion over time relates to the aggregation or bracketing issues discussed The continual modification of a state over time versus the shift between states is in some measure a reflection of the way a person brackets the past experience brought to bear on the phenomenon in question. (1992: 664).

Hence, the researcher bracketed the case timeline from the perspective of the key actors' at the **most senior levels of Government and the Public Service**. This comprises Cabinet members, Senior Advisors and the Senior Public Service (Permanent Secretaries, Director Generals and Directors). As outlined above, line managers may perceive the time brackets as being significantly different from the study's perspective. Hence, we are limiting our knowledge quest to understanding of the phenomenon within the framework of the most senior levels of the Maltese Public Service and related change initiatives that were at a corporate or departmental level. Structural changes and related decisions are recognised as the domain of the organisational elite (Walsh *et al*, 1981). Moreover, different individuals may define similar change initiatives differently (Taylor, 1999).

This rationale is also reinforced by the arguments laid out by Mckinley and Scherer (2000: 736) who maintained that:

Organizational restructuring leads to a bifurcation or gap between the cognitions of top managers and those of their subordinates. Specifically, while top managers' experience restructuring as a source of cognitive order, their subordinates experience restructuring as a source of cognitive disorder, because it opens up new options for implementing the business processes that the subordinates rely to get work done. (2000: 736).

It is however emphasised that while the bracketing process enabled analysis and was necessary to build on existing theory, the researcher ensured that the analysis of the changes was undertaken as a continuous process. This was ensured by bracketing reasonably long time periods that enable analysis of cause and affect rather than simply analysing episodes. This is aligned with advice by George and Jones, who in emphasising the importance of the accumulation of episodes in organisational analysis cited an example of research on participation in decision making processes:

For example, as Wagner (1994) suggest, it may be the case that when viewed in a static, episodic manner, participation's effects appear to be quite small but when significant. Hence, the theoretical concern here is the process through which episodes of participation accumulate over time to produce certain results or consequences (Abelson, 1985). Any one episode may appear trivial, but it is the stream of episodes extending from the past into the present and expected into the future that may be influential (2000: 679).

A key parameter in bracketing the case study in time segments of theoretical significance was the segmentation of the case study based on different Policy Cycles. In this respect, the Policy Analysis Framework proposed by Hogwood and Gunn (1984) was adapted. The full framework entails the following stages:

- Deciding to decide (issue search or agenda setting);
- Deciding how to decide (or issue filtration);
- Issue definition;
- Forecasting;
- Setting objectives and priorities;
- Option analysis;
- Policy implementation, monitoring and control;
- Evaluation and review;
- Policy maintenance, succession, or termination.

In the context of the case study, **policy is defined as a programme** which is a defined and specific sphere of government activity involving legislation, organisation and resourcing (Hogwood and Gunn, 1984) and a portfolio of change initiatives. Hence, policy cycles were bracketed from a programme based definition of policy.

Another key parameter for development of theoretical research framework is the **change archetypes** occurring during the various Policy Cycles. Burke (2008) suggested that different change archetypes require different tools and techniques for bringing about organisational change. This section does not attempt to replicate the discussion of different change archetypes which was presented in the literature

review. However, this is an important theme and may have implications across the four theory building themes discussed above. It may be anticipated that radical, strategic and incremental change will require different approaches by consultants to contribute to creating and sustaining momentum for change whilst reviewing the present state, helping define the future state and supporting the transition state. Hence to enable this analysis the change archetype adopted within each bracket of the case study is clearly defined in line with the definitions examined in the literature review.

To ensure the clarity of concepts, the timeline of this study was divided into three policy cycles or brackets based on the above considerations. This facilitated the translation of the theory building themes into research questions within the context of the case study brackets. The researcher also ensured that the research was contextual, processual, historical and continuous as suggested by Pettigrew and his colleagues (Pettigrew, 1987; Pettigrew *et al*, 2001).

The figure below summarises the bracketing of the case study.

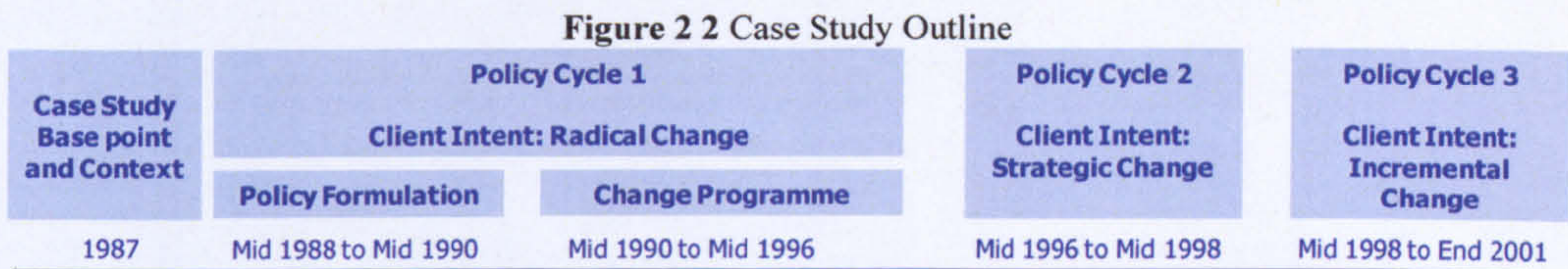
Figure 2 1 Case Study Policy Cycle Bracketing

Policy Cycles	Policy Cycle One – Radical Change Programme Definition and Implementation	Policy Cycle Two – Change of Administration and the Resultant Strategic Change Programme.	Policy Cycle Three – Change in Administration, New Priorities and Resultant Incremental Change Initiatives
Administration	Nationalist Administration (1987-1996)	Labour Administration (1996-1998)	Nationalist Administration (1998-2001)
Overview	A Radical Change Programme was envisioned and implemented. A Number of deliberate policy reviews were also undertaken. Over the period the portfolio of change initiatives did change. However, the overall radical change programme themes were predominant throughout.	A review of the previous Radical Change Agenda was undertaken and a new Vision for Change that had the characteristics of a Strategic Change Programme was developed and implemented. Some initiatives from the previous policy cycle were retained and re-oriented within the new portfolio of initiatives forming part of the Strategic Change Programme.	Public Service Change Programmes did not retain a high priority on Government's Agenda. Some loosely coupled change initiatives were undertaken.
Change Archetype adopted by Senior Sponsor	Radical Change Typology with changes to strategy, structures, processes, technology and controls	Strategic Change Typology with top-down and controlled change being introduced and phased strategically in a piecemeal fashion	Loosely coupled and incremental change initiatives
Consultants Involvement	Carried out a number of reviews and strategy development assignments New high-powered consultancy driven structure was created to drive Radical Change Programme Realigned change initiatives from radical structural changes to radical technological changes	Developed proposals for new change programme Realigned consulting initiatives and structures to new agenda Retained key contacts with the Office of the Prime Minister	Engaged on loosely coupled change initiatives Attempted to realign consulting initiatives and structures to new agenda Developed proposals for more ambitious change programme

2.3.2 Theory Building Themes within the Case Study Brackets

It is recognised that in the methodology adopted, research questions will work best when they are tentative and thus they may be modified in light of issues and events discovered (Hartley, 1994). The section presents the case study timeline and refines the theory building themes into detailed questions within the context of the case study.

The case outline was informed early on in the research by pilot interviews and document reviews. It is noted that aspects of the case study timeline are presented in this section to enable the reader to better understand the context. For the purpose of clarity the longer policy cycle one was split into two sub-components as presented in the figure below.



It may be anticipated that the different policy cycles with their different characteristics may require different approaches by programme leadership consultants to contribute to creating and maintaining momentum for change programmes whilst reviewing the present state, helping define the future state and supporting the transition state. The implications of client sponsors of such change programmes may also be different. More specifically the theory building themes which will be explored will be refined within the context of the case study:

- Theory Building Theme – **Leverage of the Consultants’ Relationship with the Client (CL)**
- Theory Building Theme – **Power and Political Strategies Deployed by Consultants (P&P)**
- Theory Building Theme – **Consultants’ ability to Adapt over time (AD)**
- Theory Building Theme - **Resistance and Mitigation Strategies by Consultants (R&M)**

Background to Malta

The researcher has compiled a brief overview of the background to Malta, its history, institutional structures and socio-economic characteristics. Moreover, the Maltese Public Service was also briefly studied with respect to its history and traditions This contextual background is presented as supplementary information in Appendix B.

Policy Cycle 1-A - Reviewing the Present State of the Public Service and Defining a Radical Change Programme: Mid 1987 to Mid 1990

For the previous five decades, the public service busily engaged in the development of the nation, and yet discounted the necessity of investment in human, infrastructural, and technological capital. In 1987 the Nationalist Party returned to power after sixteen years in opposition pursuing a liberalization policy. In middle of 1988 the Prime Minister launched two complementary initiatives – the Public Service Reform Commission (PSRC) and the Operations Review (OR). This was the first review to involve a major reorganization of the machinery of Government. An abortive attempt had been launched fifteen years previously.

The Public Service Reform Commission was appointed on 27th May 1988. The PSRC was given the terms of reference “to examine the organization of the public service, and to recommend means by which the Service can efficiently respond to the changing needs of effective Government” (Office of the Prime Minister, Malta, 1989, Abstract).

In parallel with the PSRC, an expatriate consultant and a supporting advisory team carried out an Operations Review (OR) to evaluate existing organizational structures in light of the Government’s policy objectives and to recommend appropriate delineations, organizational structures and mandates, and to develop a suitable information systems plan which will identify requirements, opportunities and costs / benefits for application of information technology. Through the launch of these two initiatives the Prime Minister sought the formulation of a reform programme with the intent to instil major changes in structures, processes, people, technology, culture and behaviours and deliver radical change (Miller, 1976; Tushman and Romanelli, 1985).

The two initiatives recommended the establishment of three central agencies: the Management and Personnel Office (MPO) as the central human resource agency; the Staff Development Organization (SDO) as a central agency for training and development; and the Management Systems Unit (MSU) as the consulting structure responsible for implementing major change.

This phase of the case study research deals with the onset of change when uncertainty is at its peak, thus suggesting that various kinds of political behaviour can be anticipated (Pettigrew, 1973). Moreover, the engagement of external consultants may have further disturbed organisational dynamics (Baitsch and Heideloff, 1997).

In the context of this policy development phase of this Policy Cycle, the theory building themes defined in section 2.2.2 were evolved and contextualised as follows:

Table 2 3 Policy Cycle 1-A Research Questions

Policy Cycle 1-A: The contribution that programme leadership consultants can make to the creation of momentum for change programmes whilst supporting the review of the present state and the defining a radical change programme, and the implications for the client sponsors of change programme.

#	Theory Building Theme	Focus within Policy Cycle 1-A
CL	Leverage of the Consultants' Relationship with the Client	– How can Consultants develop and leverage their relationship with the client during policy formulation stage to contribute to the creation of momentum for a change programme?
P&P	Power and Political Strategies Deployed by Consultants	– What political and power strategies were used by consultants and how were they deployed to influence policy determination and contribute to the creation of momentum for the radical change programme?
AD	Consultants' ability to Adapt over time	Not applicable given that this policy cycle focuses on the early phases of the change process.
R&M	Resistance and Mitigation Strategies by Consultants	– What were the dynamics and sources of tensions between consultants and management during the formulation of a picture of the current state and the formulation of a vision for change and their implications for the change programme?

Policy Cycle 1-B: Implementation of Radical Change Programme: Mid 1990 to Mid 1996

Following the endorsement by Government of the proposed vision for change, the three proposed agencies were created. One of these agencies was the Management Systems Unit that was allocated considerable resources and operated with a high degree of autonomy from the Public Service. The primary focus of the MSU was to drive major change within the public service and recruit a consultancy group. The MSU engaged sixty expatriate management consultants to lead an attempt of holistic change of the Public Service involving changes in strategy, structure, processes, technology, internal controls and distribution of power. Such change fits Tushman and Romanelli's (1985) definition of radical change and Miller's (1976) definition of quantum change. Various top-down change (Beatty and Ulrich, 1991) corporate initiatives were launched across Ministries and project managed by consultants. However, criticisms towards this approach were raised publicly by senior public officers and the Opposition. In this respect, when attempts at such change are made, politics of resistance are to be expected (Cobb *et al*, 1995; Frost and Hayes, 1979; Greiner and Schein, 1988).

Over time the Management Systems Unit’s focus also encompassed information systems consultancy and implementation and attempts at facilitating the dynamics of major organisational changes in systems introduced earlier.

In the context of this policy implementation phase of this Policy Cycle, the theory building themes defined in section 2.2.2 were evolved and contextualised as follows:

Table 2 4 Policy Cycle 1-B Research Questions

Policy Cycle 1-B: The contribution that programme leadership consultants can make to the maintenance of momentum for radical change programmes whilst supporting implementation, and the implications for the client sponsors of the change programme.

#	Theory Building Theme	Focus within Policy Cycle 1-B
CL	Leverage of the Consultants’ Relationship with the Client	– How the Consultants’ relationship with the organisational leadership contributes to sustaining momentum for the radical change programme during the implementation?
P&P	Power and Political Strategies Deployed by Consultants	– What power dynamics were leveraged by the Consultants to institutionalise, generate commitment and resource the radical change programme and retain the deployment of consultancy services?
AD	Consultants’ ability to Adapt over time	– How did Consultants react when a radical change programme was not delivering visible results to contribute to maintaining momentum for the change programme?
R&M	Resistance and Mitigation Strategies by Consultants	– What factors contributed to resistance to the radical change programme involving consultants and what strategies were adopted by Consultants to mitigate the concerns of the resistance group?

Policy Cycle 2: Change of Administration and the Resultant Strategic Change Programme: Mid 1996 to Mid 1998

1996 witnessed a change in the political leadership of Government with the election of the Labour Party. Labour’s strategy for the public service was to go down to basics and focus on the core business of Government - serving the citizen. This constituted a fundamental change to the philosophy towards the public service reform. Labour adopted a deliberate piecemeal strategy to change as evidenced in the 1996-1998 legislature when law and order were the first to be tackled (e.g. Police modernisation programme), followed by Health and Education reviews. IT enabled transformation and centrally driven programmes were no longer central to the change agenda.

Based on Quinn’s (1980) definitions, the dominant approach was one of strategic rather than radical change. Strategic change may be described as a process of logical incrementalism, involving both planned and evolutionary processes (*ibid.*). The change efforts were driven top-down through a number of Cabinet Committees. Moreover, change management structures were restructured and internalised within the Public Service. The majority of expatriate consultants were not retained while all local consultants were retained or engaged. It is noted that the new approach to change addressed the criticisms many senior public servants had mounted against the previous programme.

In the context of this policy development and implementation phase of this Policy Cycle, the theory building themes defined in section 2.2.2 were evolved and contextualised as follows:

Table 2 5 Policy Cycle 2 Research Questions

Policy Cycle 2: The contribution that programme leadership consultants can make to the creation and maintenance of momentum for change programmes during a change in leadership of the host organisation, which adopts a strategic approach to change, and the implications for the client sponsor of the change programmes.

#	Theory Building Theme	Focus within Policy Cycle 2
CL	Leverage of the Consultants' Relationship with the Client	– How did Consultants develop and leverage their relationship with the client during the establishment and implementation of a strategic change programme to contribute to the maintenance of momentum for the change programme?
P&P	Power and Political Strategies Deployed by Consultants	– What power dynamics were leveraged by the Consultants to institutionalise, generate commitment and resource the strategic change programme and retain the deployment of consultancy services?
AD	Consultants' ability to Adapt over time	– How did Consultants adapt and what tactics did they deploy to contribute to the maintenance of momentum for the change programme in the event uncertainty which emanated from a change in leadership?
R&M	Resistance and Mitigation Strategies by Consultants	Not applicable - The new strategic change programme addressed the key criticisms of the previous programme. Hence resistance at early stages was mounted at specific initiative level as opposed to programme level. Later stage resistance could not be researched due to change in Government.

Policy Cycle 3: Change in Administration, New Priorities and Resultant Incremental Change Initiatives: Mid 1998 to 2001

Once again, a change in Government occurred and the Nationalists returned back in power. However, public sector change was not high on the Administration's policy agenda. Notwithstanding, the consulting structures and set ups were still retained and engaged on change initiatives. At this stage the Consultancy Group (MEU) did not have a political champion and hence the only legitimate relationship was its official reporting line to the Head of the Public Service. Moreover the Head of the Public Service had shifted away from the belief that change could be delivered through central structures and adopted a collaborative approach with Ministries to decentralise change initiatives. This led to the establishment of various loosely coupled change initiatives, which could be described to fit the incremental change typology (Ferlie et al, 1996).

However during the course of this policy cycle Consultants attempted to develop proposals for a new change programme, which were not necessarily aligned to the incremental change philosophy and also attempted to realign consulting initiatives to Government's new agenda.

It is noted that this policy cycle ends in 2001 and this also represents the case study end point where the demand for MEU consultancy services was significantly reduced.

In the context of this Policy Cycle, the theory building themes defined in section 2.2.2 were evolved and contextualised as follows:

Table 2 6 Policy Cycle 3 Research Questions

Policy Cycle 3: The contribution that programme leadership consultants can make to the creation and maintenance of momentum for change programmes when priorities change and the organisation adopts an incremental approach to change, and the implications for the client sponsor of the change programme.

#	Theory Building Theme	Focus within Policy Cycle C
CL	Leverage of the Consultants' Relationship with the Client	How do Consultants develop and leverage their relationship with the client(s) when priorities change and client ambition is reduced?
P&P	Power and Political Strategies Deployed by Consultants	What power dynamics were leveraged by the Consultants to institutionalise, generate commitment and resource the change programmes when the ambition of the senior sponsor is limited to incremental change?
AD	Consultants' ability to Adapt over time	How did Consultants adapt and what tactics did they deploy to contribute to maintaining momentum for the change programme,

		when faced with a change in leadership and Government priorities?
R&M	Resistance and Mitigation Strategies by Consultants	What types of resistance was evidenced when Consultants attempted to propose an acceleration of the momentum for the change programme?

It is noted that whilst to facilitate case study analysis, the theory building themes were refined and re-grouped within the various brackets of the case study, due consideration was given to transition implications and continuity between states thus ensuring that events in the case study are not examined as detached episodes

Chapter 3

Methodology

Chapter 3 defines and justifies the use of case research methodology, outlines the use of sub-cases within the broader context, highlights the key elements of the research protocol including techniques used to gather data and sources of evidence and addresses research validity issues.

3.1 Rationale for Undertaking Case Study

The broad research methodology adopted to explore the phenomenon may be described under the umbrella of case research and is an explanatory method that effectively studies process (Becker, 1966) identifying key events and actors and linking them in a causal chain. More specifically case study research entails “an empirical enquiry that investigates a contemporary phenomenon within its real-life context; when the boundaries between phenomenon and context are not clearly evident; and in which multiple sources of evidence are used” (Yin, 1984:23).

The theoretical development focuses on a “how” and “why” questions about a contemporary set of events (Yin 1984), and is thus typical of a case study research. Moreover, the following considerations with respect to the phenomenon under investigation reassured the researcher in selecting case research as the primary approach to study the research domain:

- It involves researching a contemporary dynamic phenomenon where behaviours cannot be manipulated and for which knowledge is still emerging (Eisenhardt, 1989; Yin, 1989; Yin, 1994; Bonoma, 1985) and theory is still in formative states (Roethlisberger, 1977);
- It involves research within the a real-life context wherein boundaries between the researched phenomenon and its context are not clearly delineated (Yin, 1994; Bonoma, 1985) and is difficult to research outside its natural setting and is not very amenable to quantification (Bonoma, 1985);
- It involves understanding practitioner knowledge and developing theory from such understanding (Benbasat *et al*, 1987) wherein experiences of case study actors and context are critical (Bonoma, 1983);
- It involves in-depth understanding of the dynamics of a single setting (Eisenhardt, 1989);
- Explanation between causal relationships are too complex to explain through experimental methods (Eisenhardt, 1989; McGuire, 1997);
- Independent and dependent variables may not be specified in advance (Benbasat *et al*, 1987);
- Deploys interviews, observation and multiple sources of data (Bonoma, 1985; Robson, 1993).

Once the exploratory power of the case study was assured, the researcher negotiated access with the Maltese Public Service and ascertained the willingness of the actors involved to participate candidly in this

case-oriented research.. Moreover the researchers prolonged research engagement helped in learning about the context, trusting the information, highlighting distortions and developing trust (Lincoln and Guba, 1985).

While the research is based on one processual case study, the case is rare (Yin, 1994) and provides an opportunity to examine the role of consultants within the same public service context with differing theoretical change parameters and archetypes (e.g. radical change, strategic change and incremental change) and provides unusual access for academic research (*ibid.*). The approach undertaken is also congruent with advice from Perry (2001) who suggested that if the researcher adopts a single case approach it is preferred that two or more theories are tested.

The case under investigation presents good opportunities for explanatory power (Mitchell, 1983) and analysis of causal relationships based on real observable interconnections within a concrete setting (Stoecker, 1991). Based on the work undertaken the case provides evidence on both the explanation of rules and exceptions (Stoecker, 1991).

3.2 Embedded Sub-Cases

Moreover, this processual case was being treated as a cluster of units of analysis (McClintock, Brannon and Maynard-Moody, 1979) and these sub-cases are acknowledged as multiple cases within a larger context (Eisenhardt, 1991). Based on analysis in the previous chapter, the research revealed a pattern, which can best be described in terms of stages of development with temporal periods labelled phases. Hence, these phases in the study are multiple embedded cases, which in effect are a unit of analysis. This treatment of various sub-case studies enables case comparison (Skocpol, 1979; Platt, 1988). This is in line with research practice (Patton, 1990; Miles and Huberman, 1994).

Moreover, the processual and longitudinal case timeline also incorporating multiple sub-cases within the phases of the case study. This enabled the researcher to address causality, give due consideration to time lags between cause and effect and analyse dynamic processes (Kennedy, 1979). This reduced the risk of defining incorrect causal relationships and attributing observations to single causes that may have occurred if the researcher only examined one sub-case study.

3.3 Research Procedures, Data Gathering Process and Research Validity Issues

In light of the importance of context in case research, any facts relevant to the stream of events describing the phenomenon is a potential data source (Stone, 1978). To facilitate this process, the researcher developed a research approach, for answering research questions being investigated (Blaike, 2000). This is important since the methodological value of the research to be undertaken is fundamental in assessing

theoretical developments that will be proposed. In this respect, the case study protocol frames and controls the contextual environment of the case study (Yin, 1994). The researcher has detailed in advance the procedures, processes and information requirements to be followed during data collection. Yin (1994) suggested that the protocol should include an overview of the study, research procedures to be followed and interview questions. In this respect, the researcher also clearly defined research parameters in line with academic best practice as evidenced in Chapter 3. Moreover general instructions on conducting semi-structured interviews; interview introduction; probe questions and interview questions were developed.

It is practice that exploratory interviews are incorporated in the research design while the review of prior theory is being conducted (Nair and Riege, 1995). In developing the first iteration of the case outline and undertaking the case bracketing process outlined in the previous chapter, the researcher carried out a preliminary study and utilised data from semi-structured pilot interviews with Senior Consultants, Politicians and Permanent Secretaries involved during the case study timeline. This was complemented by a preliminary review of key strategic documents. This enabled the research student to outline the case study time frame and develop theoretical development foci based on both deductive and inductive approaches. Moreover, this process supported the refinement of the interviewing protocol for the mainstream interviews.

This refinement in interview protocol is particularly important given the challenge of obtaining disclosure of information when researching aspects of change initiatives such as political tactics. Through this preliminary study, some of prior theory outlined in the literature review and conceptual definitions chapter emerged as being more relevant and these inputs better informed the refined interviewing protocol used for data gathering (Perry, 1998). This prior theory emanating from the literature and preliminary study was the first step undertaken in the theory building process of case-study research.

Based on the preliminary study, my previous research on the Maltese Public Service (Mizzi, 2000) and document reviews it was evident that the case is data rich, and methods deployed needed to ensure that the research issues are examined in light of all available data and that the contextual complexity is captured.

The researcher was meticulous in identifying key sources of data and in record keeping. In this respect the case research deployed a number of research techniques and sources of evidence as outlined in the table below:

Table 3 1 Main Research Techniques and Sources of Evidence

Case Research Techniques	Sources of Evidence
<ul style="list-style-type: none">- Preliminary study- Semi-structured interviews (vide Appendix A)- Content Analysis- Archival Analysis	<ul style="list-style-type: none">- Semi-Structured Interview Data- Policy Papers- Official Speeches- Public Sector Reform and Operations Review Documentation- Written Proposals relating to Change Initiatives- Agency Annual Reports- Public Service Business Plans- Management Efficiency Unit Projects Archive- Strategic Reviews of Public Service Structures- Report Evaluations- Financial and Human Resources Archival Records- Minutes of Change Management Committee Meetings- Office of the Prime Minister Correspondence on Reform- Consulting Project Briefs- Consulting Project Review Records and Statistics- Minutes of Consulting Review Meetings- Position Papers- Newspaper Articles of Key Occurrences- Position Descriptions- Information Access to MAGNET (Malta Government Network) Database- Data Analysis of Power Dynamics in the Maltese Public Service (MA dissertation, Mizzi, 2000)
	<p>Access was provided by the former CEO of the Management Efficiency Unit within the Office of the Prime Minister (Paul Mifsud Cremona).</p> <p>Sources have been referred to and referenced throughout the Chapters of this thesis.</p>

As evident from the table above, secondary data is also given significant consideration and aspects of an archival study are also undertaken (Scandura and Williams, 2000). In this respect all key sources of evidence which have been sourced were summarised and codified against the case study brackets. The codified analysis of this data was presented in Chapters 6 to 9.

It is noted that following the analysis of data from the pilot interviews the researcher proceeded with a detailed analysis of the secondary data commencing with published documentation to develop the various

stages of the case study. Subsequently non-published reports, reviews, minutes and other documentation were analysed and codified against the case study brackets.

Subsequently the mainstream semi-structured interviews were held with senior politicians (e.g. former Prime Minister), senior Consultants (e.g. Chairman of Consultancy Group,; Executive Consultants; Delivery Consultants), and senior public servants (e.g. Cabinet Secretaries,; Permanent Secretaries etc.) which lasted between 2 hours and 3 hours. It is also noted that some of the individual interviews dealt with more than one policy cycle given that the interviewee was involved in more than one of the policy cycles within the context of the longitudinal case study.

The interviews also enabled the researcher to confirm the change archetypes evidenced in the various policy cycles based on a consensus view that emerged from the respondents. An open, semi-structured format was also well received by the respondents. This was based on the argument that highly formalised interview formats may introduce bias given that the same question may have differing meaning to different respondents (Sayer, 1984). The design of the questions was universal and was adopted throughout the interviews that comprise a cross-section of Permanent Secretaries, Senior Public Officers from the Office of the Prime Minister and the Treasury, Senior Consultants, and Politicians who played an active strategic apex role in the various change initiatives during the case timeframe.

The first questions of the interview were content free and enabled the interviewee to present his or her perceptions rather than warrant answers from the respondent that are guided by the researcher's question (Dick, 1990). Moreover, some questions were developed in the form of probe questions that were asked if the respondent did not raise aspects related to the research issues being investigated (Easton, 1994).

During research design stages, it was recognised that the use of multiple methods improved research validity. Hence throughout the research phase, the researcher maintained methodological rigour to leverage the information rich case study thus ensuring it is worthy of in-depth examination (Patton, 1990) of the main theoretical issues under study.

Moreover in accordance with Yin's (1994) academic best practice guidelines the researcher:

- Ensured completeness by reviewing all available sources of evidence available and secured access to formerly unpublished documentation;
- Considered all obvious alternative perspectives and ensured that a balanced view and provided sufficient evidence, which was purported by interviewing a wide range of consultants, politicians and public servants. This was also complemented by a document and archival review across both the public service and consultancy organisations.

- Composed the case study in an engaging manner and had the opportunity to go back to sources of evidence to clarify data.

It is noted that the views of all key players involved in the processes of change are represented. In ensuring construct validity, triangulation was deployed by the researcher. Hence triangulation was applied to research methods strategies, settings for data collection and sources of data. In line with Patton's (1990) guidelines the researcher deployed triangulation by engaging several sources (e.g. multiple interviews for each sub-case), several types of sources (e.g. interviews, minutes of change committee meetings etc), analysts (e.g. different interviewee perspectives from both consultancy and public service participants in the change process) to help re-code parts of the case study.

Becker (1968) and Bromley (1986) noted the challenges that the case study faces in terms of ensuring internal validity particularly the lack of built-in corrective measures and controls to limit the researcher's biases. In the context of internal validity which refers to the validity of cause and effect relationships that are explained by the research, this case research attempts to identify explanations that suggest that causal relationships exist in some limited contexts (Perry, Reige and Brown, 1998; Tsoukas, 1989). Moreover, the processual and longitudinal case timeline also incorporating multiple sub-cases within the phases of the case study. This enabled the researcher to address causality, give due consideration to time lags between cause and effect and analyse dynamic processes (Kennedy, 1979). This reduced the risk of defining incorrect causal relationships and attributing observations to single causes that may have occurred if the researcher only examined one sub-case study.

In the context of external validity or lack of, Smith and Robbins (1982) argued that case research does not allow the researcher to generalise findings to other settings. Moreover, Runyan (1982) noted the limitations of case research in testing causal hypothesis. However, a good case selection criteria that includes replication logic enhances external validity. In the context of the research being undertaken, the various phases of the case studies were bracketed and codified based on theoretical considerations thus enabling other external parties to conduct replication tests within similar defined parameters.

Review of the Present State of the Public Service and Definition of a Radical Change Programme: Mid 1987 to Mid 1989

Case Analysis of Policy Cycle 1-A and Theory Building

4.1 Introduction

This Chapter forms the first part of the first of three policy cycles being examined in this study, and covers the period between 1987 and 1990 when the Maltese Government was in the process of formulating an agenda for change across the Public Service. The reader may refer to Appendix B for further contextual information to the Maltese Islands, its post-independence governance, and salient political developments. The Appendix provides the reader with contextual information to the case study base point prior to the launch of various public service change initiatives.

The new Prime Minister commissioned an expatriate external Consultant to review the current state of the Maltese Public Service and facilitate the development of a change programme. The intent of the new Prime Minister was to instil major changes in structures, processes, people, technology, culture and behaviours and deliver a radical change (Miller, 1976; Tushman and Romanelli, 1985) programme.

This first part of the policy cycle deals with the onset of change when uncertainty is at its peak and where senior politicians, senior public servants and Consultants were all engaged in attempting to shape the change agenda. This uncertainty suggests that various kinds of political behaviour can be anticipated (Pettigrew, 1973) and that political processes are heightened with the complexity and uncertainty of innovative decisions (Pettigrew, 1973). Moreover, the engagement of external consultants may have further disturbed organisational dynamics (Baitsch and Heideloff, 1997) and may have triggered resistance from senior public servants.

In the context of this policy development phase of this Policy Cycle, theory building themes were developed in Chapter 2. These Theory Building Themes were based on the literature gap identified, the analysis of existing theoretical constructs, and the case study context of this policy cycle phase. The Theory Building Focus of this Chapter is outlined below:

Table 4 1 Policy Cycle 1-A Research Questions

Policy Cycle 1-A: The contribution that programme leadership consultants can make to the creation of momentum for change programmes whilst supporting the review of the present state and the defining a radical change programme, and the implications for the client sponsors of change programme.

#	Theory Building Theme	Focus within Policy Cycle 1-A
CL	Leverage of the Consultants' Relationship with the Client	– How can Consultants develop and leverage their relationship with the client during policy formulation stage to contribute to the creation of momentum for a change programme?
P&P	Power and Political Strategies Deployed by Consultants	– What political and power strategies were used by consultants and how were they deployed to influence policy determination and contribute to the creation of momentum for the radical change programme?
AD	Consultants' ability to Adapt over time	Not applicable given that this policy cycle focuses on the early phases of the change process.
R&M	Resistance and Mitigation Strategies by Consultants	– What were the dynamics and sources of tensions between consultants and management during the formulation of a picture of the current state and the formulation of a vision for change and their implications for the change programme?

These Theory Building Themes guided a research process which is more descriptive than prescriptive, and which attempted to analyse a real world phenomenon rather than prescribe normative decision models. This phase of the case study is sub-divided in sections as presented in the table below:

Table 4 2 Outline of Chapter 4

#	Sections	Purpose
4.2	Background to the Launch of Policy Formulation Initiatives	Contextual
4.3	The Launch of Reform Initiatives and the Engagement of an Expatriate Consultant	Contextual
4.4	Understanding the Modus Operandi of the Operations Review Consultant	Case study analysis Theory analysis and building
4.5	The Complementarity of the Public Service Reform Commission and Operations Review, and Public Service Resistance	Case study analysis Theory analysis and building
4.6	Establishment of Consultancy Structures and the Reactions from the Senior Public Service	Case study analysis Theory analysis and building
4.7	Technology Strategy and the Consultancy Structures	Case study analysis

The researcher proceeded by carrying out a processual analysis of the case study guided by theory building focus 1-A. Each section of this chapter either provides contextual information which will inform theory building or presents a pre-structured sequential analysis of the case study followed by a theoretical analysis of existing theories wherein Theoretical Propositions are proposed.

It is emphasised that Theoretical Propositions were developed within the context of an analysis the case study and existing relevant literature, which has provided the foundations for theoretical understanding of what has already been achieved in the research domain. These Theoretical Propositions are categorised against the Theory Building Themes being explored and presented in table 5.1. The naming convention for the proposed theoretical propositions is as follows: *<Theory Building Theme reference>/<Policy Cycle reference>/<Sequential Proposition Number>*. Given the nature of the analysis it is recognised that when using the case study analysis, the above theory building focus will work best where it is tentative thus recognizing that they may be modified in light of issues and events discovered (Hartley, 1994). Hence the researcher anticipated to observe findings and formulate Theoretical Propositions which were not covered in the initial Theory focus scope. Such propositions will be classified as NA (Not Anticipated).

A consolidated set of Theoretical Propositions for this Policy Cycle mapped against the Theory Building Themes defined in Chapter 2 are presented in Appendix C for ease of reference. It is also emphasised that that this policy cycle is limited to examining the phenomenon within the research parameters of this policy cycle which have been defined in Chapter 2. Moreover, comparisons across Policy Cycle findings are not presented in this Chapter. This cross-Policy Cycle analysis and discussion is presented in the concluding Chapter 8.

4.2 Background to the Launch of Policy Formulation Initiatives

This section attempts to depict the background in which the policy formulation of the public service reform took place. An understanding of these settings is essential to understand the political processes and power dynamics operating within these settings.

In 1987, the Nationalists returned to power after sixteen years in opposition. This resulted in an expectation that the modus operandi of the public service will change from an economic plan orientation pursued during the Labour Administration to a political plan orientation driven by the Nationalist party’s electoral manifesto with a focus to develop the country’s infrastructure and tertiary sectors, and pursue a market liberalisation policy. These changes in orientation were evidenced by the restructuring of Cabinet portfolios which reflect a change in focus as presented below.

Table 4 3 Cabinet Portfolios as at 1986 and 1987

Labour Cabinet as at July 1986	Nationalist Cabinet as at May 1987
Prime Minister Ministers: <ul style="list-style-type: none"> – Interior – Education – Justice and Parliamentary Affairs – Finance and Customs – Works – Labour and Social Services – Health – Parastatal and People's Investment – Tourism – Industry – Foreign Affairs – Trade and Economic Planning – Agriculture and Fisheries 	Prime Minister Ministers <ul style="list-style-type: none"> – Internal Affairs and Justice – Foreign Affairs – Education – Social Policy – Finance – Development of Infrastructure – Productive Development – Development of Tertiary Sector – Gozo

This change in orientation necessitated major change in public administration. This led the Prime Minister to launch various initiatives across Government. It is noted that as at the end of 1987 the public sector employed 34,168 employees whereas the private sector employed 87,753. Hence public sector employment accounted to no less than 28% of the gainfully employed in Malta. At the time the public sector consisted of:

- The public service;
- Public corporations, authorities and statutory bodies;
- Larger limited companies with a Government majority which at the time of the study included Banks, Air Malta, Sea Malta, Malta Shipbuilding etc.

(AJPA, 1994 Symposium on the Governance of Small and Island States, Asian Journal of Public Administration, 16,1).

This policy cycle focuses on studying the role of consultants during the change initiatives launched by the Prime Minister with respect to the core public service and its respective Government Departments and associated central agencies hosted by the Office of the Prime Minister and the Ministry of Finance. Hence the context of this case study is limited to this segment of the public sector.

Moreover the study is focused on examining the dynamics of the change programme and the relationship aspects between Consultants and the strategic apex of Government which comprises Executive Government (Prime Minister, Ministers and Parliamentary Secretaries) and senior Public Servants (Administrative Secretary, Cabinet Secretary, Permanent Secretary, Heads of Department, Director Generals and Directors).

In this respect it is important to note that Senior Public Servants had for a few years been attempting to launch an internalized reform initiative within the Public Service. Concepts of reform were being discussed within the senior public service since the beginning of 1985. At the time the Administrative Secretary and Head of the Public Service, Joseph Sammut had convened Heads of Departments and smaller focused groups to discuss the future of the Public Service and launch an initiative which would be implemented entirely through the resources of the public service. The intent was and focus was to restore the prestige enjoyed by the Public Service in the 1970s. This initiative was supported by Edward Warrington and Anthony Mifsud who were then young public servants. Simultaneously Maurice Abela had drafted a report on the proposed restructuring of the public service for the then Prime Minister Dr Carmel Mifsud Bonnici. The report was never published.

An additional important consideration is that at the time the Nationalist party had a strong support amongst the senior public servants (L-Orizzont, 2nd February, 1989) even though the Administrative Secretary and Head of the Public Service was perceived as being Labour leaning (Interviews, Various). However notwithstanding this political support the Nationalist Administration was still struggling in dealing with the public service as evidenced below:

Before the last election (1987) the view was that some of the Civil Servants did not give their best because they were against the philosophy and methods of the Socialist (Labour) Government. Eighteen months after the change of Government many are coming round to the notion that though some of the laggards have somehow been revitalized, the vast majority of this group is still the dead weight it has always been.

A few even have the temerity to hide under the pretext that “*now that the Administration is ours*, those who reaped socialist benefits should be made to work”. For various other reasons, a few of the Socialist stalwarts have likewise reduced their rate of return, but by far the majority still perform at their former rate. (The Sunday Times of Malta, December 18 1988: 10, *emphasis added*).

Moreover the situation of the public service in 1989, when initiatives were being carried out was described by the Times of Malta as:

wage and salary levels have been frozen since 1982. The service has no motivation and large segments of it are filled by demoralized officers. (March 11th 1989: 3)

4.3 The Launch of Reform Initiatives and the Engagement of an Expatriate Consultant

The Prime Minister, Dr Edward Fenech Adami believed that at the time Public Administration was not working well and required major change (Edward Warrington, Interview). This view was shared and advocated by the Prime Minister’s influential Personal Assistant, Richard Cachia Caruana.

The Prime Minister’s circle of advisers was fully aware that as early as 1985 the senior public service had established the need for reform. However they did not believe that the change process could be undertaken internally and emphasized the need of an independent review.

In middle of 1988 the Prime Minister Eddie Fenech Adami (EFA) as Minister responsible for the Public Service launched two complementary initiatives – the Public Service Reform Commission (PSRC) and the Operations Review (OR):

Much of the Commission's (PSRC) exercise dealt with human resource management. In this respect it complements the Operations Review, which focused on governing structures and the application of technology in government operations.
(Public Service Reform Commission, A New Public Service for Malta, A Report on the Organisation of the Public Service, 14th July 1989: Abstract).

However it was noted that only the PSRC was publicly announced. Key players at the time all emphasized the need for the PSRC in light of the politicization of the public service and the problems of patronage and petty corruption. The Prime Minister's Private Secretary at the time Alfred Fiorini Lowell who was later appointed Secretary to the Cabinet emphasised that 1987 to 1990 period marked the start of a revolution with reform of the public service being a key objective. The Private Secretary even noted that although the reform was not publically linked to accession to the European Community (now European Union), the Prime Minister always believed that the reform of the Public Service was a necessary prerequisite for the preparation stage of Malta to accede into the then European Community. Other key players such as Edward Warrington who was later appointed as the Executive Secretary of the Public Service Reform Commission did not believe that EU accession was the primary driver but rather the development of a non-politicized Public Service which could deliver and support Malta's continued development (Interview, Edward Warrington).

4.3.1 The Mandate for the Public Service Reform Commission and its Composition

The Public Service Reform Commission was formally appointed on 27th May 1988 although preliminary work was initiated as early as February 1988. The PSRC was given the terms of reference:

to examine the organization of the public service, and to recommend means by which the Service can efficiently respond to the changing needs of effective Government (Office of the Prime Minister, Malta, 1989, Abstract).

The Commission was also charged with reviewing the pay and classification systems in the public service. The Prime Minister appointed Professor Edwin Borg Constanzi as Chairman and Joseph A Caruana, Emanuel P Delia, Alfred Fabri, Anthony P Galdes as members.

A key member of the PSRC who played an ongoing role in the subsequent reform processes was Alfred Fabri. The Prime Minister had personally approached Alfred Fabri to sit on the PSRC. Alfred was at the time employed as a senior executive with Corinthia Group, a hotel developments company. His hands on approach had been shaped when he was employed as a Management Trainee at Wrangler which was an

organization with a strong culture that things should be done right and fairly. In the 1970s it was one of the few firms in Malta which would carry out psychometric testing as part of its recruitment (Interview, Alfred Fabri). The firm was also cited in Tom Peter's book *In Search of Excellence*. It is also interesting that the firm had engaged employees across the political divide, many of whom have later assumed leadership positions in organisations across Malta (e.g. Minister of Finance, Secretary of General Workers Union etc.).

Alfred Farbri was personally involved in interactions with the Prime Minister and emphasised that the PM wanted things to be done differently and understood the issues. He also noted that the PM was always very well briefed on issues of reform and noted that his reports were always "marked and highlighted" as evidence to his reading of briefing documentation (Interview, Alfred Fabri).

Alfred was also instrumental in engaging the Executive Secretary of the PSRC, Edward Warrington who was then a young Public Servant. Edward was a student of Alfred Fabri when he lectured at the University of Malta. In this respect Alfred Fabri described Edward Warrington as a brilliant student and a purist.

4.3.2 Mandate for the Operations Review Consultant

Joseph V Tabone who was a Maltese-Canadian with senior management experience in the Canadian Public Service, approached the Prime Minister's Personal Assistant, Richard Cachia Caruana with a proposal to conduct an Operations Review of the Maltese Public Service. The Maltese-Canadian developed a strong relationship with the PM's Personal Assistant and later drafted the terms of reference for the engagement which were endorsed by the Prime Minister.

The Operations Review Consultant held some initial engagement in the Spring of 1988 before the being formally commissioned by Government in the early summer of 1988. The work was initiated in September 1988. The Consultant was engaged to carry out an Operations Review (OR) to evaluate existing organizational structures in light of the Government's policy objectives and to recommend appropriate delineations, organizational structures and mandates, and to develop a suitable information systems plan which will identify requirements, opportunities and costs / benefits for application of information technology.

The terms of reference of the review established in September 1988 were:

- To evaluate existing organisational structures in light of government's policy objectives and to recommend appropriate delineations, organisational structures and mandates;
- To evaluate the public sector's present involvement in specific functional or sectoral areas, assessing options for the future and recommending appropriate courses of action;
- To develop a suitable Human Resources planning strategy that will facilitate the transition to a more effective and efficient future structure;
- To develop a suitable Information Technology plan which will identify needs, opportunities and cost/benefits for the application of computer technology where applicable.

(Operations Review Terms of Reference, 1988).

The scope of the review was intended to encompass all Ministries, Departments and all intra- or inter-Ministry standing committees.

Initially the Chairman of the PSRC, Professor Borg Constanzi was not aware that an Operations Review was also commissioned and only found out when the Operations Review Consultant, Joseph V Tabone who was a Maltese-Canadian expatriate appeared in the local scene (Interview, David Spiteri Gingell). Hence the two initiatives did not have the best of beginnings. The Chairman of the PSRC was concerned that the Operations Review would reduce the effectiveness of the Commission and that there may be a degree of duplication.

This led to a meeting between the Chairman of the PSRC and the Operations Review Consultant who had a frank discussion and agreed the boundaries and parameters of both initiatives. It is noted that over time the two initiatives became complementary to each other.

It was agreed that the Operations Review would focus on Management Structures and IS/IT while the PSRC should focus on the overarching institutional framework of the Public Service. Subsequently the two initiatives also shared a common secretariat which ensured alignment of recommendations and avoided duplication of effort. It is also observed that the Operations Review Consultant, the Chairman of the PSRC and the Executive Secretary of the Joint Secretariat met on a weekly basis during the course of the reviews at the University of Malta to ensure alignment (Interview, Edward Warrington). The Secretariat was led by Edward Warrington (Executive Secretary) and included Patrick Vella, David Spiteri Gingell and Charles Polidano (Research Assistants) and Anna Sciberras (Secretariat Assistant). In this respect the Secretary of the Joint Secretariat drafted the PSRC's first report and edited the Operations Review on behalf of the Consultant.

This subsequent alignment between the two initiatives was acknowledged in the PSRC report's interpretation of its terms of reference:

In interpreting its terms of reference, the Commission considered the following points:

- I. The terms of reference of the Operations Review, the principal objective of which is the evaluation of organisational structures, with a view to recommending appropriate delineations, structures and mandates; and
- II. The vital links between the role of the public service in the nation's governance, the structure of the public administration and the human resources that operate those structures.

The Commission therefore focused on two sets of issues: those relating to management, understood both as the leadership and as the operating principles of organisation; and those relating to human resources policy.

(Public Service Reform Commission, A New Public Service for Malta, A Report on the Organisation of the Public Service, 14th July 1989: ii).

Moreover the Operations Review Consultant also emphasised the complementarity of the two initiatives:

The conclusions articulated in the report as well as the major remedial measures are very consistent with those of the Public Service Reform Commission. This is not the result of coincidence but rather the fruit of a collaborative relationship between the Commission and the Review Consultant. The two initiatives have since their outset been recognised as being complementary to each other and share a common secretariat and research base The Operations Review – Report 1 The Present was issued on the 31st of December 1988 by Joseph V Tabone. (pg 2).

The deliverables of the Operations Review were sub-divided into two main components, an Infrastructure strategy which looked at structural aspects of organisation and a technology strategy identifying information and system requirements. The structure of these deliverables is outlined in the table below:

Table 4 4 Deliverables of the Operations Review

Infrastructure Strategy	Technology Strategy
<ul style="list-style-type: none">– A proposed structure for each ministry or agency and a definition of the respective mandate. It will also propose linkages to other organisations where interdependencies exist;– A proposed delineation of responsibility between ministers and ministry or agency heads with a view to establishing appropriate accountability and effective decision making capabilities;– A proposed structure of central government agencies such as Establishments, Finance, Policy and Cabinet committees, and internal government support services including technology support.	<ul style="list-style-type: none">– The identification of information needs;– A review of existing methods and technologies for the management of information;– An identification of common elements of information that form the basis of operations of more than one entity;– An assessment of technologies and information systems presently in use;– An identification of the opportunities for the application of computer technology;– A review of options available to meet the needs and opportunities identified;– A coordinated strategy for a needs-driven information technology infrastructure, which may consist of computers, telecommunication networks, data banks and a range of application systems;– A cost/benefit analysis of the proposed approach.

4.4 Understanding the *Modus Operandi* of the Operations Review Consultant

At this stage of the case study both the PSRC and Operations Review were underway. Hence it is the first opportunity for the researcher to understand the phenomenon under investigation. This stage of the case study also presented key events associated which will provide key insights in understanding the role of Consultants in shaping the policy for change.

More specifically this section 4.4 will present:

1. A pre-structured sequential analysis of this stage of the case study which included:
 1. Structured Engagement of Senior Political Stakeholders by the Operations Review Consultant (section 4.4.1);
 2. Initial Reaction to the Consultant by Senior Public Servants (section 4.4.2);

3. The First Report by the Operations Review: Consultancy Tactics and Implications on Consensus (section 4.4.3);
 4. Proposal to Mobilise a Consultancy Group (section 4.4.4).
2. Section 4.4.5 proceeds by presenting a theoretical analysis of this stage of the case study within the context of existing relevant literature, which has provided the foundations for developing Theoretical Propositions associated with the respective theory building themes (as per reproduced table below).

Reproduced Table 4 1 Policy Cycle 1-A Research Questions

Policy Cycle 1-A: The contribution that programme leadership consultants can make to the creation of momentum for change programmes whilst supporting the review of the present state and the defining a radical change programme, and the implications for the client sponsors of change programme.

#	Theory Building Theme	Focus within Policy Cycle 1-A
CL	Leverage of the Consultants' Relationship with the Client	– How can Consultants develop and leverage their relationship with the client during policy formulation stage to contribute to the creation of momentum for a change programme?
P&P	Power and Political Strategies Deployed by Consultants	– What political and power strategies were used by consultants and how were they deployed to influence policy determination and contribute to the creation of momentum for the radical change programme?
R&M	Resistance and Mitigation Strategies by Consultants	– What were the dynamics and sources of tensions between consultants and management during the formulation of a picture of the current state and the formulation of a vision for change and their implications for the change programme?
NA	Not Anticipated	Emerging Theoretical Propositions which were not covered in the initial Theory focus scope

The Theoretical Propositions are presented in section 4.4.5. These Theoretical Propositions are categorised against the Theory Building Themes being explored and presented in table 4.1. Theoretical Propositions which were not covered in the initial Theory focus scope will be classified as NA (Not Anticipated).

4.4.1 Structured Engagement of Senior Political Stakeholders by the Operations Review Consultant

The meetings and interactions of the Operations Review Consultant were predominately with senior Politicians and Public Service stakeholders. These included the Prime Minister and his Personal Assistant, Ministers, Secretaries and some interactions with Department Heads and Heads of Parastatal bodies:

These meetings helped to develop a superficial understanding of the operations of government, but more importantly served to draw out the issues that are deleteriously affecting the conduct of good government. At an early stage in a review of such scope and magnitude, it is important to take a 'first cut' on the issues in an effort to set the tone for the exercise. The Operations Review – Report 1 The Present was issued on the 31st of December 1988 by Joseph V Tabone (pg2).

In this respect the Operations Review Consultant maintained regular meetings with the Prime Minister's Personal Assistant throughout the process. (Interview, Edward Warrington, Alfred Fabri). This ensured alignment between the Operations Review Consultant and the Prime Minister's inner circle. Moreover the Consultant ensured momentum by maintaining a very rapid pace and responded to deliver on commitments within short timeframes.

A briefing of Ministers and Secretaries was held on December 1 1988 which conveyed the Consultant's preliminary diagnosis and obtained a consensus view on the nature of the issues. In this respect the Operations Review Consultant placed an emphasis on managing relationships with key decision makers with particular emphasis on the Prime Minister and his Personal Assistant. Moreover the Operations Consultant was also very articulate in sensitising his audience and emphasising the urgency for reform and the resources required to deliver. This has also been highlighted in the Operations Review Report:

The benefits of this review will, to a considerable extent, be dependent on the extent to which this report manages to sensitise its audience to the complexity of the challenge, the urgency of remedial measures and the resources that need to be mustered to implement long overdue reforms. (The Operations Review – Report 1 The Present was issued on the 31st of December 1988 by Joseph V Tabone. (pg 2).

The Operations Review Consultant adopted a process of engagement which was highly visible to the Prime Minister. More specifically:

the approach used in this exercise consisted of individual meetings between the Consultant and Ministers, Parliamentary Secretaries, Permanent Secretaries and Department Heads. In these meetings an attempt was made at defining existing organisations, their respective roles and mandates, reporting relationships, interactions with other organisations and identification of processes, those peculiar to a ministry or department as well as others with a broader application. These individual meetings also served to elicit issues which are highlighted in this report. In addition, group workshops have been convened with a view to obtaining from participants a consensus on the major issues. This has been vital and rewarding first step since it is not possible to proceed with administering a cure without first having a diagnosis. (The Operations Review – Report 1 The Present was issued on the 31st of December 1988 by Joseph V Tabone).

Moreover the key focus of the Operations Review Consultant was on the areas which were of interest to the Prime Minister such as problems associated with delivery and the urgent need for a change in the orientation of the public service to reflect the new Administration's agenda and approach to doing things. These concerns were cited in the first report of the Operations Review:

The most frequent complaint cited by ministers, civil servants and the general public is that things do not get done or that, when they are, they are carried out in a haphazard and shoddy way. Many civil servants commented that the level or quality of service has actually declined in the last two years. They attribute the reasons to this as being:

- a) The prevailing confusion with regard to who should be doing what; and
- b) The lack of discipline throughout the service.

With regard to point (b), it is the feeling that whereas under the previous administration there was an element of fear and discipline, this is no longer the case.

(The Operations Review – Report 1 The Present was issued on the 31st of December 1988 by Joseph V Tabone: pg 11).

In doing so the Operations Review Consultant maintained an ongoing relationship with the Prime Minister's Personal Assistant and provided ongoing updates. It is interesting to note that this first report presented a picture of the current state and did not include major recommendations. However the Operations Review Consultant reinforced the perceptions of the political elite and emphasised the need for urgent and radical change.

4.4.2 Initial Reaction to the Consultant by Senior Public Servants

From the onset, senior public servants looked at this Operations Review initiative undertaken by an "outsider" with suspicion. The Private Secretary to the then Prime Minister noted that Senior Public Servants asked "why do we need outsiders, why do we need MSU, why bring someone from Canada?" (Alfred Fiorini Lowell, Interview). Senior Public Servants described the Operations Review Consultant as an outsider who could speak good English with good relationships to the Prime Minister's inner circle, and who was never welcomed and accepted by senior civil servants (Interviews, Alfred Fiorini Lowell; David Spiteri Gingell).

In the course of the review, the Operations Review Consultant initiated organization development (OD) workshops. Two workshops were held in April and November 1988. It is noted that initially the workshops instilled a sense of optimism that change was going to happen soon (Interview, Joseph Zammit).

4.4.3 The First Report by the Operations Review: Consultancy Tactics and Implications on Consensus

Following structured business engagement carried during the second half of 1988, the Operations Review Consultant submitted his first report to the Prime Minister on the Current Situation on the 31st of December 1988. It is noted that the first report portrayed the current situation and had few recommendations.

However the report reinforced the perceptions of the Prime Minister and his inner circle and emphasised the need for urgent and radical change. Moreover the report included a few recommendations which ensured that the Operations Review Consultant would have ongoing access to the Prime Minister’s inner circle.

The key findings of the report are synthesised in the table below:

Table 4 5 Key Findings of the Operations Review

Organisational	Human Resources	Environmental
<ul style="list-style-type: none"> – Insufficient role delineation between Ministries and departments – Insufficient role delineation in the upper hierarchy of government (e.g. Minister, Parliamentary Secretaries, Permanent Secretaries, Advisors, Heads of Department and Private Secretaries) – An inability to place specific initiatives under the responsibility of a particular organisation – No capability within government to conduct planning of any sort ranging from strategic to operational with the attendant research and analysis that this necessitates – An absence of guidelines in allocating budgets and a failure to use a budget as an economic policy tool – Lack of basic management capability particularly an absence of middle management – Poor communication at intra-as-well as extra-ministry level – Lack of accountability resulting from excessive centralisation and lack of delegated power – Obsolete financial and staffing guidelines – Poor quality of service and lack of customer-sensitivity. 	<ul style="list-style-type: none"> – No planning in recruitment resulting in more sectoral over manning or shortages – Unsatisfactory criteria for recruitment and promotion – Insufficient investment in human resource development and virtual non-existence of mechanism to carry it out – No job classification system in place to put an equitable value on jobs and compensate them accordingly – Unsatisfactory conditions of service of public service employees 	<ul style="list-style-type: none"> – Lack of proper working conditions such as office space, basic hygiene, decent furniture – Inadequate telecommunications – An inadequate use of modern information technology and lack of standards for the acquisition of hardware and software so as to maximise utility, enable access and movement of data and enhanced support – An absence of internal consulting services and insufficiently organised support services – Various additional Ministry-specific issues had also been identified
Source: The Operations Review – Report 1 The Present was issued on the 31 st of December 1988 by Joseph V Tabone.		

The Operations Review Consultant managed to successfully gain consensus on the strategic issues pertaining to the state of the public service from the political elite. The view that consensus was achieved on the key issues pertaining to the current state was also noted by the Executive Secretary of the Public Service Reform Commission as evidenced below:

Even though there may be different ways of stating an issue, or different views as to priorities, there seems to be a fundamental agreement on the diagnosis presented by the consultant. This consensus is a necessary basis for the next stage of the Review : identifying strategies for change.

It also means that 'local' reform initiatives within a ministry or department will depart from a common diagnosis, and relate to a common context of strategies for change. (E Warrington, Change and the Public Service: Issues, Goals and Strategies – A synthesis of the workshop for permanent secretaries, 9th November 1988).

However the Consultant did not validate the issues identified in his report which pertained to the individual Ministries. In this respect the report was not circulated to the wider Public Service and hence specific issues were not challenged, However this approach created unnecessary speculation and triggered the creation of resistance groups which will be discussed later on in this Chapter. This interpretation was confirmed by both the interviews carried out and by the Operation Review First Report itself as evidenced below:

These issues (derived from the first stage of the Operations Review) in effect represent the consultant's diagnosis of what ails the organisation. Before one could proceed with proposing solutions, it was important to validate these issues, or to get a consensus with regards to the generic ones. This has now largely occurred at the most senior levels of government, this setting the stage for an explanation of options.

A need still exists however to validate the ministry/department specific issues since these will constitute the premises for future changes. Once again this will be done at the next stage in a variety of ways such as through meetings with Ministers, Department Heads, steering committee, but largely in ministry-wide workshops. The Operations Review – Report 1 The Present was issued on the 31st of December 1988 by Joseph V Tabone (pg 225).

The first report of the Operations Review contained clear messages targeted at the Prime Minister and his inner circle to instil a sense of urgency and ensure that complacency is avoided as evidenced in the quotation below:

There is nothing startling about a public being disenchanted with a new government administration after a short honeymoon period. Therefore the disillusionment encountered in the course of this review was not a total surprise. It was the extent and the source of the disillusionment that was surprising.

Time and time again, in private or during workshop sessions, public servants expressed their frustration about the administration. Indeed what was most surprising was that the comments did not appear to be politically motivated, coming from individuals who are obviously loyal to the present administration. More than anything however, one would have expected these officials to have a far better understanding of the myriad issues and their complexity. One can conclude that if the understanding and empathy is lacking at this level, it will be markedly more so at more subordinate levels and outside the public service.

(The Operations Review – Report 1 The Present was issued on the 31st of December 1988 by Joseph V Tabone. pg232).

Moreover the Consultant presented his findings in a descriptive style which suited the Prime Minister who was known to read Reform reports in detail. The structured engagement with the Prime Minister ensured that parameters for change were tested before clear cut recommendations were made as evidenced in the quotation below:

Examination of Options

The first report is structured such that, having identified several deficiencies, options are posed on how to deal with these. *These options are not intended to be exhaustive, but were merely aimed at generating some dialogue and giving the consultant a reading on a preferred direction.* The advantage of this participative process is that hopefully, at the conclusion of the review, there will be an action plan that is viable and *an audience that is pre-disposed to it.*

A reading on preferred options on certain issues will be required at a very senior level. Thus the Prime Minister will need to give the consultant an indication of the extent to which he is prepared to entertain changes in the structure of ministries, their role delineation, radically different human resources policies and wholly new rules of accountability,, just as an example.

In effect either the Prime Minister or Cabinet will be required to provide some direction on the generic or corporate type issues. It makes no sense at all to proceed down a road with a hypothetical solution, if in the end this is not acceptable.

(The Operations Review – Report 1 The Present was issued on the 31st of December 1988 by Joseph V Tabone, pg225 with added *emphasis*)

It is also noted that while the Consultant did engage closely with senior Public Servants, his focus and communications were targeted at the Prime Minister. The Consultant acknowledged the contribution of the Senior Public Servants stakeholder group. However they were described as the incumbents, which had a vested interest in the reform as quoted below:

While the review is premised on dialogue and consensus, decisions will still be required with regard to each item. Given the Prime Minister's commitment and sense of urgency about the need for reform, it is important that decisions relating to critical areas are not delegated or defaulted to inappropriate levels, or to incumbents with a vested interest in the status quo. Thus for example, whether it is a matter of increased financial delegation or the implementation of a decentralised personnel policy, both the line Ministries as well as the present central agencies (Finance and Establishments) have a perspective to contribute; they need not however necessarily be the ones to decide the final policy outcome. It should be stressed that these are merely examples and that a critical safeguard has to be the objectivity of the final arbiter on these matters.

(The Operations Review – Report 1 The Present was issued on the 31st of December 1988 by Joseph V Tabone: pg226)

Moreover the Consultant also stressed on the importance and need for decision making to be undertaken at the highest level to ensure expediency and that the Prime Minister's intent is not diluted. In this respect the Consultant highlighted that the decision making processes associated with the reform were inappropriate:

While a steering group is in place to oversee this review, the Committee has no decision- making powers. Its value is primarily as a sounding board and contributor of ideas, but more importantly as a check against potentially conflicting directions with the Public Service Reform Commission.

(The Operations Review – Report 1 The Present was issued on the 31st of December 1988 by Joseph V Tabone: pg226)

In addressing these challenges associated with decision making, the Operations review highlighted that options for change should be reviewed in the following perceived sequence:

- i. The Prime Minister – he will have to give an indication of options that should be excluded and to provide input into others.
- ii. Ministers – to provide input and to develop agreement on options;
- iii. The Civil Service – to apprise them of the nature of the changes and to seek their input.
- iv. The Steering Committee – to seek input and to sound out the nature of the options and their implementation.

(The Operations Review – Report 1 The Present was issued on the 31st of December 1988 by Joseph V Tabone, pg226).

In ensuring ongoing access to the Prime Minister the Operations Review Consultant recommended the establishment of a compact Cabinet Committee chaired by the Prime Minister which would meet on a weekly basis and provide institutional legitimacy to the Operations Review Consultant's efforts:

While some of these (opportunities for change) may be fairly simple and straightforward, others pose a radical shift from traditional practice or patterns of doing business. Because of this there may be *merit in the establishment of a small Cabinet Committee, preferably chaired by the Prime Minister*, to evaluate and discuss proposed changes and *to provide direction to the Operations Review Consultant*. The Committee may also serve to lay the groundwork for consensus on reforms proposed.

Given the extensive reform agenda and the time-frame for implementation, such a committee can provide the necessary continuity and the impetus for a sustained implementation pace. The Public Service Reform Commission and the Operations Review are both intended to be completed by the Summer of 1989. In the event that some of the measures proposed elsewhere in the report are not adopted, the Committee will be able to take over the reins of 'Reform'.

If such a committee were established, it will be required to meet at least once per week during the first part of 1989 to go over the long agenda presented in the report and to review subsequent reports.

Recommendation

That a Cabinet Committee chaired by the Prime Minister be appointed to review and decide an agenda for change proposed by the Operations Review Consultant and by the Public Service Reform Commission.

(The Operations Review – Report 1 The Present was issued on the 31st of December 1988 by Joseph V Tabone. pp 227-8).

The recommended Cabinet Committee was established and chaired by the Prime Minister. This gave the Consultant further access to the Prime Minister and ensured the consultant's role in future initiatives. It should be noted that the only other policy area for which such a structure was established was European Union Relations.

The Operations Review Consultant also emphasised that the proposed reforms will necessitate radical change and highlighted the scepticism from senior Public Servants that resources will not be available to make this happen. In this respect he advocated the need to establish an implementation team:

The nature of the reforms suggests a totally different philosophy or a radically new discipline relating to the conduct of business, that is at odds with the present organisational culture and value system. Change has touched precious little operations of government some of which have been in place for decades.

A constant concern voiced by many civil servants in the last couple of months is that nothing will come out of the Review or the Public Service Reform Commission. Some of the scepticism has to do with the perceived lack of resources and expertise needed to implement the changes coming out of these two exercises. Evidence of this is the multitude of requests being received by the Operations Review Consultant to facilitate a change that a Minister, or Department Head wishes to implement. A similar faith has been encountered with interim measures emanating from the review; unless a specific individual or organisation is designated to take the recommendations beyond the 'ideas' stage, it is doubtful whether any of these will come to fruition.

The implementation team referenced in Appendix A is thus not merely invaluable, but utterly indispensable if the government is serious about reform.

(The Operations Review – Report 1 The Present was issued on the 31st of December 1988 by Joseph V Tabone. pg231).

Moreover the Operations Review Consultant posed questions as to who should assemble such a team highlighting various options:

Putting such a team together in Malta is in itself going to pose a considerable challenge and take some time to bring about. Thus the task of the "Implementation Team" has to be a top priority for somebody. The first decision needing to be made is who will assume responsibility for assembling such a team. The Prime Minister's Personal Assistant, the Secretary General, Operations Review Consultant or a Minister could be designated.

(The Operations Review – Report 1 The Present was issued on the 31st of December 1988 by Joseph V Tabone. pg231).

Moreover:

As a first step the Operations Review Consultant will develop a proposal setting out the purpose, options and costs of establishing such a team. The proposal to be presented to the Prime Minister by January 15, 1989.

(The Operations Review – Report 1 The Present was issued on the 31st of December 1988 by Joseph V Tabone. pg231).

Despite that the Consultant listed various individuals as alternatives to establish of the consultancy group:

- Any Minister was technically excluded from establishing the consultancy group, by recommending that the team shall be located within the Office of the Prime Minister.
- The Secretary General and the Prime Minister's Personal Assistant had many other duties.

Hence the obvious choice for establishing the consultancy unit was the Consultant himself. This political move enhanced the potential for Consultant to increase his power and influence - from being an external consultant. This highlights the ability of the Consultant to assume and deliver additional tasks of a strategic nature and deliver within a short-time frame which would not be delivered by line managers. The Consultant created an opportunity window to enter the organization and securing a prominent role in driving change and maintaining control of the change programme.

Moreover this enabled the Consultant to mould the proposals associated with the implementation team around the principle that external advisory resources are necessary. For instance a recommendation was made to either procure external advisory or secure support from overseas Governments to support the implementation of a planning framework. However in this instance the OR Consultant retained control of policy and recommended that "a planning framework in the form of a Request for Proposals be developed by February 28 by the Operations Review Consultant" and that "negotiations be undertaken immediately with the United Kingdom, American or Canadian governments for such planning assistance" (The Operations Review – Report 1 The Present was issued on the 31st of December 1988 by Joseph V Tabone. pg231).

Similar tactic were deployed in other circumstances. For instance in recommending the development of administrative guidelines, the Consultant noted that:

It is possible that a suitably qualified person may be located from within the Service. This will be a preferable first option. *An alternative would be to locate a person outside the service and retain on contractual basis. The Operations Review Consultant can spearhead the search for such a person, who will initially constitute part of the Operations Review/Public Service Reform Commission Secretariat.*

(Office of the Prime Minister, Malta, 1988: 243, *emphasis added*)

In suggesting that the officer responsible for development of administrative guidelines should be initially attached to the Operations Review Secretariat, the Consultant ensured control over this aspect of reform. These tactics ensured that the Consultant was positioned in the driving seat of the reform process.

4.4.4 Proposal to Mobilise a Consultancy Group

Subsequently the Operations Review Consultant officially submitted a proposal to establish a Management Systems Unit as an inter-disciplinary consulting unit within the Office of the Prime Minister in January 1989 to the Prime Minister. The Consultant recommended that the function of the MSU was to *facilitate the implementation of the Operations Review and the Public Service Reform Commission outcomes* (Joseph V. Tabone, February 1989 – Proposal to UK Government: 6).

The initial proposal to establish a Management Systems Unit recommended the following mandate for the consultancy group:

- Designing, developing and implementing financial operating procedures that are premised on accountability and decentralisation.
- Designing, developing and implementing Human Resources Management procedures, that are equitable, conducive to decentralisation and accountability.
- Developing proposals and project plans for new or different organisational entities (e.g. Ministries, Departments, Units, para-governmental bodies) and facilitating their implementation.
- Developing proposals and co-ordinating plans for the phasing out of obsolete programs and organisations.
- Conducting feasibility studies as necessary and on a range of topics from computerisation to major capital projects.
- Maintaining the impetus of the organisational development activity initiated in the Operations Review.
- Developing and implementing a project management methodology.

(Joseph V. Tabone, February 1989 – Proposal to UK Government: 7)

In portraying the case for the creation of a consulting group the Operations Review Consultant emphasized the need to implement short-term measures while the PSRC and the Operations Review completed their terms of reference:

The recently completed first stage of the Operations Review points to a critical number of issues that impede the effective administration of government. A number of remedies are prescribed in the report as short term measures which the government will be deliberating on during the first part of January 1989. If, as is likely to be the case, the government feels that the changes proposed make good sense, the challenges will be to implement these satisfactorily and as quickly as possible,

(Joseph V. Tabone (31 January 1989) – Proposal to Establish a Management Systems Unit: 1).

Moreover the Consultant also provided various examples of major initiatives that will likely be implemented which were aligned to the intent of the reform programme. Such examples included:

- Decentralisation of expenditure control system
- Decentralisation of personnel management function
- Introduction of strategic planning
- Implementation of new organisation structures with attendant movement of public servants between departments
- Development and implementation of policies and guidelines relating to finance, human resources, acquisitions, annual reports, etc.
- Development and implementation of project management techniques
- Development and implementation of management by objectives approach to financial management
- Development and implementation of Personnel Evaluation System
- Maintenance of organisational development initiative as a principal tool of change
- Initiation of complementing exercise and maintenance of complement controls
- Development and implementation of specific technology standards

The Consultant ensured that the Prime Minister viewed the new proposal as being aligned to and supportive of his strategic objectives as defined in the electoral manifesto. In this respect the Consultant emphasized that the proposal of establishing a consultancy group is a critical enabler for Government to deliver on its promise. These arguments as described in quotation below:

The unit is considered essential for the implementation of the recommendations emanating from an operations review programme currently underway.....

The Government of Malta in its 1987 electoral manifesto, articulated very clearly its major objectives, philosophies and underlying principles in the social, economic and political fields. The document made particular emphasis on the need to accelerate and redirect economic development in order to enhance the material and social well-being of the Maltese population. The execution of such a complex programme presupposes the existence of an administrative machinery that is not merely capable of coping with administration of law and order, but one which is able to position itself and to redirect its efforts to realize national objectives. (Joseph V. Tabone, February 1989)
– Proposal to UK Government: 1).

The Consultant also presented an outline of a project plan which sets out the activities which have to be undertaken. In this respect the Consultant emphasised urgency to establish the Unit in that:

Given the sequencing of activities, and taking into account the present operational environment, the schedule is tight and optimistic at best. It is for these reasons that if the government of Malta supports the concept of such an organization (consulting unit), the necessary wheels should be put in motion immediately. To wait until the conclusion of the Operations Review or the Public Service Reform Commission will be to postpone the most significant reforms that could emanate from these two critical initiatives. The longer the wait the more difficult it will be to sustain the hope, and belief in the commitment for beneficial and effective reforms.

(Joseph V. Tabone (31 January 1989) – Proposal to Establish a Management Systems Unit: 6).

Moreover the Consultant also emphasised that the proposed approach mirrors best practice adopted by Governments which were seen as role models by the Prime Minister's inner circle. Reference to such best practices is made in the proposal to establish a consulting unit:

Most large organisations including government usually have Management Consulting teams which are deployed throughout an organisation as needed. The government of the United Kingdom has a Machinery of Government Group whose task it is to improve the efficiency and cost-effectiveness of departments' operations. The Canadian and American governments have similar groups established for the same purpose.

(Joseph V. Tabone (31 January 1989) – Proposal to Establish a Management Systems Unit: 1).

Moreover the Consultant also focused on depicting viable end-state outcomes and benefits in contrast to the incremental costs involved, which accounted to around circa £M 454k to establish MSU in year one. The following quotation depicts the statement of benefits presented by the Consultant:

Benefits

The Operations Review Report Number 1 does not quantify the cost to the taxpayer of the existing dysfunction of services. While it speculates on the impact of over-manning, outstanding receivables and potential productivity improvements resulting from an enhanced working environment, it will be presumptuous at this stage to gauge the value of specific benefits or productivity improvements. "Five per cent of the Civil Service running costs, including programme delivery would amount to approximately LM17 M in 1989 and experience elsewhere certainly indicates that when good management has the opportunity to work well, percentage achievements larger than this are achieved....

The investment represented in this proposal to set up this team, seen in the context of the potential benefits, should therefore not appear out of line. It is also important to point out that benefits of the magnitude implied will take a number of years to realize.

(Joseph V. Tabone (31 January 1989) – Proposal to Establish a Management Systems Unit: 4-5).

The proposal to "establish an inter-disciplinary resource group within the Office of the Prime Minister to facilitate the implementation of reforms necessary throughout the Government of Malta" (Joseph V. Tabone (31 January 1989) – Proposal to Establish a Management Systems Unit: 1) was approved by the Prime Minister.

The initial proposed organisation for the Management Systems Unit was structured around the following four distinct areas:

Table 4 6 Proposed Organisation of the Management Systems Unit

Financial Management Group <ul style="list-style-type: none"> - Policy, principle and objectives for financial management - Management of the financial function - Classification of financial transactions - Budgetary preparation, allocation and control - Departmental financial reporting - Financial systems and controls - Accounting and control of expenditures - Accounting and control of revenue and accounts receivable - Legislation - Regulations - Transition from pre-Audit to post-Audit - Restructuring of Ministry of Finance - Accounting for inventories - Departmental bank accounts - Petty cash advances - Other cash advances - Role and responsibilities of financial officers - Financial operations and internal audit 	General Management Group <ul style="list-style-type: none"> - Policy, principles and objectives of general management - Setting up management framework (planning; policy analysis, formulation & monitoring; Management Committees) - Proposals formulation - Ministerial / Departmental demarcation - Organisational development - Management by objectives - Benefits management - Change management - Problem resolution - Marketing of ideas - Project management
Technical / Professional Consulting Group <ul style="list-style-type: none"> - Information Systems (planning, analysis, standards, facilitating development and implementation) - Telecommunications (planning, analysis, standards, facilitating development and implementation) - Engineering (planning, analysis, standards, facilitating development and implementation) - Architecture (planning, analysis, standards, facilitating development and implementation) - Law (review of current legislation; amendment of appropriate legislation to enable reforms) - Medicine (Health and Safety; Rationalisation of Health Service) 	Human Resources Management Group <ul style="list-style-type: none"> - Policy, principles and objectives for personnel management - Management of personnel function - Servicing of Government negotiations on the implementation of the Public Service Reform Commission's report - Staffing (general policy; authorities and responsibilities; selection criteria; recruitment; competitions; promotions; donations; transfers) - Conditions of Employment (hours of work; premium payments; political activity; conflict of interest; oaths) - Employee Benefits (Continuous service; leave-of-absence; sickness and disability; medical, hospital and dental benefits; termination payments; pension benefits) - Position administration - Pay administration - Management compensation - Senior appointments and compensation - Career, skills development and training - Contractual appointments and services - Manpower planning - Succession planning

Joseph V. Tabone (31 January 1989) – Proposal to Establish a Management Systems Unit: Appendices.

The initial recommendation by the OR Consultant was to appoint a Project Director to lead the MSU and four Project Managers to lead each distinct functions described in the table above.

4.4.5 Theory Building

In sections 4.4.1 to 4.4.4 the researcher presented a pre-structured sequential analysis of this section of the case study which included:

- Structured Engagement of Senior Political Stakeholders by the Operations Review Consultant;
- Initial Reaction to the Consultant by Senior Public Servants;
- The First Report by the Operations Review: Consultancy Tactics and Implications on Consensus;
- Proposal to Mobilise a Consultancy Group.

The section follows this case study analysis and undertakes a theoretical analysis of this stage of the case study within the context of existing relevant literature, which has provided the foundations for developing **Theoretical Propositions** associated with the respective theory building themes (Policy Cycle 1-A – Theory Building Focus).

Reproduced Table 4 1 Policy Cycle 1-A Research Questions

Policy Cycle 1-A: The contribution that programme leadership consultants can make to the creation of momentum for change programmes whilst supporting the review of the present state and the defining a radical change programme, and the implications for the client sponsors of change programme.

#	Theory Building Theme	Focus within Policy Cycle 1-A
CL	Leverage of the Consultants' Relationship with the Client	- How can Consultants develop and leverage their relationship with the client during policy formulation stage to contribute to the creation of momentum for a change programme?
P&P	Power and Political Strategies Deployed by Consultants	- What political and power strategies were used by consultants and how were they deployed to influence policy determination and contribute to the creation of momentum for the radical change programme?
R&M	Resistance and Mitigation Strategies by Consultants	- What were the dynamics and sources of tensions between consultants and management during the formulation of a picture of the current state and the formulation of a vision for change and their implications for the change programme?
NA	Not Anticipated	Emerging Theoretical Propositions which were not covered in the initial Theory focus scope

The section proceeds by proposing Theoretical Propositions which are also categorised against the Theory Building Themes being explored.

Focus on Upward Stakeholder Engagement

Pfeffer (1981) defines OP as those organizational processes with the aim to acquire, develop and use power and other resources to obtain preferred objectives in circumstances where uncertainty surrounds decision-making. Network theory is also accredited for providing insights into organizational politics relating to the establishment and use of networks of corporate power (refer to Scott, 1991). In the context of Consultancy, Mclean (1984) suggested that consultants source of power is derived from the relationship with the client.

In this respect, it is evident from the analysis of the case study that the Consultant focused and targeted his stakeholder engagement interventions, network development efforts and communications towards senior political leaders which included predominately the Prime Minister and his Personal Assistant and some members of the Cabinet of Ministers. The Consultant clearly understood that the Prime Minister's inner circle was his main client group and that they were the key decision makers with respect to issues of Reform.

In this respect it is noted that interactions with the senior public service was limited and restricted to some workshops and meetings. On the other hand the Consultant maintained regular meetings with the Prime Minister and the Prime Minister's Personal Assistant throughout the policy cycle. This ensured that the key decision makers were part of the journey and were supportive of proposals made by the Consultant.

In the context of this study within a policy development stage it is being posited that:

Working Hypothesis CL-1A-1.0: Early on during the policy formulation stages, Consultants gather a reading of who are the key decision makers with respect to policy formulation and target their energy and focus on stakeholder engagement, network development and communications towards the identified group.

Focus on the Client's Perceived Strategic Priorities to Build Political Commitment

Jackall (1998) argued that manager's anxiety for new approaches to exert control over their organisations and career fuels the need for consultants. He also argued that Consultants are many a time constrained from providing rational solutions by their client's political agendas and tradition (*ibid.*). Kaarst-Brown (1999) noted that in certain instances consultants are co-opted by senior management, have restricted power, or may have their own agenda. Others such as Hogwood and Gunn (1984) have posed the question as to whether consultants should be engaged to support the decision making process so as to bring to the organisation a fresh and objective assessment.

In the context of this study it was evident that the Prime Minister wanted to exert control over the Public Service and ensure that it delivered his political agenda. This led the Prime Minister to personally provide leadership to Public Service change and subsequently launch two reform initiatives. Kotter (1995) emphasised the importance of leadership to the change process given that change requires creating a new system and institutionalising the new approaches. Chakravarthy and Lorange (1991) also emphasised the key roles of leaders in driving organisational change. Transformational leaders motivate organisation members to identify with the leader's vision and renounce self-serving behaviour in the interest of the organisation (*ibid.*). In this respect, transformational leaders recognise the need for change, create a new vision, institutionalise the change (Tichy and Devanna, 1990), champion the change (Kotter, 1995) and create a culture that is receptive to change (Brown and Eisenhardt, 1997).

Based on the analysis undertaken and the descriptions of the Prime Minister's involvement provided by key senior interviewees, the Prime Minister had a predisposition towards the need for radical reform. Moreover the intent of the Prime Minister following the presentation of the Consultant's Operations Review may be described as transformational, with the Prime Minister assuming the role of the transformational leader. It is emphasized that this policy cycle deals with policy formulation and not implementation. Hence the question of whether the change implemented was of a transformational nature or otherwise will be discussed in subsequent Chapters.

From the analysis of the case study it was evident that the Consultant focused on the areas and results which were of interest to the Prime Minister such as problems associated with delivery and the urgent need for a fundamental change in the orientation of the public service to reflect the new Administration's agenda and approach to doing things.

This was reinforced by the Consultant's first report which presented a picture of the current state which reinforced the perceptions of the political elite and emphasised the need for urgent and radical change. This was a critical step to secure consensus of issues pertaining to the state of the public service.

In this respect McKinley and Scherer (2000) have hypothesised that consultants will be biased toward portraying a turbulent environment because this increases the client's need for consultant services (McKinley and Scherer, 2000). However in this case it is noted that most stakeholders including the senior public service, the public and constituted bodies agreed that the current state of the Public Service as at 1988 was unsustainable. Moreover the Consultant was successful in achieving consensus of the picture of the current state. In this respect, Argyris (1995) suggested that in order to be effective consultants need to reach a consensus with members of the host organisation on a picture of the current state of the organisation.

It is also noted that the Consultant maintained regular meetings with the Prime Minister and the Prime Minister's Personal Assistant throughout the policy cycle. This ensured that the key decision makers were part of the journey and were supportive of proposals made by the Consultant.

This structured approach also tested the client's parameters for change and assessed the appetite for potential proposals which were being considered by the Consultant. This provided the Consultant with a reading of the preferred direction at a high level which ensured that the proposals made were broadly aligned to the Client's thinking and hence they would be pre-disposed to supporting them.

However it is emphasized that while the Consultant was very diligent at sounding views and seeking the broad parameters from the Political Elite before presenting recommendations, he also demonstrated competence in convincing the Political Elite on options to be pursued. Hence it is argued that the suggestion that many a time Consultants are constrained from providing rational solutions by their client's political agenda (Jackall, 1998) may be a too simplistic view.

In the context of this study within a policy development stage it is being posited that:

Theoretical Proposition CL-1A-2.0:

Part A: Consultants often present a consensus picture of the current state which is in line with the perception and challenges being faced by the key client group. Whilst doing so, Consultants demonstrate an ability to agree key parameters for the evaluation of strategy options with the client group to undertake a reading of the client's preferred direction.

Part B: Having agreed the high level parameters for options generation, Consultants progress the development of recommendations through a process of structured engagement with the client group.

Tailored Approach to Sensitise the Client Audience

From the analysis of this section of the case study it was also evident that the Consultant was very articulate in sensitising his audience and emphasising the urgency for reform and the resources required to deliver.

Moreover the Consultant ensured that his deliverables were presented in a style that suited his audience, which was in this case a descriptive style which suited the Prime Minister. In this respect the ability of the Consultant to focus messages to his client audience and to be positive about the envisaged future state was observed.

In the context of this study within a policy development stage it is being posited that:

Theoretical Proposition CL-1A-3.0: Effective Consultants often tailor the style they adopt to present their findings to their client group's preferences to ensure that their audience is sensitized by their findings and recommendations.

Perceived Delivery of a Higher Standard than in the Host Organisation

It is also noted that the Consultant maintained high standards of deliverables throughout the process. This ensured that the Prime Minister viewed the Consultant as a trusted, reliable and objective advisor and supported the Consultant's efforts to build political commitment for the change and planned reform. It is also noted that the Consultant's deliverables were perceived as being of a significantly higher standard in terms of their presentation than the documents produced by the Senior Public Service.

In the context of this study within a policy development stage it is being posited that:

NA-1A-1.0: Effective Consultants strive to maintain high standards of delivery and ensure that the standard of deliverables is perceived as being of a higher standard than those produced by the client organisation.

Ensuring Continuous Access to the Decision Making Centre

The Consultant ensured ongoing access to the Prime Minister's inner circle throughout the policy cycle. This was justified by the Consultant on the basis of the importance and need for decision making to be undertaken at the highest level, to ensure expediency and that the client's (Prime Minister) intent is not diluted.

Moreover the Consultant also designed and secured support for decision making forums for the next stages of the change and reform process. For instance, in ensuring ongoing access to the Prime Minister the Operations Review Consultant recommended the establishment of a compact Cabinet Committee chaired by the Prime Minister which would also include the Consultant and the Cabinet Secretary and meet on a weekly basis. In this respect the Cabinet Committee was established and the Consultant was very proactive in shaping its agenda and outcomes.

In the context of this study within a policy development stage it is being posited that:

Theoretical Proposition CL-1A-4.0

Part A: Effective Consultants ensure ongoing access to the Senior Client Group to have the opportunity to influence, and seek support from the Client Group for proposals. This need for ongoing senior client interaction may be justified on the basis of the importance of decisions, the need for expediency, and ensuring that the Client's intent is not diluted.

Part B: Effective Consultants also recommend and leverage the creation of initiative specific decision making forums, in which the senior clients and the Consultants are represented to formalize ongoing client

interaction and legitimize the initiative in anticipation of the implementation phase. It is also common for Consultants to take control of the agenda of these forums.

Tactics Deployed to Secure Resourcing

DiMaggio (1988) introduced the concept of the institutional entrepreneur which is particularly relevant for this analysis. In this respect DiMaggio argues that “creating new institutions is expensive and requires high levels of both interest and resources. New institutions arise when organized actors with sufficient resources (institutional entrepreneurs) see in them an opportunity to realize interests that they value highly” (1988: 14). This is interesting because in the context of the case study a new organization (Consultancy Group) was created. However the Consultant who is an external agent at the time lacked the high level of resources required as a pre-requisite to set up such organizations. Hence the study attempted to understand how the Consultant acquired those resources and generated interest.

The most emphasized political arena in organizations is resource allocation (Harvey and Mills, 1970; Pettigrew, 1973; Pfeffer, 1981). In this respect Pettigrew defines political behaviour as “behaviour by individuals or, in collective terms, subunits within an organization which makes a claim against the resource-sharing system of the organization” (1973: 17). Harvey and Mills (1970) used a similar definition in studying the political aspects of adaptation to change. They suggested that adaptive change results in conflict through its effects on the distribution of scarce resources among organizational units. Political processes such as coalition formation, bargaining and side payments address such conflict. Moreover, Pettigrew (1973) noted that the success of making such a claim in furthering the claimant’s interests depends on his political ability to generate support for his demand.

In this respect the Consultant was also diligent in seeking buy-in for engaging additional Consultancy initiatives and the establishment of a new Consultancy Group (organisation) by highlighting to the Prime Minister perceptions from within the public service that resources and expertise were not available to enable the envisaged radical change. Moreover the Consultant also emphasised that he was receiving a multitude of requests to facilitate a change within Ministries and Departments. The Consultant also warned that unless a strong implementation team is put in place the efforts of the PSRC and Operations Review would not realise benefits. It was also noted that at the time the Consultant only controlled limited resources taking the form of a Secretariat.

In the context of this study within a policy development stage it is being posited that:

Theoretical Proposition P&P-1A-1.0

Part A: Consultants entering an organisation often have limited access to organizational resources which are a key enabler of power and institutional entrepreneurship.

Part B: Effective Consultants are more likely to plan and undertake focused political tactics to generate support for the resources required for delivering their proposed change initiatives in line with the concepts on resource allocation and related political processes (Harvey and Mills, 1970; Pettigrew, 1973; Pfeffer, 1981). This may be attributed to the reality that unlike Management, Consultants possess little or no resources within the Client organization.

Part C: Effective Consultants may develop a strong case for additional resourcing requirements by highlighting that line managers clearly perceive that the initiative will not be implemented due to a lack of resources, emphasising the large number of requests to facilitate a change received from within the organisation, and emphasising that the absence of a strong team may result in failed implementation.

Consistent Proactive and First Mover Traits being Critical for Seizing Control

It has been suggested there is a strong relationship between the acquisition of power and organizational resources. This relationship is defined because control over resources enhances power and also because power is considered as a resource. In this respect Burns (1961) considers the exploitation of resources to achieve control over others as an organizational politics process. Burns (1961) suggests that the political process of resource exploitation results in more control over others and more comfortable individual existence. Pfeffer (1981) defines organization politics as those organizational processes with the aim to acquire, develop and use power and other resources to obtain preferred objectives in circumstances where uncertainty surrounds decision-making.

However it is emphasised that at the beginning of the policy cycle the Consultant had limited control over resources and hence limited power associated with possession of resources.

This may have been mitigated by a key and consistent behaviour which was exhibited by the Consultant throughout this policy cycle, which was his ability and pro-activeness to position himself as the right individual to undertake strategic resourcing tasks such as assembling implementation teams. Moreover the Consultant worked hard to ensure that commitments he undertook were always delivered upon. This was certainly a trait that the Prime Minister had not observed in the public service.

For instance the Consultant secured the responsibility for the task to establish the consultancy group which enhanced the potential for Consultant to increase his influence and control over the change process. This highlights the ability of the Consultant to assume and deliver additional tasks of a strategic nature and deliver within a short-time frame which may not be delivered by line managers in similar timeframes. Moreover through such pro-activeness and being the first mover in seeking control over strategic tasks the Consultant created an opportunity window to create a new group and secure a prominent role in driving change and maintaining control of the change programme.

In seizing control of key strategic initiatives Consultant positioning himself to mould the proposals associated with the implementation team around the principle that external advisory resources are necessary. Moreover the Lead Consultant also ensured that any additional change management resources would be attached to his team which served to maintain control over this aspect of reform.

In the context of this study within a policy development stage it is being posited that:

Theoretical Proposition P&P-1A-2.0

Part A: Effective Consultants who initially often lack any control over resources and the power associated with possessing such resources, consistently demonstrate first-mover and pro-active traits to convince Client Groups that they are the right individual(s) to undertake strategic resourcing tasks.

Part B: The assigned responsibility to undertake strategic resourcing tasks may provide an opportunity window for Consultants to increase their influence and sustain control over the change programmes.

Creating Momentum by Launching Pilot Delivery Initiatives

Novak (1997) noted that aligning short-term operations with long-term vision is central to effective transformation. On a different note and context the case study highlights that Consultants often propose short-term projects aimed at realizing operational change in the short-term. For instance in portraying the case for the creation of a consulting group the Consultant emphasized the need to implement short-term measures while the longer-term strategic options were being considered. The Consultant also provided various examples of major initiatives that will likely be implemented and demonstrated that they were aligned to the intent of the reform programme and hence would create momentum for change. Moreover it was also noted that there is generally less resistance to pilot or short-term initiatives given the perception that a pilot initiative can be terminated.

The Consultant also ensured that the proposals made were aligned to the Government's policy intent and would be seen as enabling activities which would support the creation of momentum for Government's policy initiatives. For instance in justifying the creation of the Consultancy Group the Consultant emphasized that the proposal is a critical enabler for Government to deliver on its electoral pledges.

In the context of this study within a policy development stage it is being posited that:

Theoretical Proposition P&P-1A-3.0

Part A: Consultants emphasise the need to implement short-term measures and pilot projects while the longer-term strategic options are being considered, if they can justify that these initiatives are aligned to the longer-term vision.

Part B: Consultants may deploy the implementation of short-term initiatives or pilot projects to create momentum for change, given that less resistance is mounted against pilot projects, because of the perception that such pilots can be easily terminated.

A Clear Forward Plan and Being a Step Ahead

The Consultant also demonstrated that he held full control of the situation by consistently having a clearly articulated and robust forward plan before any such plans are formulated by management. For instance he presented a roadmap or an outline of a project plan which sets out the activities which have to be undertaken. In this respect the Consultant emphasised that timeframes are tight and instilled a sense of urgency to establish the Consultancy Group.

In the context of this study within a policy development stage it is being posited that:

Theoretical Proposition NA-1A-2.0:: Effective Consultants demonstrate that they are in control of the situation by always having a clearly articulated and robust forward plan or roadmap, which sets out the activities and timeframes which have to be undertaken. In this context effective Consultants are often ahead of management in defining a forward plan.

Cite Best Practice and Case Studies to Reinforce Recommendations

Roberts (2003) cited Alfred Keiser's essay that noted that insecure managers often depend on consultants in order to appear to be following the latest trends. It is also argued that in order to attain legitimacy, organisations adopt new structures and practices that are isomorphic to those of other organisations, even in the absence of evidence that such adoptions will result in enhanced efficiencies (Dacin, 1997; DiMaggio and Powell, 1983; Oliver, 1991; Scott, 1995).

In the context of this study the Consultant emphasised that the recommendations being made are based on success stories and best practice elsewhere. For instance the Consultant noted that the proposed approach mirrors best practice adopted by Governments which were seen as role models by the Prime Minister's inner circle. Reference to such best practices is made in the proposal to establish a consulting group: The case study suggests that the use of best practice was used to justify the recommendations being made by reinforcing success stories in other implementations which were considered as role models by the client group rather than to appear to follow the latest trends (Roberts, 2003). Citing best practice was used in both the accentuation of the positive as well as the need to mitigate against the status quo (e.g. depicting failed approaches to change).

In the context of this study within a policy development stage it is being posited that:

Theoretical Proposition CL-1A-5.0: Consultants often utilise best practice case studies of other organizations which are recognized by clients as successful initiatives, as well as case studies which depict the consequences of failure to change, to support the buy-in process of their recommendations by Client Groups.

An Early Focus on Benefits Realisation

In a university based study, Lodahl and Gordan (1973) concluded that physical sciences with their higher levels of research programme development received much more funds than social science departments, given that the return on research funds was more predictable. This complies with MSU's situation when at conception stage where the Government expected a return from MSU's operations, given their methodological expertise, thus justifying the establishment of MSU outside the structures of the public service bureaucracy.

Moreover the Consultant also focused on depicting viable end-state outcomes and benefits in contrast to focusing on incremental costs involved. In the context of this study within a policy development stage it is being posited that:

Theoretical Proposition NA-1A-3.0: Consultants focus on, and skilfully depict the outcomes and benefits associated with successful implementation of their proposals.

4.5 The Complementarity of the PSRC and Operations Review and Public Service Resistance

At this stage of the case study the two policy formulation initiatives and the battle for ideas had been ongoing for a significant period with various ideas and reports were presented. These events presented the opportunity for the researcher to examine the interrelationships between the initiative led by the external consultant and the initiative led by the Public Service Commission. Moreover the Consultant had by this point numerous interactions with key stakeholders which also presents an opportunity to understand the nature of any resistance which may have developed.

More specifically this section 4.5 will present:

1. A pre-structured sequential analysis of this stage of the case study which included:
 - The PSRC, the formulation of its recommendations and its relationship with the Operations Review (section 4.5.1);
 - The first public report on the reform initiatives (section 4.5.2);
 - Understanding the Reaction of Senior Public Servants to the PSRC and the Consultant's Operations Review (section 4.5.3);
 - The PSRC's Second Stage report and attempts at addressing resistance points (section 4.5.4).
2. Section 4.5.5 proceeds by presenting a theoretical analysis of this stage of the case study within the context of existing relevant literature, which has provided the foundations for developing Theoretical Propositions associated with the respective theory building themes (as per reproduced table below).

Reproduced Table 4 1 Policy Cycle 1-A Research Questions

Policy Cycle 1-A: The contribution that programme leadership consultants can make to the creation of momentum for change programmes whilst supporting the review of the present state and the defining a radical change programme, and the implications for the client sponsors of change programme.

#	Theory Building Theme	Focus within Policy Cycle 1-A
CL	Leverage of the Consultants' Relationship with the Client	– How can Consultants develop and leverage their relationship with the client during policy formulation stage to contribute to the creation of momentum for a change programme?
P&P	Power and Political Strategies Deployed by Consultants	– What political and power strategies were used by consultants and how were they deployed to influence policy determination and contribute to the creation of momentum for the radical change programme?
R&M	Resistance and Mitigation Strategies by Consultants	– What were the dynamics and sources of tensions between consultants and management during the formulation of a picture of the current state and the formulation of a vision for change and their implications for the change programme?
NA	Not Anticipated	Emerging Theoretical Propositions which were not covered in the initial Theory focus scope

The Theoretical Propositions are presented in section 4.5.5. These Theoretical Propositions are categorised against the Theory Building Themes being explored and presented in table 4.1. Theoretical Propositions which were not covered in the initial Theory focus scope will be classified as NA (Not Anticipated).

4.5.1 The PSRC, the Formulation of its Recommendations and its Relationship with the Operations Review

During this period (1988-9) the senior public servants were still advocating change through an internal process which would be delivered by the resources of the Public Service. This was consistent with the efforts initiated in 1985 by the Administrative Secretary which were described earlier in the Chapter. In this respect the PSRC was anticipating resistance and barriers to change from various sources. This led the PSRC to draft an interim report taking the form of a memorandum to the Prime Minister in 1988 prior to the publication of its first report (and a few weeks before the completion of the first Operations Review Report) wherein it highlighted the difficulties and potential barriers which may be encountered in implementation, and also proposed some pilot projects which would support the learning and change process to lay the way for a larger initiative. This report was never acknowledged by the Office of the

Prime Minister and the Personal Assistant to the Prime Minister highlighted that he was “underwhelmed” by the report (Interview, Edward Warrington).

A few weeks later the Prime Minister and his Personal Assistant were impressed by the first report of the Operations Review Consultant and were supportive of the picture portrayed in the Report. This event may have impacted the development of the PSRC initiative and its alignment to the Operations Review.

It is noted that the first report of the Operations Review was not published and issued widely and this resulted in a lot of speculation. However it had served the purpose of the Consultant which was to ensure that the Prime Minister and his inner circle supported the approach to change being advocated. Moreover the First report of Operations Review made a larger impact on the Personal Assistant to the Prime Minister than the interim report which PSRC had sent to PM. The Executive Secretary of the PSRC acknowledged that between November 1988 and March 1989 there may have been a sense in the Prime Minister’s inner circle that the Public Service Reform Commission was going to be less imaginative and radical in its proposals than anticipated (Interview, Edward Warrington).

By the end of 1988 the PSRC concurred with the view of the Operations Review Consultant that real reform required new thinking and a new approach. The Prime Minister strongly backed this view which may have been a result of the Operations Review Consultant’s portrayal of the need of radical change.

4.5.2 The PSRC’s First Report: Government’s Public Report on the Planned Reforms

The five member Commission headed by Professor E J Borg Costanzi submitted its first stage report, “A New Public Service for Malta” on 14th July 1989. The report was made public on the 15th December 1989. The salient themes examined by the Commission included customer sensitivity, efficiency, good management, leadership, accountability, and protection of the rights of employees. Restoring the institutional fabric and building the organizational capacity of the public service were emphasized. Of particular interest for the scope of the study, are the Commission’s findings and recommendations with respect to:

the development of administrative structures and management in the direction of greater decentralization, by restating relations between the central agencies and the line departments, with operating authority delegated to the line, and the centre assuming responsibility for developing and reviewing the capacity of the line (Office of the Prime Minister, Malta, 1989: Abstract).

The key elements of the reports are summarized in the PSRC’s first report as eleven goals:

1. Win public confidence;
2. Create a culture of excellence and integrity;
3. Define the role of the public service;

4. Develop administrative structures and management systems;
5. Define and develop employee competence;
6. Select and retain the brightest and ablest;
7. Improve the quality of management;
8. Invest in technology and plant;
9. Increase planning and audit capabilities;
10. Define and contain executive discretion;
11. Institutionalise change.

The PSRC's first report dispelled the perception that the Commission was going to be less imaginative and radical than expected by the Prime Minister (Interview, Edward Warrington). In describing the current situation the PSRC's first report noted that:

The first impressions presented by the Service are disturbing. It is caught in the throes of a prolonged crisis of morale; appears to lack a sense of mission; lacks effective leadership; is hindered by an organisational culture inimical to change; and is burdened by difficult experiences. Its relations with politicians and the public are marred by mutual mistrust and misunderstanding. Its prestige has declined tangibly; it presents an image of neglect or indifference to its members, to prospective recruits; to its customers.

On the operational plane, the public service has been badly served by decades of austerity. It is poorly equipped and housed; its employees are frequently required to work in scandalously inadequate conditions.....

This distressing picture should not obscure the strengths of the public service to which the records of the past decades bears testimony. It has been at the centre of national development and, to the extent that this was successful, the Service may claim a large share of the credit. If our nation's citizens are well-fed, well-clothed, well-housed, if they enjoy the benefits of education, good health and the protection of the law, if they participate in the creation of the nation's wealth, they owe something to the ability, dedication and adaptability of the public service. If today there are serious grounds for concern that all is not well with it, the record of the past decades is all the more reason to do something substantive about restoring the institution to health.

(Public Service Reform Commission, A New Public Service for Malta, A Report on the Organisation of the Public Service, 14th July 1989: 2-3).

Hence the PSRC advocated radical rethink of the institutional framework of the Public Service:

In the course of our inquiry, we became increasingly certain that a solution to the difficulties currently besetting the public service would not be found in the current orthodoxy, much of which is no longer relevant in a context of radical and accelerating change. We are equally certain that merely cosmetic changes are not the answer. Indeed by masking serious shortcomings or problems, they might create a false sense of security while the fabric of the Service disintegrates further.

(Public Service Reform Commission, A New Public Service for Malta, A Report on the Organisation of the Public Service, 14th July 1989: iii).

To a certain extent the PSRC report also endorsed the Operations Review Consultant's recommendations which were presented six months earlier to the Service and endorsed by the Prime Minister:

The Operations Review has identified the issues affecting government and administration in Malta. The Commission endorses that diagnosis: there is therefore little point in repeating what has already been stated very well. Instead, this statement of 'findings' approaches the issues from

a different perspective: firstly, by seeking to understand the context and causes of difficulties besetting the public service; and secondly, by evaluating the condition of the Service as institution rather than organisation.

(Public Service Reform Commission, A New Public Service for Malta, A Report on the Organisation of the Public Service, 14th July 1989: 1).

Moreover the Operations Review was portrayed as being complementary to the PSRC since:

much of the Commission's exercise dealt with human resource management. In this respect it *complements* the Operations Review, which focused on governing structures and the application of technology in Government operations. (Office of the Prime Minister, Malta, 1989: Abstract, *emphasis added*).

However as evidenced in the previous sections the Operations Review Consultant was the first mover when it came to floating ideas and securing the buy-in of the political elite. Hence to a certain extent the PSRC may have had to adapt to the earlier recommendations of the Operations Review Consultant.

For Government the PSRC was the public reform programme and hence it was critical that its recommendations were aligned to the Prime Minister's intent which was to a certain extent shaped by the Operations Review Consultant. To a certain extent the recommendations of the Operations Review which were supported by the Prime Minister were legitimated by the PSRC report which was the "public initiative" of the reform process.

The PSRC report recommended the establishment of three central agencies: the Management and Personnel Office (MPO) as the central human resource agency; the Staff Development Organization (SDO) as a central agency for training and development; and endorsed the recommendation by the Operations Review Consultant to establish the Management Systems Unit (MSU) as a Consulting group responsible for change management and consultancy services. The Commission was also charged with reviewing the pay and classification systems in the public service. The latter was given great importance by the unionised public servants.

The table below summarises some of the recommendations of the PSRC report which are relevant to the research theme. The table highlights these relevant themes which are supported by quotes which will help sensitise the reader to the context in which the recommendations were made.

Table 4 7 Extracts from Public Service Reform Commission Report, 1989

#	Relevant Themes	Extracts from Public Service Reform Commission, A New Public Service for Malta, A Report on the Organisation of the Public Service, 14 th July 1989
1	Sets out the goals of the Public Service Reform in line with the Prime Minister's vision for radical change	<p>This first stage report presents the Commission's thinking on the principles of the future organisation of the public service, against a background of the salient themes of this exercise: customer sensitivity, efficiency, good management, leadership, accountability, and protection of the rights of employees.</p> <p>The Commission posits two over-arching objectives of change: to restore the institutional fabric of the public service; and to build its organisational capacity. It translates into a set of eleven goals, to serve as a basis for formulating strategies and evaluating progress.</p> <p>(Public Service Reform Commission, A New Public Service for Malta, A Report on the Organisation of the Public Service, 14th July 1989: Abstract).</p>
2	Proposed major organisational Change	<p>The changes being proposed should:</p> <ol style="list-style-type: none"> Restore the institutional fabric of the public services – The public service is part of the institutional framework of government; it has a distinct identity and value system which have been obscured. The Commission wishes the distinction made once more, with the public service recognized and respected as an institution in its own right. Build its organisational capacity – Measures are needed to enable the Service to meet the targets that are set fit it and to help it adapt to new needs and circumstances. Safeguard employee rights – The exercise is premised on fair treatment of staff, which goes beyond the adoption of fair standards of selection, compensation and reward; it includes staff development, and the establishment of mechanisms to settle matters affecting individual and collective rights of employees. <p>(Public Service Reform Commission, A New Public Service for Malta, A Report on the Organisation of the Public Service, 14th July 1989: 5).</p>
3	Dealt with patronage, corruption and incompetence	<p>Though opinions may differ as to the scale of the problem, there is certainly agreement about the need for tough action to root out patronage, corruption and incompetence. This means exposing impropriety and incompetence; imposing quick, effective penalties upon defaulters; adjusting administrative procedures that facilitate impropriety or compound the effects of incompetence; and giving customers the right to challenge the exercise of administrative discretion.</p> <p>(Public Service Reform Commission, A New Public Service for Malta, A Report on the Organisation of the Public Service, 14th July 1989: 10).</p>

#	Relevant Themes	Extracts from Public Service Reform Commission, A New Public Service for Malta, A Report on the Organisation of the Public Service, 14 th July 1989
4	Aligned the Change Programme to the Prime Minister's Priorities	<p>Given the present state of national development and Government's declared objectives, the following may be identified as the major tasks of the coming few years:</p> <ul style="list-style-type: none"> i. <u>The renewal of the physical infrastructure</u>: this includes a programme of large scale maintenance works and a number of major capital projects; ii. <u>Reorientation of personal and community services in the direction of greater personalisation</u>: this includes an assessment of the relevance and effectiveness of present services; the creation of new delivery systems and new points of access; and the introduction of some new services. iii. <u>Reorientation of trade and industrial policy</u>: this includes greater liberalisation of trade; greater investment in infrastructural support to industry; and the development of new sectors such as banking and finance. <p>There may be some changes to the structure of government as a result of amendments to the Constitution, the introduction of local government and implementation of proposals emerging from the Operations Review. A number of functions presently carried out by the public service may be transferred to local government, the parastatal sector or the private sector. Government's commitment to apply for Malta's membership to the European Community also presents an immediate and far reaching challenge.</p> <p>The impact of these initiatives on the public service is not easily evaluated but is likely to be significant and widespread. In addition, the public service will, of course, be required to sustain the tempo and scale of existing activities.</p> <p>(Public Service Reform Commission, A New Public Service for Malta, A Report on the Organisation of the Public Service, 14th July 1989: 19-20).</p>

#	Relevant Themes	Extracts from Public Service Reform Commission, A New Public Service for Malta, A Report on the Organisation of the Public Service, 14 th July 1989
]5	Embodied the recommendation of the Operations Review Consultant to establish a Consultancy Unit which is external to the Public Service as part of its report	<p>The public service is relatively strong in the provision of infrastructural and social services. It has an extensive network of organisations, considerable reserves of manpower and finance, an inventory of real estate, plant and equipment, and experience in providing services. It is able to provide a framework of continuity. With appropriate management and investment in human resources and technology, the Service can develop these activities to a high degree of excellence.</p> <p>On the other hand its capacity for planning, policy analysis and design is very limited indeed: in many sectors, these activities have been largely discontinued. Once lost, this ground is not easily regained.</p> <p>The Commission therefore recommends that for the coming few years, the public service should be employed primarily in the production and delivery of infrastructural, economic and social services, and in the administration of legislation.</p> <p>Planning, policy analysis, design and advisory services, should as far as may be necessary be acquired outside the Service. A first step has been made in the decision to establish the Management Systems Unit, a multi-disciplinary group providing consulting expertise in the areas of general management, human resource, financial and technology management, with a view to improving the efficiency and cost effectiveness of departmental operations. The unit will be staffed by experts engaged on contractual terms, and by career employees seconded for pre-determined periods, and will include a sizeable group of trainees from the Service. It will operate outside the structures of the ordinary departmental organisation.</p> <p>The Management Systems Unit provides the model for meeting needs for scarce, high-level, assignment-specific expertise in critical areas of government activity</p> <p>The proposal outlined in the forgoing paragraphs is cast in general terms. It should not be applied rigidly, and needs further elaboration for application in specific circumstances. The allocation of tasks within the broad categories described above, either to the public service or to some other organisation, should be decided following a cost-benefit assessment of alternatives.</p> <p>We wish to emphasise that the proposal does not relegate the Service to a secondary role. Indeed, in the long term, the experience of managing resources to produce services should build the capacity of the public service to function as planner, analyst and adviser. (Public Service Reform Commission, A New Public Service for Malta, A Report on the Organisation of the Public Service, 14th July 1989: 22).</p>

#	Relevant Themes	Extracts from Public Service Reform Commission, A New Public Service for Malta, A Report on the Organisation of the Public Service, 14 th July 1989
6	Emphasised the need for the Leadership of the Public Service to support the creation of the Consultancy Unit and legitimising the outcomes of the Operations Review	<p>As a result of the Operations Review, two important steps have been taken to institutionalise change: the establishment of a Cabinet Committee on Reform, having the Prime Minister as Chairman, and of the Management Systems Unit. The respective roles consist of driving and facilitating the implementation of recommendations emerging from the Commission and the Review, as well as other changes which become necessary.</p> <p>Without these two bodies, the process which has started will falter, and possibly halt. There is, however, the risk that the public service may not assume the 'ownership' of the proposals of change, relying of the Management Systems Unit to undertake these tasks which belong to managers....</p> <p>The Head if the Public Service should play a key part in preparing the Service for change. The quality of leadership that he provides is critical: his greatest challenge will lie in cultivating a sense of collegiality among the leaders of the public service by creating fora for the review of issues and maintaining close links among managers.</p> <p>(Public Service Reform Commission, A New Public Service for Malta, A Report on the Organisation of the Public Service, 14th July 1989: 71).</p> <p>He (the Administrative Secretary as Head of the Public Service) will also need to establish especially close links with the Management Systems Unit, which will be the prime mover of innovation in the Service. (Public Service Reform Commission, A New Public Service for Malta, A Report on the Organisation of the Public Service, 14th July 1989: 32).</p>

#	Relevant Themes	Extracts from Public Service Reform Commission, A New Public Service for Malta, A Report on the Organisation of the Public Service, 14 th July 1989
7	Recommended the creation of a new Office to modernise Human Resources practices	<p>In order to promote the responsible exercise of managerial authority, it must be exercised within a framework of rules, standards and plans, and take account of broader, service-wide issues which require sine central, strategic direction.</p> <p>We recommend that , for this purpose, a Management and Personal Office be established as a successor of Establishments Division, with the following terms of reference:</p> <ul style="list-style-type: none"> – To establish service-wide standards of selection, conduct and staff development; – To regulate grading, pay and other benefits, job evaluation and performance evaluation; – To promote staff development through a system of career planning that identifies able, talented individuals and grooms them for senior managerial or professional positions; – To develop schemes that reward merit and good performance; – To assist heads of department to draw up manpower plans, which will provide the context for departmental decisions regarding recruitment, staff deployment and promotion exercises; – To conduct negotiations with trade unions on matters that affect the entire public service, to supervise departmental industrial relations. <p>(Public Service Reform Commission, A New Public Service for Malta, A Report on the Organisation of the Public Service, 14th July 1989: 30-1).</p>
8	Recommended the creation of a Staff Development Organisation	<p>The nature and scale of staff development needs – neglected for many years – justifies the establishment of an ad hoc organisation to carry out the tasks, which are beyond the capacity of the present Organisation and Training Branch of the Establishments Division.</p> <p>We recommend that a Staff Development Organisation be established with the following terms of reference:</p> <ul style="list-style-type: none"> – To identify training and staff development needs and to formulate training policy; – To organise training programmes, locally and overseas; – To develop an ‘in-house’ capability for management training; – To promote, support and supervise departmental training initiatives. <p>(Public Service Reform Commission, A New Public Service for Malta, A Report on the Organisation of the Public Service, 14th July 1989: 31).</p>

#	Relevant Themes	Extracts from Public Service Reform Commission, A New Public Service for Malta, A Report on the Organisation of the Public Service, 14 th July 1989
9	Emphasised the need to develop a plan which coordinates the implementation of both PSRC and the Operations Review	The immediate task for Government and the public service is the implementation of the recommendations in this report. There is a formidable agenda to address, and the first step should be the formulation of an implementation plan covering the recommendations of both the Operations Review and the Reform Commission, in order to maintain the complementarity and cohesion of these initiatives. (Public Service Reform Commission, A New Public Service for Malta, A Report on the Organisation of the Public Service, 14 th July 1989: 79).

The fact that the PSRC embodied in its report the recommendation made by the Operations Review Consultant to establish a Consultancy Group which is external to the Public Service (Item 5 in table above) is particularly significant because initially the Commission was considering the creation of the Department of the Civil Service, which would create the greatest possible concentration of expertise visibly pushing in the same direction in line with the United Kingdom's Public Service Model (Interview, Edward Warrington). However during this period, the UK Government abolished the Department of the Civil Service and after consultation with Public Services of the United Kingdom and Ireland, the PSRC reached the conclusion that it would be better to propose a different model. (Interview, Edward Warrington).

4.5.3 Understanding the Reaction of Senior Public Servants to the PSRC and the Consultant's Operations Review

This section presents the reaction from the Senior Public Servants to both the Public Service Reform Commission's activities as well as to those by the external expatriate Consultant.

Reactions to the PSRC

The PSRC initiative received early criticisms from within the Public Service. For instance:

The organizational changes contemplated in the majority report would mean the downgrading of the top ranks of Civil Service, as well as the decapitation and politicisation of the present Civil Service in spite of Constitutional safeguards. (Written Comments on PSRC Report by a senior public servant)

The Commission also advocated the inevitable infusion of recruits from outside the public service within line structures. This was seen as a direct threat by senior public servants, envisaging direct competition within their group:

let us not underestimate the Civil Servant's entrepreneurship nor relegate him to a second class businessman! (An evaluation of the PSRC report by a senior public servant).

Moreover, public servants made emphasis on consultation prior to any changes. In one instance, a public civil servant noted that:

The Reform Commission refers to a New Public Service. The need for a new image with a new management approach is undisputed, but if the Commission is also thinking of replacing certain employment conditions or 'reshuffling the cards' without reaching a formal agreement on the laws of the game with the employees concerned, then it may be far better to retain the bad old system. (An evaluation of the PSRC report by a senior public servant, emphasis added).

In workshops which took place in June 1989, public servants expressed fears and concerns on various issues. On a partisan politics front, there was some concern about statements made and latter rebutted related to the politicisation of the service (L-Orizzont, 2nd February 1989). They were concerned by the opinion expressed by the Federation of Industry regarding the overstaffing situation in the public service (Times of Malta, 17th April 1989). Other concerns, involved the various opinions in the local media (e.g. Times of Malta, 11th March 1989) relating to the privatisation of certain public services.

Reaction to the Consultant's Operations Review

However the initial reaction of some senior public servants towards the Operations Review was positive:

As far as the Management problem is concerned there is no doubt that much of the contributions made by Heads of Departments during seminars, through presentation papers has been reflected in the Report; *the work done by the Operations Review is indeed praiseworthy*. (An evaluation of the PSRC report by a senior public servant).

However, at this point in time, the Operations Review Consultant was seen as an "outsider" carrying out a short-term assignment. These views started to change once the Office of the Prime Minister did not publish the report of the Operations Review which led to a spiral of speculations (Interviews, Various).

Moreover any optimism was soon eradicated. In a paper presented by a senior participant in these workshops, dissatisfaction from the senior public servants was evident:

- Both meetings have received the active participation of all those present and instilled in them a sense of optimism that the present situation was soon due to be improved. Many months later
- a) when certain "Heads of Departments" are still functioning without Legal Authority and/or Operational Autonomy;
 - b) when other "Heads of Departments" are still assigned non-management roles which fit neither their experience nor their qualifications and which assignments may have been bestowed upon them in some unorthodox way without any consultation more still consensus; and
 - c) when the proposed long awaited changes have still to be decided upon and implemented
- (Paper by Senior Public Servant on Reform Process).

It is also noted that some senior public servants perceived the Nationalist Administration as having a bias towards outsiders. This became an issue of concern since the onset of the reform programme:

We are witnessing that the *Civil Servant is being ignored*, whilst a number of key managerial posts which should be normally entrusted to Civil Servants are being dished to '*Outsiders*' rendering the former pool *second class managers if not relegated to subordinate administrative or executive tasks*. And in many instances it is the very 'outsiders' who are damaging the professional Civil Servant's reputation and image. (Report on Change and the Public Service by a senior civil servant, *emphasis added*).

The Operations Review was soon viewed by some Senior Public Servants as external and suspect initiative (Interview, Patrick Vella). The First Report of the Operations Review was not published by the Office of the Prime Minister which led to a spiral of speculation around the content of the reports. These fears were compounded with the public servants complaints that feedback to their verbal and written contributions were not always received from the PSRC and Operations Review (Interview, Joseph Zammit).

4.5.4 The PSRC's Second Stage Report: Attempts at Addressing Resistance Points

Between July 1989 and February 1990 the PSRC busily engaged on its second report. In doing so the PSRC Commission invited internal and external stakeholders to submit their views on aspects relating to the Commission's Terms of Reference with over 100 submissions being received. Many of these submissions were followed up with informal meetings and interviews. (Public Service Reform Commission, A New Public Service for Malta, Supplementary Papers, Taking stock: A synthesis of submissions to the Commission, Edward Warrington, January 1990). In this respect:

These representations convey the impression that the Public Service is seen to be:

- Overmanned;
- Unresponsive;
- Corrupted by politicisation;
- Inefficient;
- Staffed by incompetent employees;
- Rewarding mediocrity rather than merit;
- A break on the nation's development;
- A bad employer.

(Public Service Reform Commission, A New Public Service for Malta, Supplementary Papers, Taking stock: A synthesis of submissions to the Commission, Edward Warrington, January 1990: 6).

Moreover Warrington (Public Service Reform Commission, A New Public Service for Malta, Supplementary Papers, Taking stock: A synthesis of submissions to the Commission, Edward Warrington, January 1990) stated that there was a general consensus by key stakeholders on what the problems are, but less agreement on the solutions. Warrington synthesised the issues as follows:

Table 4 8 A synthesis of stakeholder consultation submissions to the PSRC, Edward Warrington 1990

<p>(a) Legal / political issues</p> <ul style="list-style-type: none">– Politicisation of internal management– Politicisation of decisions affecting the clients of the Service– An inadequate legal framework to protect the exercise / enjoyment of rights and to enforce obligations– Corruption– The impact of public policy on private interests– The absence of effective mechanisms of accountability	<p>(b) Organisational issues</p> <ul style="list-style-type: none">– Cumbersome procedures– Absence of structures– Excessive centralisation– Absence of effective leadership– Failure to delineate political and organisational roles– Unclear roles and responsibilities within organisations– Failure to reward excellence– Management by crisis– Primitive physical infrastructure / inadequate technology– Absence of planning and performance evaluation
<p>(c) Human resource issues</p> <ul style="list-style-type: none">– Employer / employee relations– Equitable treatment of employees– Redress of grievances– Recruitment / promotion mechanisms– Career prospects– Discipline– Incentive schemes– Manning levels– Impact of public labour policies on the labour market	<p>(d) Client relations issues</p> <ul style="list-style-type: none">– Declining standards of service– Impact on wealth-creating sectors of public service shortcomings– Corruption / politicisation of decisions / patronage

The PSRC presented a second stage report (Office of the Prime Minister, Malta: Further Proposals on Administrative Structures, Grading, Staff Development, Selection and Compensation, February, 1990a) with the objectives to:

1. elaborate proposals relating to the key aspects of human resource management;
2. provide guidelines on the assimilation of present grades and scales into the classification system proposed by the Commission (PSRC);
3. outline a plan for initiating the implementation of the Commission’s recommendations.

The PSRC emphasised the change process was gaining momentum and that there will be no turning back and issued a warning to detractors:

Whether one acknowledges it or not, the process of change has acquired momentum. Several initiatives fostered by the Commission and the Operations Review are already in hand: they include a complementing exercise; a medium-term training plan and the delegation of spending authority.
(Public Service Reform Commission, A New Public Service for Malta, Further Proposals on Administrative Structures, Grading, Staff Development, Selection and Compensation, 19th February 1990: 89).

Of special interest to this study the PSRC second report attempted to address the evident resistance which was being mounted from within the senior public service and ensure the acceptance of the change programme. The PSRC's second report recognised that:

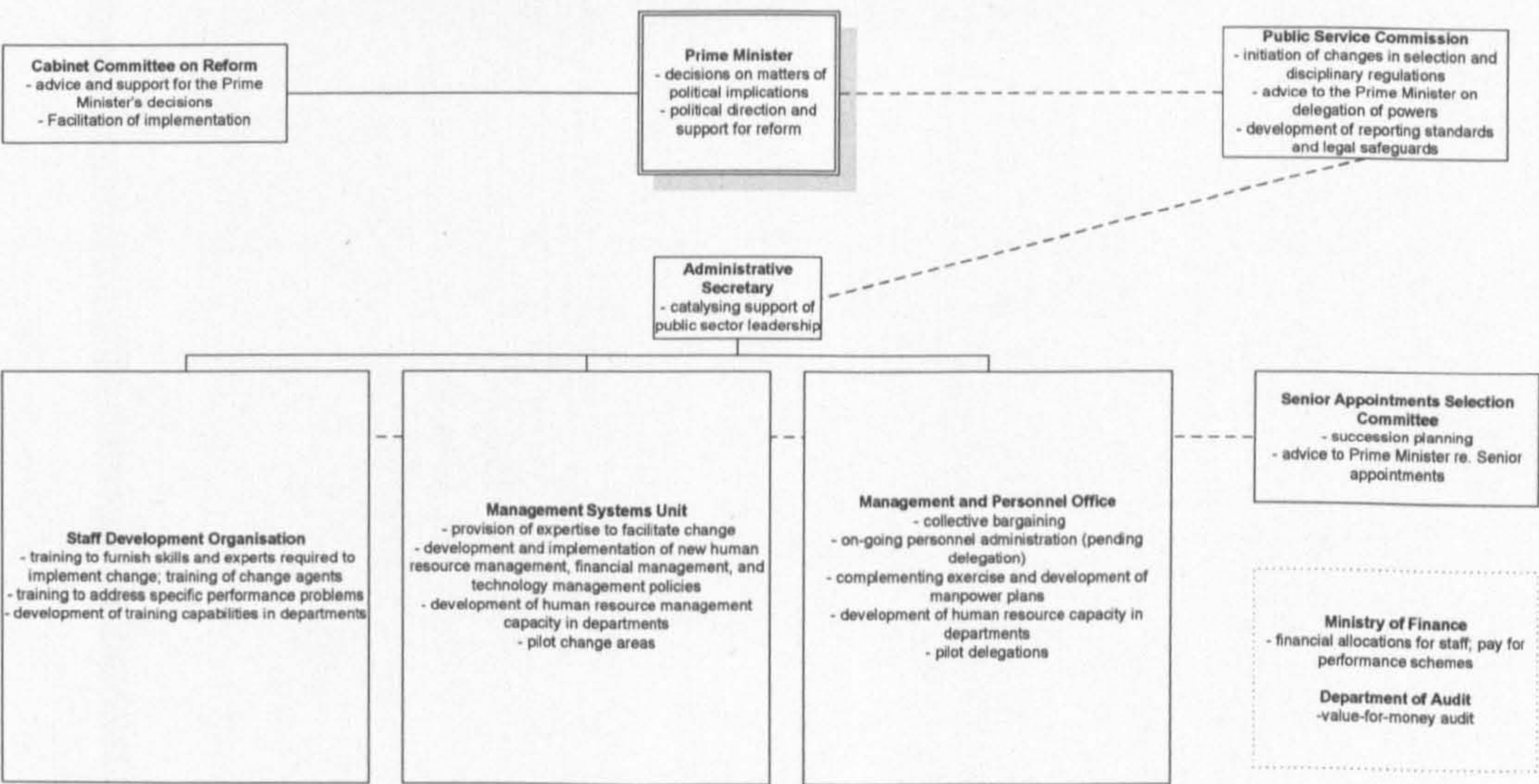
Although it is possible to impose change, the full benefits are only seen if all the players accept them as being legitimate. For this purpose, it is necessary..... to implement each change with the active participation of those who will be required to operate within the new framework – managers especially; this calls for organisation development activity reaching to the lowest levels of the Service, for which the Management Systems Unit will be responsible;
(Public Service Reform Commission, A New Public Service for Malta, Further Proposals on Administrative Structures, Grading, Staff Development, Selection and Compensation, 19th February 1990: 9).

In the second report the PSRC emphasized the need of a single strategy to deliver the reform objectives and emphasized the need of a framework which integrates the operations review recommendations and the proposals made by the PSRC:

The realisation of objectives set out for the public service requires fundamental changes of organisational culture, structures and operating systems.
The complementarity of both reviews (PSRC and OR) means that decisions concerning one area cannot be taken independently of needs or developments in another. A single strategy for implementing the entire agenda of proposals is called for.
(Public Service Reform Commission, A New Public Service for Malta, Further Proposals on Administrative Structures, Grading, Staff Development, Selection and Compensation, 19th February 1990: 79).

In doing so the PSRC attempted to define a framework which outlines the modus operandi of the change process vis a vis the roles of the central agencies, Cabinet committees and structures devised to safeguard transparency and line Ministries. This framework is presented below:

Figure 4 1 Roles in the Change Process as Proposed and Implemented in 1990
Roles in the Change Process (PSRC – Further Proposals – February 1990)



Moreover the PSRC recommended a number of tasks that should be undertaken to mitigate issues raised in the sections above:

Table 4 9 Public Service Reform Tasks and Responsibilities

Recommended Tasks	Organization Responsible
Communicate Government’s intentions, plans and decisions to those most directly affected by them – employees especially; this calls for discussions with trade unions	Management and Personnel Office
Implement each change with the active participation of those who will be required to operate within the new framework – managers especially; this calls for organization development actively reaching to the lowest levels of the Public Service	Management Systems Unit
Establish a formal framework of rules and procedures that maintains order and coherence in the system and provides some guarantees for the interests of all the players	Public Service Commission

4.5.5 Theory Building

In sections 4.5.1 to 4.5.4 the researcher presented a pre-structured sequential analysis of this section of the case study which included:

- Structured Engagement of Senior Political Stakeholders by the Operations Review Consultant;
- Initial Reaction to the Consultant by Senior Public Servants;
- The First Report by the Operations Review: Consultancy Tactics and Implications on Consensus;
- Proposal to Mobilise a Consultancy Group.

The section follows this case study analysis and undertakes a theoretical analysis of this stage of the case study within the context of existing relevant literature, which has provided the foundations for developing **Theoretical Propositions** associated with the respective theory building themes (Policy Cycle 1-A – Theory Building Focus).

Reproduced Table 4 1 Policy Cycle 1-A Research Questions

Policy Cycle 1-A: The contribution that programme leadership consultants can make to the creation of momentum for change programmes whilst supporting the review of the present state and the defining a radical change programme, and the implications for the client sponsors of change programme.

#	Theory Building Theme	Focus within Policy Cycle 1-A
CL	Leverage of the Consultants' Relationship with the Client	– How can Consultants develop and leverage their relationship with the client during policy formulation stage to contribute to the creation of momentum for a change programme?
P&P	Power and Political Strategies Deployed by Consultants	– What political and power strategies were used by consultants and how were they deployed to influence policy determination and contribute to the creation of momentum for the radical change programme?
R&M	Resistance and Mitigation Strategies by Consultants	– What were the dynamics and sources of tensions between consultants and management during the formulation of a picture of the current state and the formulation of a vision for change and their implications for the change programme?
NA	Not Anticipated	Emerging Theoretical Propositions which were not covered in the initial Theory focus scope

The section proceeds by proposing Theoretical Propositions which are also categorised against the Theory Building Themes being explored.

First Movers in Floating Ideas and Demonstrating Legitimacy for Ideas

In this policy cycle of the case study the change management agenda was being driven through two initiatives – the Operations Review led by the Consultant and the Public Service Reform Commission which was the public face of the reform. Based on the case study it was evident that the Consultant was more responsive to the Client needs and rapid in his delivery than other Initiatives which were also proposing change such as the Reform Commission.

It is noted that Theoretical Proposition **P&P-1A-2.0 Part A** which was presented earlier in this policy cycle posited that *effective Consultants who initially often lack any control over resources and the power associated with possessing such resources, consistently demonstrate first-mover and pro-active traits to convince Client Groups that they are the right individual(s) to undertake strategic resourcing tasks.*

In the context of this section of the case study it was observed that the Consultant was the first mover when it came to floating ideas and securing the buy-in of the political elite which included the Prime Minister. This may have created a significant momentum around radical change initiatives. In this case study the initiatives which were complementary to the Consultant's engagements to a certain extent have adopted the recommendations of the Consultant. This may have occurred because: (i) the Consultant was a first mover and had already secured the buy-in of the Political elite; (ii) the Consultant recognised the importance of the PSRC as the public face of the Reform and worked closely with the Chairman and Executive Secretary of the Commission to influence outcomes and ensure that recommendations of the two initiatives were aligned and hence the recommendations of the Consultant would also be given institutional legitimacy. In this respect the Consultant ensured that two initiatives were complementary to each other by agreeing to a consolidated resource pool taking the form of a joint secretariat.

In the context of this study within a policy development stage it is being posited that:

Theoretical Proposition CL-1A-6.0:

Part A: Effective Consultants are often first movers to floating ideas and securing the buy-in of the senior clients.

Part B: Effective Consultants recognise the importance of ensuring that their recommendations are legitimated by endorsement from forums/bodies which are highly regarded by the host organisation and will engage closely with such forums/bodies to seek their endorsement.

Controlled Information Flows to Minimise Resistance at Early Stages

Hogwood and Gunn (1884) argued that the engagement of consultants may result in resistance from internal groups; It is also noted that while the Consultant did engage with senior Public Servants, his focus and communications were targeted at the senior politicians. The Consultant acknowledged the contribution of the senior public servants stakeholder group. Interestingly while viewed with some suspicion as an outsider, the Consultant's early engagement with the senior public servants instilled a sense of optimism that change was imminent. This very early engagement triggered limited opposition because the Consultant had not yet disclosed his proposed approach to change. In this respect the Consultant deployed political tactics such as controlling the flow of information to senior public servants.

Moreover the Consultant described the senior public servants as the incumbents, which had a vested interest in the status quo. It is noted that when the first report was finalized the Consultant only circulated it to his client group which ensured that specific issues were not challenged during early stages. This led to unnecessary speculation and triggered the creation of resistance groups which will be discussed later on in this Chapter.

In the context of this study within a policy development stage it is being posited that:

Theoretical Proposition R&M-1A-1.0: During the early stages of a consultancy engagement, resistance from internal groups may be mitigated by effective stakeholder engagement and communications, and by portraying a better end-state for the various groups. However as recommendations are formed which may not be supported by managerial stakeholder groups it is more difficult for Consultants to mitigate the creation of resistance groups by political tactics.

4.6 Establishment of Consultancy Structures and the Reactions from the Senior Public Service

At this stage of the case study the Consultant’s recommendations to set up a Consultancy Group was endorsed by the PSRC as the public reform initiative and the Prime Minister. This stage of the case study deals with the establishment of the new Consultancy Group and the reactions from the Senior Public Service as the governance and *modus operandi* of the new structure start being disclosed. Hence the researcher has the opportunity to further understand the resistance politics associated with the implementation of the Consultants recommendations.

More specifically this section 4.6 will present:

- 1. A pre-structured sequential analysis of this stage of the case study which included:
 - Establishment of consultancy structure (section 4.6.1);
 - Resistance associated with the creation of a consulting structure (section 4.6.2).
- 2. Section 4.6.3 proceeds by presenting a theoretical analysis of this stage of the case study within the context of existing relevant literature, which has provided the foundations for developing Theoretical Propositions associated with the respective theory building themes (as per reproduced table below).

Reproduced Table 4 1 Policy Cycle 1-A Research Questions

Policy Cycle 1-A: The contribution that programme leadership consultants can make to the creation of momentum for change programmes whilst supporting the review of the present state and the defining a radical change programme, and the implications for the client sponsors of change programme.

#	Theory Building Theme	Focus within Policy Cycle 1-A
CL	Leverage of the Consultants’ Relationship with the Client	– How can Consultants develop and leverage their relationship with the client during policy formulation stage to contribute to the creation of momentum for a change programme?
P&P	Power and Political Strategies Deployed by Consultants	– What political and power strategies were used by consultants and how were they deployed to influence policy determination and contribute to the creation of momentum

		for the radical change programme?
R&M	Resistance and Mitigation Strategies by Consultants	– What were the dynamics and sources of tensions between consultants and management during the formulation of a picture of the current state and the formulation of a vision for change and their implications for the change programme?
NA	Not Anticipated	Emerging Theoretical Propositions which were not covered in the initial Theory focus scope

The Theoretical Propositions are presented in section 4.6.3. These Theoretical Propositions are categorised against the Theory Building Themes being explored and presented in table 4.1. Theoretical Propositions which were not covered in the initial Theory focus scope will be classified as NA (Not Anticipated).

4.6.1 Establishment of Consultancy Structure

The Operations Review Consultant initiated efforts to establish the MSU consulting unit soon after the Prime Minister approved his recommendation. Initially the Consultant also recommended that the Government may seek the assistance of advanced English speaking democracies to provide the initial consultancy resources required by the MSU. However this option generated little traction and the Consultant change his resourcing strategy to focus on the recruitment of consultants internationally on a contract basis. The Consultant argued that at the time there were no organizational development skills in Malta and thus the capacity had to be developed by engaging international experts and assigning to them Maltese understudies.

The initial recommendation was to establish the MSU as a Department within the Office of the Prime Minister. In June 1990 MSU was established as an in-house consultancy within the Office of the Prime Minister. Moreover the Consultant who was leading the Unit was seeking to engage a Project Director::

A seasoned Senior Manager, preferably with senior level experience in public sector management. A background in organisational development, a good conceptual understanding of Information Technology, strong communication skills, a good planning ability will be prime requisites for the job.

The incumbent will be charged with the responsibility of setting up the Management Systems Unit, thus experience in the setting up organisations and team-building skills will be additional assets. (Joseph V. Tabone, February 1989 – Proposal to UK Government: 7).

In this respect the Operations Review Consultant recruited Sean O'Kelly as the first Project Director / Chief Executive of the MSU.

Subsequently the Consultant argued that operating within the remits of the public service was hampering MSU's development and ability to gain momentum. This led the Prime Minister to decide that the MSU be reconstituted as a limited liability company in November 1990 (Interview, Alfred Fabri). In this respect the Operations Review Consultant was appointed as Chairman and Alfred Fabri, a trusted member of the PSRC and Joseph R Grima who was later appointed Cabinet Secretary were appointed as Non-Executive Directors on the Board of the new Consultancy Group. The Agency Agreement between MSU and the Government was signed on the 13th November, 1990. MSU reported directly to the Prime Minister and to the Cabinet Committee on Public Service Reform. The new Consultancy structured gained autonomy from public service regulations and enhanced financial resources, privileges that were not given to other new structures which were being created as part of the reform. The rationale to establish the MSU as a limited liability company was justified by Government in that:

Current law and practice severely restrict Government's ability to recruit expatriate or non-career specialists into the public service. The MSU's mandate could more expediently be carried out if the organization were given flexibility in terms of recruitment, finance and procurement, such as that afforded by a trading company. The Unit's current status and self-contained accounting enables Government to identify precisely the operating costs of specific initiatives in its administrative reform programme, and to assess opportunity costs of particular investments in new technology. (Commonwealth Secretariat, 1995: 54)

4.6.2 Re-enforcement of the Resistance Coalition in response to the Creation of a Consulting Structure

It is also noted that prior to the recommendation to establish a Consultancy Group (MSU), there were suggestions from within the public service to have a specialized support services group. For instance:

Para 5

- specialized professional support services should be made available by Government to assist and advice Heads of Departments in such spheres wherever asked to do so.
- an active organizational and methods team assisting Heads of Departments to streamline their procedures, to draw work manuals and to set an organic system within each department... could improve existing mechanism

Para 2.3.1

...the public service does need specialized advice both for ad-hoc operations as well as on a programmed routine basis to up-date and assist in development planning (and this in addition to an improved O & M Central Institution and the introduction of permanent specialized support services) (Written Comments on the Change in the Public Service by a senior public servant)

Hence, initial reactions given with respect to recommendation for the establishment of the Management Systems Unit as a support organization working within the ambits of the Public Service were not all negative. Furthermore:

The setting up of the Management Systems Unit as an expert multi-disciplinary group is indeed welcomed and it is also noted that the Commission has rightly widened its functions by assigning

it the task of setting the ball rolling and implementing the Commission's recommendations once they are approved. (An Evaluation of the PSRC Report by a senior public servant).

This was based on the perception that the Unit would not be external to the Public Service and include internal resources of the Public Service. However once the structure, organization and governance of MSU was disclosed and the MSU was structured as a limited liability company and recruited foreign consultants on significantly better terms and conditions, senior public servants claimed to be "hurt" (Interview, Edward Warrington). Once the MSU was created as a limited liability the battle to convince the Public Service was lost as it was perceived as an entity which lacked accountability (Interview, Edward Warrington).

Moreover most Senior Public Servants still believed that the change required could be delivered by the resources of the Public Service. This expectation was described as "unrealistic" by key interviewees who acted as change agents at the time (Interview, Patrick Vella, David Spiteri Gingell. Edward Warrington).

This was compounded by a general fear that the reform would lead to senior appointments being made on a term contract basis which may lead to the politicization of the Public Service. It is noted that such fears were also prevalent in other Public Services. For instance the Royal Institute of Public Administration in the UK published an interesting report on Appointments and Promotions in the Senior Civil Service which assessed whether the British Civil Service was being politicised. The report "criticised the excessively private nature of the procedures for appointing and promoting senior civil servants – the secrecy which enshrouds them and the absence of any external monitoring or evaluating capacity" and made a number of recommendations to address these issues (Top Jobs in Whitehall, Appointments and Promotions in the Senior Civil Service, Report of an RIPA Working Group, Royal Institute for Public Administration, 1987: Abstract).

It is also important to note that senior public civil servants realized the complexity of the public service itself, and the potential barriers to reform. The coordination and support from different power centres was recognized as being critical success factor:

It appears to me that success and pace of implementation of 'agreed' reforms will very much depend primarily on the Administrative Secretary and the Minister of Finance; and eventually on the real support given by the respective Ministers. If the Management Systems Unit (being only in a staff relationship) is to act as the main driving force, it would require its direct access to the Prime Minister. (Written Comments on PSRC Report by a senior public servant).

At this point in time (1988) the Prime Minister asked his Private Secretary, Alfred Fiorini Lowell to sound the Administrative Secretary and Head of the Public Service, Joseph Sammut about his potential appointment as Resident Ambassador to the Kingdom of Saudi Arabia. Eventually the Administrative Secretary agreed to taking on the role of Ambassador on the condition that he retained the title, position and tenure associated with the position of Administrative Secretary. The Prime Minister agreed to this request.

It is noted that at the time Joseph Sammut was perceived as being Labour leaning and as having had a close working relationship with the previous Administration as former Cabinet Secretary (1984-1987).

Subsequently on the 21st of May 1988, the then Cabinet Secretary, George Borg was appointed to a new role of Secretary General and had the authority of the position of Administrative Secretary delegated to him while Joseph Sammut held the position of Ambassador. George Borg was appointed politically and was described as conservative towards change fundamentals, was doubtful about the approach to reform and was not supportive of the Reform agenda (Interview, David Spiteri Gingell; Edward Warrington). This hindered the development of the reform process. It is also interesting to note that the Finance Secretary at the time, Edward Wedge also shared similar views. Hence the two Ministries which were key to the reform process, the Office of the Prime Minister and Finance were led by Public Servants who were not supportive of the Government agenda (Interview, David Spiteri Gingell).

In one workshop during the early stages of the Reform process, senior public servants were asked to identify allies and anticipate resistance groups in the reform. The “architects” of change did not realize that the same top public servants they were asking to identify resistance groups were not allies themselves, but were developing into a strong resistance coalition.

4.6.3 Theory Building

In sections 4.6.1 and 4.6.2 the researcher presented a pre-structured sequential analysis of this section of the case study which included:

- Establishment of consultancy structure (section 4.6.1);
- Resistance associated with the creation of a consulting structure (section 4.6.2).

The section follows this case study analysis and undertakes a theoretical analysis of this stage of the case study within the context of existing relevant literature, which has provided the foundations for developing **Theoretical Propositions** associated with the respective theory building themes (Policy Cycle 1-A – Theory Building Focus).

Reproduced Table 4 1 Policy Cycle 1-A Research Questions

Policy Cycle 1-A: The contribution that programme leadership consultants can make to the creation of momentum for change programmes whilst supporting the review of the present state and the defining a radical change programme, and the implications for the client sponsors of change programme.

#	Theory Building Theme	Focus within Policy Cycle 1-A
CL	Leverage of the Consultants'	– How can Consultants develop and leverage their relationship

	Relationship with the Client	with the client during policy formulation stage to contribute to the creation of momentum for a change programme?
P&P	Power and Political Strategies Deployed by Consultants	– What political and power strategies were used by consultants and how were they deployed to influence policy determination and contribute to the creation of momentum for the radical change programme?
R&M	Resistance and Mitigation Strategies by Consultants	– What were the dynamics and sources of tensions between consultants and management during the formulation of a picture of the current state and the formulation of a vision for change and their implications for the change programme?
NA	Not Anticipated	Emerging Theoretical Propositions which were not covered in the initial Theory focus scope

The section proceeds by proposing Theoretical Propositions which are also categorised against the Theory Building Themes being explored.

Creation of a Strong Resistance Group as New Change Structures are Introduced

Baitsch and Heideloff (1997) argued that a systems approach on organisations enables an understanding of organisations' limited potential for major change. In a systems perspective, members of the organisation are viewed as a system having shared assumptions on all aspects of the organisation that are the basis of organisational routines. These same organisation routines limit the organisation's propensity to change. Moreover, Baitsch and Heideloff (1997) linked this perspective to Simmel's (1992) argument that when consultants enter an organisation they are not familiar with organisational routines. Hence the actions of consultants will be a disturbance to the organization's organisational routines.

Earlier in section 5.4.2 it was noted that initial resistance to the role of the External Consultant carrying out the Operations Review was limited to what would be expected in any organisation which would engage an outsider to carry out a review. However at the time the perception was that the Consultant was engaged on a short term and focused engagement. Moreover it is emphasised that the creation of the Management Systems Unit was perceived as being an internal change management capacity within the Office of the Prime Minister and not of a Consultancy Group resourced by external consultants.

However the disclosure of the structure, organization and governance of MSU as an entity external to the core Public Service, and later announced that it will be structured as a limited liability company and recruit foreign consultants (on significantly better terms and conditions) led to the formation of a strong resistance coalition amongst the Senior Public Servants.

In this context the Consultant used political tactics to legitimate the role and institutionalise the role of MSU as the new consultancy and change management structure. With respect to such behaviour, DiMaggio (1988) suggests that institutionalisation is a political process and reflects the relative power of organizational interests and actors who mobilize around them. DiMaggio argues further that:

Institutionalisation is a product of political efforts of actors to accomplish their ends and that the success of an institutionalisation project and the form that the resulting institution takes depend on relative power of the actors who support, oppose, or otherwise strive to influence it...Institutional work is undertaken by actors with material or ideal interests in the persistence of the institution. (1988: 13)

Moreover DiMaggio noted that:

under many conditions, the interests of these legitimated, partially autonomous, subsidiary institutions diverge from those of the governors of the core institutional form. To the extent that an institutionalisation project legitimates a new profession or professions and that professionals control certain subsidiary institutions but not the core institutions, professionals and their allies may demand delegitimizing changes in or launch delegitimizing attacks on the core institutions. (1988: 16)

In the context of the case study the creation of the MSU may have created a new “profession” which diverged from the principles of the core institution which was governed by the senior public service. These senior public servants communicated and demonstrated clear and explicit hostility towards the new consultancy group. This evidence is consistent with Pettigrew (1985) who argued that managers will withdraw their interest and support if they think that they are losing control to the consultants or interested parties.

Kanter (1983) emphasised that the change architect requires power skills for coalition building and managing resistance. It is also noted that during the early stages of his engagement, the Consultant had identified the Senior Public Service as a group which had a vested interest in the current state and focused his stakeholder engagement efforts and political tactics upwards on coalition building with the Political Elite (his Client Group) as opposed to the Senior Public Service. This is consistent with Theoretical Proposition CL-1A-1.0 which suggested that *Early on during the policy formulation stages, Consultants gather a reading of who are the key decision makers with respect to policy formulation and target their energy and focus on stakeholder engagement, network development and communications towards the identified group.*

Hence limited efforts were focused on ensuring the messages of the consultant were also tailored to the Senior Public Service, securing their buy-in and minimising resistance.

Mechanic (1962) discussed such sources of influence directed at higher levels. In this respect, Pettigrew and McNulty (1995) argue that the assumption that power rests with those at the apex of an organization cannot be made. In this respect senior public servants realized the complexity of the public service itself and the potential barriers to reform and held the view that the proposed changes would fail unless senior officers such as the Administrative Secretary within the Office of the Prime Minister and the Finance Secretary within the Ministry of Finance would champion the changes proposed. There was recognition that some initiatives would be progressed due to the sponsorship from the apex of the organisation (the Prime Minister) and resources made available to the Consultants, however their full potential and success would not be realised unless supported by the Senior Public Service.

In the context of this study within a policy development stage it is being posited that:

Theoretical Proposition R&M-1A-2.0:

Part A: Attempts made by Consultants to establish new change management structures which have different governance arrangements from the rest of the organization, and the exclusion of existing management from being engaged in these new change management structures will result in resistance and hostility.

Part B: The focus by Consultants early on during the policy formulation stages on the key decision making group for policy development may distract attention and possibly even trigger resistance from the Group which will be critical to deliver these benefits during implementation.

It is noted that during this policy cycle which focused on Policy Formulation the tactics of the Consultant did secure buy-in and approval from the Political Elite but also triggered the mobilisation of a strong resistance coalition. It is noted that while the Consultant was effective at achieving buy-in from the Political Elite, the impact on delivery of results of this buy-in and the potential negative effects emanating from the creation of a resistance coalition could not be observed in this policy cycle due to its focus on Policy Formulation. However these implications will be examined in the other policy cycles given the longitudinal nature of this case study research.

4.7 Technology Strategy and the Consultancy Structures

At this stage of the case study the Consultant was focusing on his second part of his engagement which was involved the development of an Information Systems Strategic Plan (ISSP) for the Public Service. Information Technology in the Public Service at the time was mainly a green field site which seems to highlight that less resistance may be encountered. Moreover the ISSP is positioned as a key Government programme and an integral part of the overarching Public Service Reform. Hence had the opportunity to examine the formulation of a change agenda by a Consultant in a different setting which had limited legacy. The researcher also had the opportunity to further understand the tactics deployed by the Consultant

in this setting to secure buy-in for recommendations and also formulate the next phase of the change programme.

More specifically this section 4.7 will present:

1. A pre-structured sequential analysis of this stage of the case study which included:
 - Consultant’s Approach to the Development of the Information Systems Strategic Plan for the Public Service (section 5.7.1);
 - The Consultant’s Approach to Securing Control over IS/IT Policy (section 5.7.2);
 - The Consultant’s Portrayal of the Existing Information Technology Structure in Government (section 5.7.3);
 - The Consultant’s Analysis of Options and Recommendations (section 5.7.4);
 - The Creation of the IS/IT Structures by the New Consultancy Group (section 5.7.5).
2. Section 4.7.6 proceeds by presenting a theoretical analysis of this stage of the case study within the context of existing relevant literature, which has provided the foundations for developing Theoretical Propositions associated with the respective theory building themes (as per reproduced table below).

Reproduced Table 4 1 Policy Cycle 1-A Research Questions

Policy Cycle 1-A: The contribution that programme leadership consultants can make to the creation of momentum for change programmes whilst supporting the review of the present state and the defining a radical change programme, and the implications for the client sponsors of change programme.

#	Theory Building Theme	Focus within Policy Cycle 1-A
CL	Leverage of the Consultants’ Relationship with the Client	– How can Consultants develop and leverage their relationship with the client during policy formulation stage to contribute to the creation of momentum for a change programme?
P&P	Power and Political Strategies Deployed by Consultants	– What political and power strategies were used by consultants and how were they deployed to influence policy determination and contribute to the creation of momentum for the radical change programme?
R&M	Resistance and Mitigation Strategies by Consultants	– What were the dynamics and sources of tensions between consultants and management during the formulation of a picture of the current state and the formulation of a vision for change and their implications for the change programme?
NA	Not Anticipated	Emerging Theoretical Propositions which were not covered in the initial Theory focus scope

The Theoretical Propositions are presented in section 4.7.6. These Theoretical Propositions are categorised against the Theory Building Themes being explored and presented in table 4.1. Theoretical Propositions which were not covered in the initial Theory focus scope will be classified as NA (Not Anticipated).

4.7.1 Consultant's Approach to the Development of the Information Systems Strategic Plan for the Public Service

In parallel with leading efforts to establish the Consultancy Group the Operations Review Consultant was developing the Maltese Government's Information Systems Strategic Plan. This constituted the second phase of the Operations Review. The Consultant completed his original terms of reference in July 1990 when he presented the Information Systems Strategic Plan (ISSP) to the Prime Minister. The ISSP depicted a clear picture outline of the information management requirements and prioritisation of information technology initiatives for the Maltese Government.

It is noted that take-up of Information Technology in Maltese Public Service was very limited at the time and hence the initiative was subjected to less resistance than other organisational and structural changes. The only resistance point was expected from Government's Computer Centre which at the time managed some centralised systems. At the time the Consultant expected that the implementation of the IT plan would follow the restructuring of the structures of the Public Service:

The ISSP represented the final stage of the Operations Review, simply because it was hoped that the necessary re-structuring of ministries and departments would have taken place by the time this was drafted (Operations Review Secretariat, July 1990, Information Systems Strategic Plan for the Government of Malta, Office of the Prime Minister, Malta:3).

In developing the plan the Consultant carried out a user survey across the Public Service to determine the high level information needs and requirements. This survey was followed by meetings with groups from within Ministries. These efforts were also complemented with IT awareness sessions with senior public servants (e.g. session held on the 30th of April 1990).

In developing the Information Systems Strategic Plan the Consultant adopted the same "formula" which secured support from the Prime Minister's inner circle for his first report. He clearly depicted a described end-state and presented a journey which if properly undertaken would deliver the intended benefits:

The Information Systems Strategic Plan is all about getting from here to there, particularly after a remarkable long period in which the country was going through a technology drought. So aside from the agenda being a full one, there is much catching up to do.....

The review contained three dimensions, organisational, human resources and technology, three dimensions which if properly addressed will result in an integrated, effective and customer sensitive public service. This is a factor of critical importance. One dimension cannot be addressed to the exclusion of the others. (Operations Review Secretariat, July 1990, Information Systems Strategic Plan for the Government of Malta, Office of the Prime Minister, Malta.

:i)

Moreover the Consultant convinced the Prime Minister's inner circle that investment in technology was a critical enabler for the broader public service reforms.

The Consultant also emphasised that the current structures would not deliver the required change and advocated the creation of new structures:

To reap the benefits of new technology, government must create new organisations, doing things in new ways. That means questioning the day-to-day traditions of decades of doing business. (Operations Review Secretariat, July 1990, Information Systems Strategic Plan for the Government of Malta, Office of the Prime Minister, Malta.
:i)

Another key consideration was the Consultant's argument in favour of the need to centralise and ensure the development of one "corporate" architecture and leverage scarce skilled human resources required to deliver the Information Systems Strategic Plan.

Government, by its very nature is a very information intensive business, as hopefully this document serves to convey. The strategy proposed is about managing information and not computers, a very important distinction. Information together with finances and people, is one of an organisation's principle resources and has to be managed as such. Computers are the means by which this resource is managed, but are not the end in themselves.

With this in mind the strategy proposed is that a central information systems (services) group should lay down a corporate "architecture" to ensure that where viable each Ministry's new information system will work in a complementary fashion with systems of the same or other Ministries. While such co-ordination could stop there, allowing each Ministry to in turn design and develop its new systems, skilled manpower shortages dictate that all development should be centrally co-ordinated. (Operations Review Secretariat, July 1990, Information Systems Strategic Plan for the Government of Malta, Office of the Prime Minister, Malta: ii).

This approach provided a degree of control over the technology agenda and its respective change programme.

4.7.2 The Consultant's Approach to Securing Control over IS/IT Policy

Moreover the Consultant ensured that he would have complete control over Information Systems in Government by convincing the Prime Minister's inner circle that pursuing initiatives in a piecemeal manner while strategic options were being considered by Cabinet would result in a recipe for disaster:

Given the intensifying pressure for some of the key information systems, the temptation will be great to proceed with isolated initiatives to norms of development that were in fashion ten years ago. This is a sure recipe for disaster resulting in time, cost and opportunity loss. Methodologies and tools have evolved in recent years as referenced above and it is vital to ensure through policies employed by government that contemporary norms of development are adhered to. In doing so it may frequently appear that objectives are being postponed but in the end adherence to new disciplines and the use of state of the art techniques will yield early and cost effective results. (Operations Review Secretariat, July 1990, Information Systems Strategic Plan for the Government of Malta, Office of the Prime Minister, Malta: iii)

The Consultant also acknowledged that over the past 12 months small systems were mushrooming across Government in response to addressing the needs which were ignored under a previous Administration. For instance:

The past 12 months (referring to 1989) have seen the infusion of a small number of computers in various departments, the setting up of a Computer Centre in Police Headquarters and pressure to meet the long overdue information systems support capabilities throughout government. (Operations Review Secretariat, July 1990, Information Systems Strategic Plan for the Government of Malta, Office of the Prime Minister, Malta: 22).

Moreover in July 1988 the Prime Minister had established an *Advisory Committee on Computerisation* to:

- a) Advise Government on its computerisation policy and co-ordinate and monitor the implementation of such policy;
- b) Supervise the running of the Government Computer Centre;
- c) Advise Government on all matters relating to computing;
- d) Appoint, within any budgetary provision available to it for this purpose, consultants to give expert reference, where such advice in its opinion is necessary;
- e) *Appoint where it deems it appropriate standing committees, each chaired by a member of the Advisory Committee on Computerisation, to perform specific parts of its functions under such conditions as it may impose; and*
- f) Make proposals to Government on any matters related to its functions.

Moreover the Ministry of Finance also had a similar structure called the EDP Committee which it used to sanction investment and expenditure on IT.

In this respect the Consultant highlighted that these existing structures were not working effectively:

EDP Committee: the role of this Committee is not readily clear throughout government. It has largely been perceived as an instrument of the Ministry of Finance to discourage investments in information technology.

Advisory Committee on Computerisation: the role of this Committee is not readily clear to most users. It is viewed in a similar light as the EDP Committee in that it is an additional hurdle to overcome when contemplating the acquisition of IT. Its task has been rendered impossible by:

- i. *The reluctance of the Ministry of Finance to recognise its mandate.*
- ii. *The reluctance of the public service management to convey its roles and responsibilities throughout ministries.*
- iii. *The continued existence of the EDP Committee.*
- iv. *The constitution and its membership not being largely user representative.*
- v. *Its inability to establish some basic policy parameters.*
- vi. *The lack of resources at its disposal.*
- vii. *The fact that the Committee activity is a sideline in the already overly committed work-life of its membership.*

(Operations Review Secretariat, July 1990, Information Systems Strategic Plan for the Government of Malta, Office of the Prime Minister, Malta: 25-6)

Moreover the Consultant made a recommendation to abolish both existing Committees and establish a new Steering Committee which included representation from the new Consulting Unit the MSU, which ensured that the new Consulting team would have a driving seat in shaping key decisions and future developments. The implementation of this recommendation also reduced the influence of the Ministry of Finance and sanctioning and approving IS/IT investments and expenditure. The proposed structure of the Steering Committee is described below:

Corporate Steering Committee

A corporate information technology steering Committee should be set up with responsibility for reviewing and approving all corporate information technology policies, approving strategic, tactical and operational plans, and for monitoring the progress of all technology major initiatives. The proposed membership is as follows:

- Chairman – Permanent Secretary, Department of Civil Service
 - Secretary- Director MIS Division
 - Members – 1 senior person per each Ministry
 - Members – Project Director, Management Systems Unit
- (Operations Review Secretariat, July 1990, Information Systems Strategic Plan for the Government of Malta, Office of the Prime Minister, Malta: 177).

It is also noted that when the Prime Minister established this new Steering Committee, and the Operations Review Consultant was appointed as Chairman.

4.7.3 The Consultant’s Portrayal of the Existing Information Technology Structure in Government

In portraying the existing Information Technology structures in Government, the Consultant deployed similar tactics used when he described the current state of the Public Service in his first report. While the Consultant noted that the Centre was limited by resources, finances and other support, he also developed arguments that Users, Industry and industry did not support the Centre.

The table below summarises the Consultant’s description of the current Computer Centre. The table also highlights these relevant themes which are supported by quotes which will help sensitise the reader to the context in which the recommendations were later made.

Table 4 10 Extracts from the 1990 Information Systems Strategic Plan

#	Relevant Themes	Extracts from the 1990 Information Systems Strategic Plan for the Government of Malta
1	Described Computer Centre as having limited expertise, capability and access to funds	<p><u>Current Environment (1990)</u></p> <p>The Government Computer Centre was established in 1981 to consolidate the limited available computer system expertise which was available to Government at the time. The <i>limited technical expertise constrained management in the processing and development methodologies</i> that were adopted. However the move to set up the centre was premised on the need for computerisation in a number of Government departments and parastatal organisations. Because of <i>limited technical manpower available at the time</i>, it was recognised that computerisation would span a number of years.</p> <p>Aside from the limited technical manpower, <i>economic considerations served to constrain significantly</i> the nature of the Computer Centre environment that was planned (Operations Review Secretariat, July 1990, Information Systems Strategic Plan for the Government of Malta, Office of the Prime Minister, Malta: 13)</p>
2	The Computer Centre lacked legitimacy and support from the Establishments Division (Office of the Prime Minister) and the Ministry of Finance which impacted its resourcing	<p>The Centre's organisation within the Ministry of Finance was incorporated for the first time in the 1982 Estimates. The organisation structure was proposed by the Australian consultant retained by government in 1981, with regards to <i>salary scales, number of positions and grades was not fully accepted by the Ministry of Finance nor Establishments</i>. Consequently, the organisation <i>left out some vital posts such as training and data administration</i>. Subsequent attempts to bring the organisation more in line with the times were also unsuccessful.</p> <p>The full complement as it appeared in the 1982 Estimates has never been attained. <i>Vacancy levels have consistently ranged between 40% and 60%</i>. The attribution of this state of affairs by the present Manager has to do more with unnecessary lengthy bureaucratic procedures rather than the lack of availability of people who, once recruited, could be trained. (Operations Review Secretariat, July 1990, Information Systems Strategic Plan for the Government of Malta, Office of the Prime Minister, Malta: 13-4)</p>
3	Unclear Role of Computer Centre	<p><u>Computer Centre Role</u>: this is presently very unclear. At its formation in 1981, it was largely the driver of systems development and the determination of priorities in this regard. There was no Steering Committee to guide its development and ensure user input. Although the change of government has served to send out messages about its vision of information technology, it has not made any specific statements relating to the future of the 'Computer Centre'. (Operations Review Secretariat, July 1990, Information Systems Strategic Plan for the Government of Malta, Office of the Prime Minister, Malta: 25-6)</p>
4	Fuelled uncertainty about the Computer Centre and emphasised that this uncertainty was resulting in a suspended state	<p><u>Centre's Suspended State</u> : with its future seemly uncertain, the Centre is hard pressed to meet basic support needs, that its current suite of systems dictate. It has a large number of vacancies, which it is not authorised to fill and its computer is operating at or near capacity most of the time. (Operations Review Secretariat, July 1990, Information Systems Strategic Plan for the Government of Malta, Office of the Prime Minister, Malta: 25-6)</p>

#	Relevant Themes	Extracts from the 1990 Information Systems Strategic Plan for the Government of Malta
5	Emphasised that the Computer Centre was not meeting requirements	<u>Application Backlog</u> : there is a pent up need for new or enhanced systems which the Centre has not been equipped to deal with. (Operations Review Secretariat, July 1990, Information Systems Strategic Plan for the Government of Malta, Office of the Prime Minister, Malta: 25-6)
6	Highlighted that Users and Industry were advocating closure of the Computer Centre	<u>Centralisation vs Decentralisation</u> : both the <i>computer industry in Malta as well as users are clamouring for the dismantling of the Computer Centre</i> and for each Ministry to develop its own capabilities. In the end this issue will be addressed as an outcome of this strategy after having reviewed the pros and cons. (Operations Review Secretariat, July 1990, Information Systems Strategic Plan for the Government of Malta, Office of the Prime Minister, Malta: 25-6)

4.7.4 The Consultant's Analysis of Options and Recommendations

It is interesting to note that the Consultant spent considerable amount of time and energy depicting change in structures as a key driver of change. This is consistent with the Consultant's first report on the operations of the Public Service.

In presenting the proposals outlined in the ISSP, the Consultant described five options to delivery Government's IS Strategy:

Table 4 11 Options for Delivering the Information Systems Programme as Recommended by the Operations Review Consultant

#	Option	Consultant's Recommendation
1	Use present Computer Centre as the base for future development and support	The use of existing facilities does not appear viable. The equipment is obsolete and it cannot meet corporate requirements for on line data base systems. Incumbents in the present organisation do not for the most part possess the requisite skills to enable this development. The present computer equipment vendor (PRIME) may not be ideally placed in the market place to meet the long term corporate needs. Finally the Centre does not have the credibility of its client group, thus rendering such an undertaking an extremely difficult one from the start.
2	Delegate the responsibility for systems to Ministries	Organisation structures in Ministries are presently very ill defined and clearly not in sync with times as pointed out in the Operations Review Report No. 1. Adding this responsibility to Ministries will only serve to exacerbate this. The shortage of skilled people is causing considerable attrition within the ranks of the Computer Centre. There does not appear to be the skills base in Malta to sustain the needs of 10 competing information systems organisations. The future toll in insubstantial IS organisations and people will be very great. Moreover this is not an approach that will enhance prospects of data sharing.

#	Option	Consultant's Recommendation
3	Create a new Information Systems Management organisation to co-ordinate development or support	Such an organisation can be set up to meet the current and projected needs of all of government. Staffing it will still pose a challenge since very few people exist with the requisite skills of having worked with applications of the complexity and scale required by government. Such an organisation will still largely rely on contracting for the creation of the technology infrastructure necessary, as well as much of the design, development and maintenance of major applications. While the focus of such an organisation will be the "Information" management it will need to embrace within it a "Computer Centre" to manage and support its technology applications.
4	Take out a Facilities Management contract with an appropriate international corporation to assume responsibility for all development and support	In this instance Facilities Management can be used from retaining a firm to implement this strategic plan to contracting out for development and support of a single application including the facilities (Computer Centre_) to support it. There are several firms who specialise in this type of service such as Electronic Data Systems, a subsidiary of GM in the US, Data Crown, a subsidiary of Crown Life in Canada and ICL in Britain. While no doubt the easiest solution, this would be the costliest one and would not result in the technology transfer that is so direly needed. Thus both politically as well as economically, this is not a very viable option, unless the government imposed conditions for significant local content.
5	Enter into a bilateral agreement with another country under which all development and support will be provided on a cost recovery basis.	<p>Computerisation history in government in developed nations has swung back and forth with regard to centralisation and decentralisation. At the current time one will find that a large chunk of the information systems processing is decentralised. Thus in Britain, Canada and America, Information Management policy including the approval of ISSP Plans resides in one central government agency. However the design, development, implementation and support of systems is largely the responsibility of individual MIS organisations within the various departments. Of recent date the issue of data sharing is one that has become very topical and it is for this reason that central government agencies are re-establishing parameters for the development of information systems.</p> <p>Irrespective of this most governments have always retained a core MIS organisation to provide the development and support to those departments that do not have the resources or critical mass to look after their own needs.</p> <p>This in Britain one will find the Central Computer and Communications Agency reporting to Treasury, in Ontario there is a Computer and Telecommunications Division within the Ministry of Government Services and in the United States there is a like agency within the Office of the President. The Irish Government has recently centralised most of its information systems development.</p> <p>Given the resources and size of the above mentioned organisations, the respective governments may be amenable to provide the needed support to Malta under the umbrella of a specifically defined bilateral agreement.</p>
<i>Operations Review Secretariat, July 1990, Information Systems Strategic Plan for the Government of Malta, Office of the Prime Minister, Malta: 113-5.</i>		

The Consultant recommended that the Government adopts a hybrid of the above options and proceed as follows:

1. Set up a Management Information Systems Division located within the Department of Civil Service proposed in Report No. 1.
2. Incorporate the Computer Centre into the MIS Division. The adoption of this strategy will in itself embrace a migration path for the centre.
3. Provide Ministries with parameters to enable them to develop PC based local systems where this can be done within their existing allocations and human resources.
4. Enter into bilateral agreements with the governments of Britain, Ireland, Canada and US to acquire applications they develop or to obtain assistance in the design and development of specific applications.
5. Authorise the MIS Division to contract for specific development in the private sector. Much of this will be necessary at the outset to create the needed information systems Environment subsequently defined in this document.

(Operations Review Secretariat, July 1990, Information Systems Strategic Plan for the Government of Malta, Office of the Prime Minister, Malta: 115-6).

The ISSP recommended that the new Information Services organisation be set up within the Department of Civil Services to assume responsibility for all aspects of information technology planning, development, and operations within the Government of Malta. The position of Director of Information Services was also proposed with three supporting groups – information resources management; project management; systems support. The ISSP also recommended that the recruitment of the Director should be the first step undertaken through a local and international Executive Search.

Moreover as with previous proposals the Consultant recommended that the new Consulting Group (MSU) should take the lead role in creating and recruiting into the new Information Systems organisation. However the Consultant also noted that the Information Systems organisation should be structured independently from the Consulting Unit:

Implementation

The responsibility for implementing the new organisation structure should be assigned to the Management Systems Unit in the Office of the Prime Minister.

Whilst the task of setting up the new management Information Systems Division falls to the MSU, once the nucleus of this organisation entity is in place, it should be established as a discrete organisational entity within the Department of Civil Service, independent from the Management Systems Unit, and reports to the Permanent Secretary, Department of Civil Service. (Operations Review Secretariat, July 1990, Information Systems Strategic Plan for the Government of Malta, Office of the Prime Minister, Malta: 179)

The Consultant also advocated the launch of two large pilot developmental projects which would set the ball rolling and maintain the momentum emanating from the ISSP:

Large Systems Development

Using the Income Tax Computerised System and National Insurance Contributions System, undertake two pilot projects to develop application systems based on the new technology platform and using new systems development methodology. This is needed in order to:

- Meet two of the more pressing application priorities
- Provide a training and orientation opportunity for the new organisation
- Develop a working knowledge of new tools and technology under low risk conditions.

(Operations Review Secretariat, July 1990, Information Systems Strategic Plan for the Government of Malta, Office of the Prime Minister, Malta: 184-5).

The Information Systems Strategic Plan (ISSP) was completed in July 1990 and should have completed the OR Consultant's terms of reference. It is also noted that Malta also applied to join the European Economic Community on 16 July 1990. In this respect the Consultant linked the technology plan and its implementation with Government's goal of EU accession, thus providing additional political legitimisation to the plan's implementation. This is evident in the Information Systems Strategic Plan:

The timing of this initiative is also the most opportune coinciding with the implementation of the Public Service Reform Commission recommendations and the Government's plans for entry into the European Economic Community. The process of entry will as a matter of course entail a very rigorous examination of Government administrative processes to assess whether these come up to community standards. The Information Systems Strategic Plan as a backdrop will no doubt serve to provide reassurance about the Government's seriousness of its intentions to up-grade its public administration capabilities. (Office of the Prime Minister, 1990b: iv)

4.7.5 The Creation of the IS/IT Structures by the New Consultancy Group in 1991

At the time, the public service lacked the resources and capabilities to develop and support information systems, thus requiring the influx of new resources and leadership to undertake this task. In this respect the Prime Minister was convinced that the new Consultancy Group (MSU) should be assigned the responsibility to establish the new cross-Public Service Information Technology change programme.

It is also noted that the Operations Review Consultant convinced the Prime Minister to present the ISSP to Cabinet. This provided reassurance that the projected investment and expenditure was approved for the change programme was approved and would not be subjected to Ministry of Finance review.

Further to workshops held between the 21st and the 25th of January 1991 which were intended to provide senior public servants with Government's IT strategy and its policy ramifications, the Prime Minister issued a letter to all Secretaries, Heads of Department and Parastatal Organisations (5th of February 1991) highlighting commitment to the Information Systems Strategic Plan developed by the Operations Review Consultant. In this respect the Consultant leveraged the relationship with the Prime Minister and his Assistant to ensure visible signs of commitment which also created binding commitment to the change initiatives.

The following table presents relevant extracts from the letter by the Prime Minister and an analysis of its implications on the power, role and recommendations of the Operations Review Consultant:

Table 4 12 Extracts and Analysis of the Prime Minister's letter to all Secretaries, Heads of Department and Parastatal Organisations, 1991

#	Extracts from Prime Minister's letter to all Secretaries, Heads of Department and Parastatal Organisations	Thematic Analysis and Implications
1	This plan (ISSP 1990) is now being adopted and we should proceed with its implementation. To this end funds have been voted in the 1991 Estimates.	Consultant secured clear commitment by Prime Minister and funds which were previously unavailable to computer centre and its leadership.
2	An organisation responsible for Management Information Systems has been set up to co-ordinate all systems development, support, computer hardware and software acquisitions. It will report to the Office of the Prime Minister.	Proposed new organization has been given the legitimacy by the Office of the Prime Minister.
3	The responsibility for setting up the organisation and creating appropriate infrastructure resides with the Management Systems Unit. Mr J V Tabone will be the acting Director of this new organisation pending the appointment of a Director which should take place during the first half of 1991. The Computer Centre will form part of this organisation.	Consultant has been given complete authority to establish and recruit staff in new MIS organisation.
4	The funds voted centrally in 1991 will also enable the MIS organisation to implement activities identified for the first year of this plan.	Funds allocated for delivering year one activities which will not require funding scrutiny on a project by project basis.
5	A Steering Committee has also been appointed with responsibility for revising and approving all corporate information technology policies; establishing procedures; approving strategic, tactical and operational plans and for monitoring the progress of all major technology initiatives.	Provided legitimacy to new decision making bodies.
6	The Steering Committee is composed as follows: Chairman – J V Tabone, Operations Review Consultant Members – E Borg Costanzi, Rector, University of Malta G Borg Cardona, Secretary Ministry of Social Policy H Alamango, Consultant MSU R Bates, Consultant MSU T Buttigieg, Consultant MSU V Cassar, Department of Works V Galea, Commissioner of Inland Revenue A Mifsud, Director SDO	Operations Review Consultant has been given complete control as Chairman of new Steering Committee.
7	The Advisory Committee on Computerisation cease to exist with immediate effect.	Resolved any conflicts with other structures by abolishing other structures.
8	During the next five year 100 micro computers a year will be acquired and distributed throughout Ministries. Mini computers acquired for the major applications identified in the Information Systems Strategic Plan may be either centrally located or distributed, dependent on cost effectiveness.	Demonstrated a long-term commitment by making tangible and binding commitments for the next five years.
9	Your commitment to this plan and active participation in its implementation is earnestly solicited to ensure its success and the orderly infusion of effective computer systems throughout government.	Clear message of support and prioritisation.
	Letter from the Prime Minister Dr Edward Fenech Adami to all Secretaries, Heads of Departments and Parastatals on the 5 February 1991, The Office of the Prime Minister, OPM/472/89.	

It is evident that the Consultant’s solid relationship with the Prime Minister and his inner-circle provided legitimacy to the initiatives led by the Consultant and provided resolutions to resourcing and power disputes through top-down sanctions. This support by the Prime Minister, his Personal Assistant and the Minister of Finance was considered as a critical success factor for public service reform (Interview, Henry Alamango). Moreover the Consultant secured binding and written commitment from the highest level.

4.7.6 Theory Building

In sections 4.7.1 to 4.7.5 the researcher presented a pre-structured sequential analysis of this section of the case study which included:

- Consultant’s Approach to the Development of the Information Systems Strategic Plan for the Public Service (section 4.7.1);
- The Consultant’s Approach to Securing Control over IS/IT Policy (section 4.7.2);
- The Consultant’s Portrayal of the Existing Information Technology Structure in Government (section 4.7.3);
- The Consultant’s Analysis of Options and Recommendations (section 4.7.4);
- The Creation of the IS/IT Structures by the New Consultancy Group (section 4.7.5).

The section follows this case study analysis and undertakes a theoretical analysis of this stage of the case study within the context of existing relevant literature, which has provided the foundations for developing **Theoretical Propositions** associated with the respective theory building themes (Policy Cycle 1-A – Theory Building Focus).

Reproduced Table 4 1 Policy Cycle 1-A Research Questions

Policy Cycle 1-A: The contribution that programme leadership consultants can make to the creation of momentum for change programmes whilst supporting the review of the present state and the defining a radical change programme, and the implications for the client sponsors of change programme.

#	Theory Building Theme	Focus within Policy Cycle 1-A
CL	Leverage of the Consultants’ Relationship with the Client	– How can Consultants develop and leverage their relationship with the client during policy formulation stage to contribute to the creation of momentum for a change programme?
P&P	Power and Political Strategies Deployed by Consultants	– What political and power strategies were used by consultants and how were they deployed to influence policy determination and contribute to the creation of momentum for the radical change programme?

R&M	Resistance and Mitigation Strategies by Consultants	– What were the dynamics and sources of tensions between consultants and management during the formulation of a picture of the current state and the formulation of a vision for change and their implications for the change programme?
NA	Not Anticipated	Emerging Theoretical Propositions which were not covered in the initial Theory focus scope

The section proceeds by proposing Theoretical Propositions which are also categorised against the Theory Building Themes being explored.

Less Resistance in Greenfield Sites

The Consultant’s second key initiative undertaken in this policy cycle focused on developing an Information Systems Strategy for Government. In developing the plan the Consultant carried out a user survey across the Public Service to determine the high level information needs and requirements. This survey was followed by meetings with groups from within Ministries. These efforts were also complemented with IT awareness sessions with senior public servants.

These methods seemed to be more effective with the Public Service. However it is important to note that take-up of Information Technology in Maltese Public Service was very limited at the time and hence the initiative was subjected to less resistance than other organisational and structural changes. The only resistance point was expected from Government’s Computer Centre which at the time managed some centralised systems.

In the context of this study within a policy development stage it is being posited that:
Working Hypothesis A-1.15: Consultants engaged on Greenfield site initiatives are less likely to face a high level of resistance. Moreover the adoption of facilitative engagement processes should ensure broad support.

Reinforcement of Earlier Tactics to Seek Political Support

In developing the Information Systems Strategic Plan the Consultant adopted the same “formula” which secured support from the Prime Minister’s inner circle for his first report. In this respect it is important to note that the strategies and messages devised by the Consultant across all documents were consistent. With respect to Information Technology he depicted a described end-state and presented a journey which if properly undertaken and funded would deliver the intended benefits:

This is consistent with and reaffirms Theoretical Propositions CL-1A-1.0, CL-1A-2.0, CL-1A-3.0 and CL-1A-4.0.

Interdependencies as a Pre-cursor to a Holistic Programme Approach

However the Consultant convinced the Prime Minister's inner circle that investment in technology was a critical enabler for the broader public service reforms. In the context of this study within a policy development stage it is being posited that:

Theoretical Proposition NA-1A-3.0:

Effective Consultants may emphasize the interdependencies between various organisational initiatives to justify the implementation of a holistic programme.

Criticism of the Current State

Mckinley and Scherer (2000) hypothesised that consultants will be biased toward portraying a turbulent environment because this increases the client's need for consultant services.

In portraying the existing Information Technology structures in Government, the Consultant deployed similar tactics used when he described the current state of the Public Service in his first report. In this respect the Consultant noted that the Centre was limited by resources, finances and other support. Moreover he also emphasised that key stakeholders such as Users and even Industry did not support the existence of the Centre.

In this respect the Consultant described the then existing Computer Centre structure as:

- Having limited expertise, capability and access to funds;
- Lacking legitimacy and support from the Establishments Division (which was the Personnel Division in the Office of the Prime Minister) and the Ministry of Finance which impacted its resourcing;
- Having an unclear Role;
- Emphasised that the Computer Centre was not meeting requirements.

Moreover the Consultant also argued that the uncertainty about the Computer Centre was resulting in a suspended state; However it is noted that the uncertainty was in part being caused by the review being undertaken by the Consultant himself.

It is also interesting to note that the Consultant cited external stakeholders such as Industry as advocating the closure of the Computer Centre. The Consultant also emphasised that the current structures would not deliver the required change and advocated the creation of new structures.

In the context of this study within a policy development stage it is being posited that:

Theoretical Proposition

R&M-1A-3.0: In portraying the existing organisation structures as part of reviews, Consultants often adopt a highly critical style emphasising issues concerning a lack of expertise, capability, legitimacy, role definition and focus on client needs, which may trigger resistance from Groups which are critical to the implementation stage.

Securing Control over Programmes

Having clearly advocated the creation of new IT structures and that the existing Computer Centre was not the right platform to build for the future, the Consultant devised a political strategy which would ensure the consolidation of all change initiatives.

In this respect the Consultant presented an argument in favour of the need to centralise and ensure the development of one “corporate” architecture and leverage scarce skilled human resources required to deliver the Information Systems Strategic Plan. This approach provided a degree of control over the technology agenda and its respective change programme.

The Consultant ensured that he would have complete control over Information Systems in Government by convincing the Prime Minister’s inner circle that pursuing initiatives in a piecemeal manner while strategic options were being considered by Cabinet would result in a recipe for disaster:

Moreover the Consultant highlighted that the existing coordinating mechanisms were not working effectively. Subsequently the Consultant made a recommendation to abolish both existing Committees and establish a new Steering Committee which included representation from the new Consulting Group the MSU, which ensured that the new Consulting team would have a driving seat in shaping key decisions and future developments. Moreover the Consultant also ensured the change initiative had adequate funding since the implementation of this recommendation also reduced the influence of the Ministry of Finance and sanctioning and approving IS/IT investments and expenditure.

In the context of this study within a policy development stage it is being posited that:

Theoretical Proposition P&P-1A-4.0:

In attempting to exert control over change initiatives, Consultants advocate the need to centralise scarce resources, avoid piecemeal initiatives while strategic options are being considered, create new coordinating mechanisms wherein the Consultants are represented and secure centralised budgets for change initiatives.

Control over the Creation of New Structures and Power Associated with Client Relationships

The Consultant spent considerable amount of time and energy advocating that a change in IT structures is a key driver of change. This is consistent with the Consultant’s first report on the operations of the Public Service. The Consultant recommended the creation of a new Group which would assume responsibility for

all aspects of information technology planning, development, and operations within the Government of Malta. The ISSP also recommended that the recruitment of the Director should be the first step undertaken through a local and international Executive Search.

Moreover as with previous proposals the Consultant recommended that the new Consulting Group (MSU) should take the lead role in creating and recruiting into the new Information Systems organisation.

In the context of this study within a policy development stage it is being posited that:

Theoretical Proposition CL-1A-7.0:

Part A: Effective Consultants ensure that they are the key reference point for senior clients on decisions associated with the creation of new structures. Moreover Consultants will seek to be assigned lead roles in the creation of new structures associated with change programmes.

Pfeffer (1981) defines organizational politics as those organizational processes with the aim to acquire, develop and use power and other resources to obtain preferred objectives in circumstances where uncertainty surrounds decision-making. The relationship between organizational politics and power is not only associated with derived power as a consequence of political behaviour. Power is also a means of political behaviour. In this respect Martin and Sims (1974) suggest that organizational politics is concerned with relationships of control and influence.

In the context of studying the role of consultants it is also interesting to note that the influence of the Consultant was such that Government decided that to assign the responsibility for creating and recruiting into the new IT structure to the Consultant and the new Consultancy Group (MSU). The Consultant ensured that the Prime Minister issued a letter to all Secretaries, Heads of Department and Parastatal Organisations highlighting commitment to the Information Systems Strategic Plan developed by the Consultant. This provided visible signs of commitment which also created a certain binding commitment from the Administration to the change initiatives.

The Consultant also convinced the Prime Minister to present the ISSP to Cabinet. This provided reassurance that the projected investment and expenditure was approved for the change programme and hence would not be subjected to later Ministry of Finance review.

It is also significant that the Consultant secured:

- clear political commitment and prioritization by the political elite;
- funds which were previously unavailable to the existing structures without scrutiny from the public service's control mechanisms;
- legitimacy given to IS/IT change programme and structures by the Office of the Prime Minister;

- authority and control over the establishment and recruitment in new IT structures;
- abolition of existing coordinating mechanisms for IS/IT and the legitimating of new decision making and coordinating bodies;
- control over IS Change programme with Consult appointed as Chairman of new Steering Committee;
- long-term commitment from Government by making tangible and binding commitments for investments over a five year period.

It is evident that the Consultant's solid relationship with the Prime Minister and his inner-circle provided legitimacy to the initiatives led by the Consultant and provided resolutions to resourcing and power disputes through top-down sanctions during the policy formulation stage. Moreover the Consultant secured binding and written commitment from the highest level. This support by the Prime Minister, his Personal Assistant and the Minister of Finance was considered as a critical success factor for public service reform (Interview, Henry Alamango). Moreover the Consultant secured binding and written commitment from the highest level.

In the context of this study within a policy development stage it is being posited that:

Theoretical Proposition CL-1A-7.0:

Part B: Consultants' relationships with, and influence over senior clients may result in tangible and visible top-down support for the Consultant's change initiatives which may also lead to binding commitment for the proposed initiatives. Such binding commitment may take the form of written and public expressions of support, a commitment to current and future funding, or appointment of Consultant(s) to key decision making bodies.

Generating Momentum through Tangible Pilot Projects

The Consultant also advocated the launch of two large pilot developmental projects which would set the ball rolling and maintained the enthusiasm and the momentum emanating from the ISSP: This is also in line with tactics deployed during the first stage reports when pilot initiatives were cited as a reason to rapidly resource and implementation team / consultancy group. This is also consistent with Theoretical Proposition P&P-1A-3.0 Part A and Part B.

Reinforcing Alignment of Strategies to Government Policies

The Information Systems Strategic Plan (ISSP) was completed in July 1990 and should have completed the Consultant's terms of reference. It is noted that Malta also applied to join the European Economic Community on 16 July 1990. In this respect the Consultant linked the technology plan and its implementation with Government's goal of EEC (now referred to as the European Union) accession and the

need for pre-accession reforms, thus providing additional political legitimisation to the plan's implementation. This is evident in the Information Systems Strategic Plan:

In the context of this study within a policy development stage it is being posited that:

Theoretical Proposition

CL-1A-8.0: If Consultants sense that a new client priority is emerging, they may attempt to demonstrate the complimentary and link between the change initiative being proposed and the new client priority.

The Implementation of a Radical Change Programme: Mid 1990 to Mid 1996

Case Analysis of Policy Cycle 1-b and Theory Building

5.1 Introduction

This Chapter covers the second part of policy cycle one with a timeline which spans between mid 1990 to mid 1996. This stage of the case study focused on the implementation of a radical change programme, which was formulated during the first part of policy cycle one (Chapter 4). The political leadership provided by the Nationalist Administration during the first part of policy cycle one is also a constant during this period.

Following the endorsement by Government of the proposed vision for change, three new organisations were created. One of these organisations was the Management Systems Unit Consultancy Group that was allocated considerable resources and operated with a high degree of autonomy from the Public Service. The primary focus of the MSU was to drive major change within the public service and act as Government's Consultancy group. The MSU engaged sixty expatriate management consultants to lead an attempt of holistic change of the Public Service involving changes in strategy, structure, processes, technology, internal controls and distribution of power. Such change fits Tushman and Romanelli's (1985) definition of radical change and Miller's (1976) definition of quantum change. Various top-down change (Beatty and Ulrich, 1991) corporate initiatives were launched across Ministries and project managed by consultants. However, criticisms towards this approach were raised publicly by senior public officers and the Opposition. In this respect, when attempts at such change are made, politics of resistance are to be expected (Cobb et al, 1995; Frost and Hayes, 1979; Greiner and Schein, 1988).

Over the course of this period the Consultants strategies and focus were also re-aligned to mitigate resistance and also seize emerging opportunities. For instance the Management Systems Unit's focus also grew to encompass information systems consultancy and implementation. However, the overall radical change programme themes were predominant throughout.

This phase of the case study provides a rich context wherein consulting engagements result in disturbances to the organization system (Baitsch and Heideloff, 1997). The case study phase also provides insightful accounts into political competition between different groups in Government agencies (Wooddell, 2002). Of particular interest to this thesis is that the focus of Consultants goes beyond their role as technical policy advisors, which has been explored in previous research (e.g. Jamrozik, 1992) but focuses on explaining the ongoing role of consultants throughout the various stages of change programmes.

Unlike most research on consulting that focus on the external consultant who comes from outside the company, enters for a finite duration and exits, this case study provides an opportunity to study the consultants' role in change initiatives over a longitudinal time frame. The longitudinal nature of the case study which including the transition between the policy stage (1987-1990) and the implementation stage (1990 to 1996) enabled the researcher to give due consideration to research themes which were highlighted by Pettigrew et al (2001) in proposing theory. This included an attempt to researching the role of consultants in change as a continuous process, understanding temporal and situational questions associated with change, and a focus on maintaining momentum for change initiatives over time.

In the context of this **policy implementation phase** of this Policy Cycle, theory building themes were developed in Chapter 2. These Theory Building Themes were based on the literature gap identified, the analysis of existing theoretical constructs, and the case study context of this policy cycle phase. The Theory Building Focus of this Chapter is outlined below:

Table 5 1 Policy Cycle 1-B Research Questions

Policy Cycle 1-B: The contribution that programme leadership consultants can make to the maintenance of momentum for radical change programmes whilst supporting implementation, and the implications for the client sponsors of the change programme.

#	Theory Building Theme	Focus within Policy Cycle 1-B
CL	Leverage of the Consultants' Relationship with the Client	– How the Consultants' relationship with the organisational leadership contributes to sustaining momentum for the radical change programme during the implementation?
P&P	Power and Political Strategies Deployed by Consultants	– What power dynamics were leveraged by the Consultants to institutionalise, generate commitment and resource the radical change programme and retain the deployment of consultancy services?
AD	Consultants' ability to Adapt over time	– How did Consultants react when a radical change programme was not delivering visible results to contribute to maintaining momentum for the change programme?
R&M	Resistance and Mitigation Strategies by Consultants	– What factors contributed to resistance to the radical change programme involving consultants and what strategies were adopted by Consultants to mitigate the concerns of the resistance group?

These Theory Building Themes guided a research process which is more descriptive than prescriptive, and which attempted to analyse a real world phenomenon rather than prescribe normative decision models. This phase of the case study is sub-divided in sections as presented in the table below:

Table 5 2 Outline of Chapter 5

#	Sections	Purpose
5.2	The Consultants Role and New Change Management Structures During Early Stage Implementation	Contextual
5.3	MSU's Approach Addressing Criticism and Resistance 1991-1992)	Contextual
5.4	In search of a balanced portfolio - The Consultant's New IT Initiative	Case study analysis Theory analysis and building
5.5	Major Obstacles in Implementing Business Change Initiatives	Case study analysis Theory analysis and building
5.6	Consultants Second Wave of Responses to Address Criticism	Case study analysis Theory analysis and building
5.7	Consultants seek to reenergise momentum on major change programmes	Case study analysis Theory analysis and building
5.8	MSU's transition to a full IT service agency and the Consultants' renewal strategy	Case study analysis Theory analysis and building

The researcher proceeded by carrying out a processual analysis of the case study guided by theory building focus 1-B. Each section of this chapter either provides contextual information which will inform theory building or presents a pre-structured sequential analysis of the case study followed by a theoretical analysis of existing theories wherein Theoretical Propositions are proposed.

It is emphasised that Theoretical Propositions were developed within the context of an analysis the case study and existing relevant literature, which has provided the foundations for theoretical understanding of what has already been achieved in the research domain. These Theoretical Propositions are categorised against the Theory Building Themes being explored and presented in table 5.1. The naming convention for the proposed theoretical propositions is as follows: <Theory Building Theme reference>/<Policy Cycle reference>/<Sequential Proposition Number>. Given the nature of the analysis it is recognised that when using the case study analysis, the above theory building focus will work best where it is tentative thus recognizing that they may be modified in light of issues and events discovered (Hartley, 1994). Hence the researcher anticipated to observe findings and formulate Theoretical Propositions which were not covered in the initial Theory focus scope. Such propositions will be classified as NA (Not Anticipated).

It is also emphasised that that this policy cycle is limited to examining the phenomenon within the research parameters of this policy cycle which have been defined in Chapter 2. Moreover, comparisons across Policy Cycle findings are not presented in this Chapter. This cross-Policy Cycle analysis and discussion is presented in the concluding Chapter 8.

5.2 The Consultants Role and New Change Management Structures During Early Stage Implementation

The Nationalist Prime Minister's interest in the reform was continuous throughout the process of change. It was also acknowledged that the Prime Minister used to read all reports associated with the reform. This was in line with his *modus operandi* of his Government which was described by his Private Secretary and later Cabinet Secretary as a true Cabinet Government (Interview, Alfred Fiorini Lowell). It was emphasised that Cabinet was not a "sofa Cabinet" and that every item on the Cabinet agenda was supported by a Memorandum and the PM out of all Ministers was the one who read all Cabinet papers (*ibid.*).

The Prime Minister's commitment at this stage of the reform enabled the establishment of the new organisations which was initiated between May and November 1990, when the Management and Personnel Office (MPO), Management Systems Unit (MSU) and Staff Development Organization (SDO) were established. The functions of the existing Establishments Division, within the OPM were taken over by MPO.

Notwithstanding that three new structures were established, only the establishment of MSU as a Consultancy and Change Management Group resulted in severe political play, power battles and resistance.

The MSU was charged with initiating and supporting corporate-wide initiatives, supporting changes driven by other agencies, such as the MPO and responding to requests from ministries and departments for their change initiatives. The MSU was the Prime Minister's Change Management and Consultancy Group. In this respect the Public Service Reform Commission's second report (Office of the Prime Minister, Malta, 1990a: 89) had advocated care in the implementation process and change management and highlighted the importance to actively manage resistance to change.

It is also important to note that until the beginning of 1990 there was only one external "foreign" consultant which was the Operations Review Consultant. The MSU went on to grow to an initial complement of forty six (46) Consultants which led to a change in dynamics of the change process.

This stage of the case study provided the researcher with an opportunity to examine the roles and tactic deployed by a relatively large Group of Consultants who commanded the support of the Office of the Prime

Minister. This stage of the case study also presented an opportunity to examine the dynamics between Consultants and senior public servants with a view to understand how tactic deployed may have impacted the positively or adversely the momentum for change More specifically this section 5.2 will present:

1. A pre-structured sequential analysis of this stage of the case study which included:
 - The engagement of a large consultancy team (section 5.2.1);
 - Engagement of expatriate consultants (5.2.2);
 - Establishment of Communications Strategy to Support Consultant’s Efforts (5.2.3);
 - Working Environment established by Consultants (5.2.4);
 - Consultant’s Control over Change Programme’s Budgets and Resources (5.2.5);
 - Choice of Leadership for the Consultancy Group (5.2.6);
 - The other New Structures for Change and their Claim to Resources (5.2.7);
 - Collective Resistance from the Senior Public Service (5.2.8).
2. Section 5.2.9 proceeds by presenting a theoretical analysis of this stage of the case study within the context of existing relevant literature, which has provided the foundations for developing Theoretical Propositions associated with the respective theory building themes (as per reproduced table below).

Reproduced Table 5 1 Policy Cycle 1-B Research Questions

Policy Cycle 1-B: The contribution that programme leadership consultants can make to the maintenance of momentum for radical change programmes whilst supporting implementation, and the implications for the client sponsors of the change programme.

#	Theory Building Theme	Focus within Policy Cycle 1-B
CL	Leverage of the Consultants’ Relationship with the Client	– How the Consultants’ relationship with the organisational leadership contributes to sustaining momentum for the radical change programme during the implementation?
P&P	Power and Political Strategies Deployed by Consultants	– What power dynamics were leveraged by the Consultants to institutionalise, generate commitment and resource the radical change programme and retain the deployment of consultancy services?
AD	Consultants’ ability to Adapt over time	– How did Consultants react when a radical change programme was not delivering visible results to contribute to maintaining momentum for the change programme?
R&M	Resistance and Mitigation Strategies by Consultants	– What factors contributed to resistance to the radical change programme involving consultants and what strategies were adopted by Consultants to mitigate the concerns of the

		resistance group?
NA	Not Anticipated	Emerging Theoretical Propositions which were not covered in the initial Theory focus scope

The Theoretical Propositions are presented in section 5.2.9. These Theoretical Propositions are categorised against the Theory Building Themes being explored and presented in table 5.1. Theoretical Propositions which were not covered in the initial Theory focus scope will be classified as NA (Not Anticipated).

5.2.1 The New engagement of a large consultancy team (the MSU) in 1990-1

The MSU’s vision was “a public service that provides the quality of infrastructure and public services to improve the economic wellbeing and quality of life of Maltese citizens, and enables Malta to compete successfully in European Community and global markets” (MSU Annual Report 1990/1991). This was a vision for the whole public service which one could argue was beyond the scope of remit of the external organisation. Its mission was to “facilitate implementation, in cooperation with central agencies, ministries and departments, of the recommendations proposed to the Public Service Reform Commission, and the Operations Review in order to transform the Public Service in respect of its: leadership; range and quality of services; quality of work life; and role in contributing to achievement of vision” (MSU Annual Report 1990/1991).

The MSU’s objectives as set out in its first Annual Report in 1990/1 included:

1. Institutionalise accountability in the Public Service;
2. Upgrade local skills
3. Design, develop and implement a Human Resources Strategic Programme;
4. Implement the strategic directions approved by Cabinet Committee on Reform in the areas of Finance and Information Technology;
5. Develop and implement a communications strategy;
6. Assist ministries and departments in preparation of business plans;
7. Define and institutionalise improved organisation structures for ministries and departments; and
8. Undertake other assignments deemed necessary by Cabinet Committee on Reform and Ssnior public officers.

It is interesting to note that objective 3 focused in the design and development of a human resources strategic programme. In light of the creation of the Management and Personnel Office and Staff Development Organisation, senior public servants argued that it would have been more rationale to assign this objective to these organisations and build their capacity as opposed to MSU (Interview, Edward Warrington).

5.2.2 Engagement of Expatriate Consultants

The MSU was as a new structure and comprised a multidisciplinary team of specialists in human resources, financial, general and information technology management (Interview, Chris Falzon). In resourcing the organisation the Chairman insisted that recruits into the MSU required experience in the management of change in large organisations, had significant line management experience and had some international experience. These Consultants were expected to “provide expertise and momentum to (change) initiatives” (MSU Annual Report 1990/1: 5). In this respect it was emphasised that the engagement of expatriate Consultants was a necessity and there was no choice on the matter because the skills were not available in Malta (Interview, David Spiteri Gingell).

The first recruits joined the Unit in July 1990 following period of intensive institution building which included policy development, design of structures, sourcing of premises. A group of young civil servants were also seconded from the Public Service into the MSU’s consulting team with a view to transfer skills by assigning them as understudies. Moreover the MSU staffing strategy also intended to “assign local senior public servants to act as counterparts and to assume ownership of projects” (MSU Annual Report 1990/1991: 5).

Most of the MSU’s Consultants were recruited from the United Kingdom, Canada and Australia. Moreover at the time the UK civil service was retrenching and hence many senior people had taken early retirement which enabled a high level of interest in Public Service Reform Consultancy opportunities in Malta (Interview, Edward Warrington).

The Executive Secretary of the PSRC acknowledged that some of the initial batch of Consultants were good. (Interview, Edward Warrington) This was particularly the case with specialist Consultants who were brought in for clearly defined engagements. For example:

- Peter Coster from the UK’s training policy unit carried out a two month review of the first year of the SDO’s operations who was described as extremely good, very sensitive to local issues and never sought the limelight.
- Colm O’Nuallain came over from Ireland for one week for meetings with members of the Cabinet about the administrative implications of EU accession.

It is noted that most of the other Consultants were engaged on a full-time basis by the Maltese Government via an international call which appeared on the Economist. The Consultancy Division was established with two main functional areas, the Human Resources and General Management Group and the Financial Management Group:

Table 5 3 Functions of the MSU Consultancy Group

Function	Function 1990/1991	Typical Initiatives – 1990/1991
Human Resources / General Management Group	Support the “identification, development and implementation of human resources policies and staff development, facilitate resourcing at all levels in the Public Service, improve conditions of service and assist with strategic industrial relations planning. It also aims to benefit the quality of the built environment by improvements in professional competencies, standards and technologies, developing the concepts of business plans and by improving value for money programmes and productivity” (MSU Annual Report 1990/1991: 6).	Focus on 4 Priority Areas: <ul style="list-style-type: none"> – Finance – Works – Customs – Human Resources Initiated a number of additional projects: <ul style="list-style-type: none"> – Social Security – Driving Licenses – Tourism – Tertiary Sector – Land Registry – Civil Aviation – Malta International Airport Company – Environment – Ports – Health – Gozo – Water and Energy – Vehicle Licenses – Communications – Education – Staff Directory
Financial Management Group	To “instituting a philosophy of financial efficiency and accountability while introducing international standards of expenditure and business planning” (MSU Annual Report 1990/1991: 6)	

5.2.3 Establishment of Communications Strategy to Support Consultant's Efforts

A Communications Strategy Team was also established in 1991 within the MSU and initially located within the Office of the Prime Minister in Valletta. The Group was established to promote awareness of the reform within and outside of the public service. In addition the Group was also intended to implement short-term measures aimed at improving commonly used services.

It is noted that the communications was going to be a major challenge for the change initiative since the PSRC and Operations Review were inspired by the principles of New Public Management which were new to the Public Service. The Consultants were talking a language which was new to the Maltese Public Service and this also highlighted that there was a division between the "Administrative Class" and the new management concepts (Interview, David Spiteri Gingell).

Moreover it was observed that the tone and rhetoric used by the MSU's communications was celebratory from its origins. In this respect the Chairman of the MSU emphasised in his letter in the 1990/1991 Annual Report that "Malta and its government should be rightly proud of having a world class organisation in MSU. It has succeeded in a short-time in bringing together a solid team of professionals with a diverse set of skills" (Chairman's letter, MSU Annual Report 1990/1991:3).

5.2.4 Working Environment established by Consultants

Senior Managers at the MSU noted that Chairman wanted the best environment possible for MSU consultants and staff. However this approach resulted in some jealousy from within the public service and also triggered some resistance. The MSU's head office was established in Villa Portelli where the Chairman emphasised that:

We have provided the team with an environment that is second to none in Villa Portelli, we have shown how a historic monument can be adapted for a contemporary purpose providing an environment that is conducive to work with a technology infrastructure by way of computers and telecommunications that is state-of-the-art" (Chairman's letter, MSU Annual Report 1990/1991:3)

The justification of using Villa Portelli as a Head Office was justified by key proponents of the reform by the reasoning that the Government of the day was to transform a derelict historical building in a deprived area into a state of the art environment (Interview, Edward Warrington; David Spiteri Gingell). Moreover a derelict Villa was transformed into a jewel with little money. However this was perceived by senior public servants as a privileged location for privileges consultants on extremely beneficial terms and conditions (Interview, Ray Navarro). The Villa later became an issue of political criticism.

5.2.5 Consultant's Control over Change Programme's Budgets and Resources

It was also noted that the MSU was assigned the budget for the change management and information systems implementation across the Public Service. In this respect it was evident that the Chairman of MSU was very skilful in securing access to budgets and resources. In securing funding for the major IT change programme he made explicit projections for the IT budget as a percentage of Government expenditure in the 1990 Information Systems Strategic Plan. Once this plan was supported by the Prime Minister he ensured that the IT budget would also be approved by Cabinet. This proved to be a critical move because during most annual budget cycles the MSU submission for IT was initially challenged and "slashed" by the Ministry of Finance. However the Chairman would liaise with the Office of the Prime Minister and the Prime Minister would issue a letter to the Ministry of Finance overriding the directive and reminding the Minister of Finance that the investment programme for IT was agreed collectively by Cabinet (Interview, Henry Alamango).

The MSU's control over budgets provided the Consultants with an additional source of power which enabled them to continue to set the agenda for change. However this was certainly a two edged sword since the fact that the Ministries did not control the funds associated with their change programmes translated in a lack of ownership for the change initiatives which in turn meant that many proposals and reports were shelved or aborted (Interview, Victor Camilleri).

It is also noted that the continued existence of Cabinet Committee for Reform chaired by the Prime Minister was also a critical development which ensured that the MSU initiatives were given resources and legitimacy (Interview, Henry Alamango).

5.2.6 Choice of Leadership for the Consultancy Group

The MSU's first year of operation also led to its first departure of a senior expatriate which was Sean O'Kelly, who was recruited as Project Director and Chief Executive of MSU. He described as an excellent "talker" and had an impressive CV (Interview, Edward Warrington).. However he was a major disappointment and failed to understand the politics associated with the change programme (*ibid.*). There were also claims made that the Chief Executive's CV did not reflect his real experience. Moreover the fact that the first Chief Executive left the organisation in its first year was emphasised by many senior public servants who expected little progress to be achieved by engaging expatriate Consultants. It is noted that a Chief Executive was not subsequently recruited and the Operations Review Consultant continued to provide leadership to the new organisation.

5.2.7 The other New Structures for Change and their Claim to Resources

As highlighted earlier in addition to the new Consultancy Group (the MSU), the Staff Development Organisation and the Management and Personnel Office were also established. Both the Staff Development Organisation (SDO) and the Management and Personnel Office (MPO) were established as new agencies operating in a staff relationship within the existing framework of the public service and thus considered as part of the public service.

Prior to the PSRC 1990 report, training was the responsibility of the Organization and Training Branch of the Office of the Prime Minister. It was noted that the Branch organized good quality training programmes with limited human resources. This Unit was reconstituted as the Staff Development Organisation to facilitate the PSRC's first stage proposals on human resource development. The SDO was designed with the objectives to institutionalise training, ensure the availability of resources and thus ensure training programme quality. Moreover, the strategy was prescribed by the PSRC and the Director of SDO took office to implement the training blueprint. The directorship of SDO did not entail the same power of the headships of MPO and MSU. This minimized SDO's potential for becoming a playing ground for political games.

On the other hand the Management and Personnel Office emerged from the Establishments Division in the Office of the Prime Minister. Unlike the other new agencies, MPO faced the challenge of "transforming its own role, culture, philosophy and internal organization, while directing and sustaining changes in the line departments" (Office of the Prime Minister, Malta, 1990a: 11).

In coping with the transition an interim organisation structure was drawn up, headed by a Director General with the aims of simultaneously coping with the significant volumes of casework that are the result of centralization of the old Establishments and devise a framework for the devolution of human resource management to line departments. In evaluating the Establishments Division, the PSRC noted some of the Division's competences that had to be retained. Of particular interest "it enjoys considerable prestige within the public service, which lends authority to initiatives that it undertakes" (Office of the Prime Minister, Malta, 1990a: 11). It was emphasized that the new MPO should carry out development tasks, which necessitate specialist personnel:

The functions that are taken out of the Office, as the interim phase progresses will be mostly those delegated to line departments, rather than ones transferred to new central agencies. Within MPO itself, the most significant change required will be the transformation of the manpower services function from routine administration to planning and standard-setting in close association with the Management Systems Unit and the Public Service Commission, respectively. (Office of the Prime Minister, Malta, 1990a: 12).

However given its limited resources, and its recurrent administrative duties, the MPO failed to adopt a strategic approach to the management of human resources and to delegate operational functions to line departments.

It was noted that there was definitely justified anger at the skewed distribution of resources between the MSU, MPO and SDO (Interview, Edward Warrington). However the fact the MSU secured significant resources was attributed to the vision and energy attributed to the Joseph V Tabone as the leader of the Consultancy Group (Interview, Alfred Fabri) On the other hand some observers noted that the leadership at MPO and SDO lacked the energy to secure resources and did not attempt to do things differently and simply replicated existing approaches to new structures (Interview, Patrick Vella).

The then Private Secretary to the Prime Minister, Alfred Fiorini Lowell who later was also engaged at MPO also noted that while in the 1989 to 1992 period there were some changes to the MPO, and a change in name from the former Establishments Division, these changes were limited and slightly disappointing. The MPO did not develop capacity to achieve HR policy and regulatory oversight. There may have been an issue with resourcing where the MSU had the best and MPO had less quality resources (Interview, Alfred Fiorini Lowell). Moreover, it was dependent on MSU Consultants for strategic tasks such as manpower planning. At the time Public Servants were particularly disappointed that the Consultants which were recruited through the MSU budget were not organised to work side by side with the Management and Personnel Office and public service structures (Interview, Edward Warrington). It was almost a caricature of consultancy, wherein they would come in and make their reports with limited engagement and buy-in of the host departments.

It was emphasised that the MPO had to deal with legacy issues such as the re-introduction of people who left before 1987, the rectification of perceived “injustices” and the review of pay structures and collective agreements (Interview, Alfred Fiorini Lowell). This view was also shared by other stakeholders who noted that the MPO never changed itself and got caught up in collective agreement cycles (Interview, David Spiteri Gingell). Moreover it was highlighted that its leadership were not sold on the ideas of Human Resources reform. In this respect it was noted that the focus of the MPO during the early stages of the reform were on the radical re-classification of the Grades system (Interview, Alfred Fabri).

5.2.8 Collective Resistance from the Senior Public Service

Despite that there seemed to be agreement on public service reform goals at conceptual level, resistance was mounted at implementation stage by the senior public servants. This section attempts to understand the motives for politics of resistance and the key factors involved in such a political battleground.

The MSU was created in June 1990 and subsequently incorporated as a limited liability company in November 1990 to enable the Consultancy Group to circumvent public service recruitment and procurement procedures and expedite reform. The MSU was an arm's length body which was external to the public service. Moreover the Operations Review Consultant was by this period appointed as the Chairman of MSU and was involved from proposing the creation of the Unit at conceptual stage to an "operational reality" (Interview JVT and MSU Annual Report 1990/1991). The Operations Review Consultant emphasised that the significant challenges faced by the Public Service in Malta necessitated the creation of new structures to support the implementation of change. It was noted that the Consultant's appointment as Chairman was a natural progression of events and was supported by the Prime Minister's Personal Assistant with who he held a strong relationship (Interview, Edward Warrington). The Board of Directors of the newly constituted limited liability company, the MSU comprised Joseph R. Grima, the Cabinet Secretary and the Alfred Fabri who was a competent and trusted representative of the Public Service Reform Committee. It was clear that the governance of the new Unit was independent from the Public Service. Moreover the MSU Board was also represented on the Cabinet Committee for Reform chaired by the Prime Minister.

It is also noted that during the midst of these changes Joseph Sammut, the Maltese Ambassador to the Kingdom of Saudi Arabia returned to Malta and he reassumed his role as Administrative Secretary on the 16th of August 1990. During the course of the interviews, the Chairman of MSU noted that the Administrative Secretary as the Head of the Public Service did not buy into Government's approach to change. Moreover, the Administrative Secretary argued that whilst the PSRC report was a good blueprint, the creation of a structure outside the service would create a "dual public service" and remove the "thinking" role from the public service. This went against principles of reform and relegates the public servants to "clerks" (Interview, Joseph Sammut). The Administrative Secretary disagreed with the establishment of the MSU as an organisation which was external to the Public Service and still advocated change through an internal process. Moreover the Administrative Secretary did not support the policy to engage expatriate Consultants (Interview, Philip Micallef; Henry Alamango) and used to speak his mind on these issues (*ibid.*).

In principle many fellow senior public servants were against the MSU approach. One consultant noted that despite various political attempts to curb the establishment of the unit, "MSU was forced down their throat" (Interview, Helga Pizzuto). Moreover, the public service was described as an "unwilling client". At the apex of the public service there was a shared perspective that the intake of expatriate consultants indicated a lack of trust in their abilities. Moreover former senior public servants expressed their concern relating to the excessively superior conditions of employment of expatriates. In this respect, Joseph Sammut (Administrative Secretary) argued that he never resisted reform, but resisted the people involved. The

former Head of the Public Service argued that the change management expertise within the Consultancy Division of MSU should have been part of the Public Service (Interview, Joseph Sammut).

At the time Senior Executives at the MSU never understood the logic as to why Joseph Sammut was re-appointed as Administrative Secretary since he was fundamentally against the concept of MSU and believed that the change process should be internalised (Interview, David Spiteri Gingell). However the Private Secretary to the Prime Minister emphasised that the Prime Minister knew how to leverage the capabilities of Joseph Sammut and it is noted that while there were some clashes with the reform agenda, the Administrative Secretary played a key role throughout the reform process.

At the time it was recognised that behind the scenes Richard Cachia Caruana (Personal Assistant to the Prime Minister) was the driving force behind the change (Interview, Philip Micallef). In this respect regular meetings were held between the MSU leadership and RCC. It is noted that notwithstanding being the Head of the Public Service, the Administrative Secretary was not appointed as a Director on the Board of the MSU. This was an attempt by the leadership of the MSU and the Prime Minister's inner circle to maintain control over the reform agenda. However this was described as a poor political judgement by the then Executive Secretary of the PSRC (Interview, Edward Warrington).

In this respect Joseph Sammut lamented on MSU's lack of accountability and mentioned that even on information technology implementation, where MSU failed to produce progress reports. Moreover Joseph Sammut noted that during the Reform Committee meetings, he limited the involvement of the Cabinet Secretary who was also a director on the board of MSU to taking minutes. In the absence of control over the reform, the senior public servants coalition developed strong resistance that inhibited the effectiveness of change initiatives albeit the technical information systems development. This resulted in frustration for change managers and consultants. One MSU executive argued that unless the administrative leadership of the public service is in favour and supports the reform programme, no effective reform could take place (Interview, Patrick Vella). The tensions between the Administrative Secretary and the Chairman of MSU did not decrease and it was acknowledged that the Administrative Secretary slowed down the momentum of the reform process (Interview, David Spiteri Gingell).

The Executive Secretary of the Public Service Reform Commission had emphasised the criticality for the MSU and its Consultants to be respectful to the senior public service and the traditions and capabilities within the public service (Interview, Edward Warrington). In this respect the Executive Secretary had the opportunity to facilitate a session of the principles of the reform which was attended by Sean O'Kelly Project Director, MSU), the Operations Review Consultant, all the Heads of Department and Ministers. In his address the Executive Secretary made reference to the term "little thin gods" to describe the senior civil servants. The term was adopted from Imperial History wherein it was used to describe members of the

Indian Colonial Service. In this respect he had emphasised that even if they are “thin gods”, they are “gods” and they need to be treated differentially. This was a message to the Consultants and the political elite that notwithstanding that the Prime Minister was sponsoring the reform process, the buy-in of the senior public service was critical.

An example wherein the relationship between Consultants and senior public servants strained the implementation of reforms was the financial management reform initiative. During the course of the interviews a senior executive from MSU noted that the then Finance Secretary had mentioned to him that during the Operations Review, the Consultant was very critical of the Finance setup and his organisation in the presence of the Prime Minister. This “burnt any future bridges” between the MSU and the Ministry of Finance and any attempts at financial reforms were an uphill task. In fact the Finance Secretary also refused to interact directly with the Consultant who was subsequently appointed as Chairman of MSU. It was noted that the MSU could not progress financial reforms notwithstanding support from the Minister of Finance (Interview, Anonymous). Moreover while financial reform was one of the key pillars of the change process the Chairman of MSU was not a member of the Financial Steering Committee unlike other committees such as the Cabinet Committee for Reform and strategic forums for HR and IS/IT reform. The Financial Steering Committee was chaired by the then Secretary at the Ministry of Finance (Mr E Wadge) and includes Dr S O’Kelly as the MSU representative (Source: Expenditure Planning Reform, Observations and Recommendations. MSU, 26th March 1991). This clearly demonstrates the impact of strained relationships with senior public servants can have on implementation even if the Consultants manage relationships with the most political stakeholders effectively and have their support (Interview, Henry Alamango).

Hence the establishment of the Financial Management Group within the MSU Consultancy Division to introduce a philosophy of financial efficiency and accountability in line with international standards of business planning did not deliver real change. This notwithstanding that the financial management programme was emphasized as one of the three pillars of the reform. During the interviews it was stressed that the Financial Secretary did not want any interference from MSU. The Chairman of MSU noted that Ministry of Finance people never bought into the reform and thus it was not possible to have financial delegation until the Ministry of Finance was ready to take decisions (Interview, Joseph V Tabone).

It is also evident that the approach to creating of the new Consultancy Group, the engagement of foreign consultants on significantly better terms and the conversion of “Villa Portelli” into a state of the art environment for the Consultants triggered resistance from the senior public service (Ray Navarro). Moreover some of the expatriate Consultants demonstrated very little empathy, real understanding of the politics of the Maltese Public Service and hardly any appreciation of the talent of the public service and of the goodwill for change that still existed (Interview, Edward Warrington). Many of these Consultants had a tendency to look down on senior public servants and claimed that they were stalling the process of change.

These views were also confirmed by former Consultants. For instance a senior Consultant at the time highlighted that resistance was rife and that the perception of the senior public service was that bringing a bunch of Consultants from overseas and putting them into an environment which they do not understand will result in failure (Interview, Chris Falzon). Moreover the fact that MSU as a Consultancy Group was imposed on the Public Service as Consultants was considered as a major hindrance to change (Interview, Helga Pizzuto). The behaviour of a few Consultants also created wrong perceptions about Consultants especially when individuals were insensitive to local culture and human relations. In one instance a section of the public service was labelled by a foreign Consultant as a “group of incompetents”. The effect of such behaviour is even more accentuated in a political environment (Interview, Henry Alamango).

The then Executive Secretary of the Reform Commission highlighted that the problem had more to do with the approach of engagement adopted for the provision of Consultancy (Interview, Edward Warrington). In this context it was highlighted that while the Consultants defined the agenda for specific initiatives, they were not organized in a way to support their real clients who should have been the Ministries and Departments who should have owned the change. Senior public servants noted that negative reactions were triggered because career officers were left out of the change programme (Interview, Joseph Zammit). Moreover, the dominant coalition within the public service did not recognize the expert status of MSU and it was often suggested that they knew their jobs better. During the interviews, one senior public servant mentioned an instance when MSU issued a call for applications to engage public servants in their Consultancy Division, however no responses were received following the closure of the call for applications (Interview, Joe Zammit).

In another instance, the Federation of Industry lamented that the Parcel Post Office was under performing (The Times, April 17th 1989). This led the MSU to launch a major reorganization of the Parcel Post Office. During the interviews a high-ranking union official emphasized that the Head of Parcel Post had been asking for funds for a long time and was not allocated the required funds, whilst MSU mobilized resources in no time. These superior resources allocated to MSU angered the public service and made them more uncooperative.

From the above it is clear that political support from the strategic apex of Government was not enough for MSU to secure political victory. With the benefit of hindsight the consensus view that emerged from the interviews of both former Consultants and Senior Public Servants was that notwithstanding the great political ability displayed by Joseph V Tabone (Chairman of MSU) in the shaping of public service reform strategy, the creation of a new organizational unit and the attainment of commitment from the Prime Minister, the MSU failed to deploy its political skills in managing senior public service stakeholders during the implementation of reforms. It was also highlighted in the interview with Consultants that whilst supporting MSU, the Government was unwilling to replace non-cooperative senior public servants. In the

absence of effective stakeholder engagement and buy-in from the senior public servants or the adoption of an approach wherein top public servants would have been replaced, the dominant coalition embracing the senior public servants seem to have mounted effective resistance.

5.2.9 Theory Building

In sections 5.2.1 to 5.2.8 the researcher presented a pre-structured sequential analysis of this section of the case study which included:

- The engagement of a large consultancy team (section 5.2.1);
- Engagement of expatriate consultants (5.2.2);
- Establishment of Communications Strategy to Support Consultant’s Efforts (5.2.3);
- Working Environment established by Consultants (5.2.4);
- Consultant’s Control over Change Programme’s Budgets and Resources (5.2.5);
- Choice of Leadership for the Consultancy Group (5.2.6);
- The other New Structures for Change and their Claim to Resources (5.2.7);
- Collective Resistance from the Senior Public Service (5.2.8).

The section follows this case study analysis and undertakes a theoretical analysis of this stage of the case study within the context of existing relevant literature, which has provided the foundations for developing **Theoretical Propositions** associated with the respective theory building themes (Policy Cycle 1-B – Theory Building Focus).

Reproduced Table 5 1 Policy Cycle 1-B Research Questions

Policy Cycle 1-B: The contribution that programme leadership consultants can make to the maintenance of momentum for radical change programmes whilst supporting implementation, and the implications for the client sponsors of the change programme.

#	Theory Building Theme	Focus within Policy Cycle 1-B
CL	Leverage of the Consultants’ Relationship with the Client	– How the Consultants’ relationship with the organisational leadership contributes to sustaining momentum for the radical change programme during the implementation?
P&P	Power and Political Strategies Deployed by Consultants	– What power dynamics were leveraged by the Consultants to institutionalise, generate commitment and resource the radical change programme and retain the deployment of consultancy services?
AD	Consultants’ ability to Adapt over time	– How did Consultants react when a radical change programme was not delivering visible results to contribute

		to maintaining momentum for the change programme?
R&M	Resistance and Mitigation Strategies by Consultants	– What factors contributed to resistance to the radical change programme involving consultants and what strategies were adopted by Consultants to mitigate the concerns of the resistance group?
NA	Not Anticipated	Emerging Theoretical Propositions which were not covered in the initial Theory focus scope

The section proceeds by proposing Theoretical Propositions which are also categorised against the Theory Building Themes being explored.

Tactics deployed by Consultants to Secure Budgets and implications for Change Programmes Momentum

The most emphasized political arena in organizations is resource allocation (Harvey and Mills, 1970; Pettigrew, 1973; Pfeffer, 1981). Pettigrew defines political behaviour as “*behaviour by individuals or, in collective terms, subunits within an organization which makes a claim against the resource-sharing system of the organization*”. (1973: 17). Moreover, Pettigrew (1973) also argued that the success of making claims in furthering the claimant’s interests depends on his political ability to generate support for his demand.

In the context of the case study the reform resulted in additional resources being deployed and invested towards attaining change. However, the resource allocation was entrusted to a new player, the MSU Consultancy Group. The Chairman of MSU Consultancy Group was very skilful in securing access to budgets and resources by securing support from the highest levels of the organisation and thus reducing the influence of lower level decision makers, maintaining control over funding decision making forums and creating binding commitment from the Prime Minister. Moreover it was also observed that the Consultants were always proactive in their drive to secure funding and develop supporting proposals. This new organization and its powers angered the senior public service which can be described as the dominant coalition as this involved major changes to the institutionalised bargaining mechanisms within the public service. The dominant coalition saw their dominant power threatened by these changes and were more than ever united in undertaking political behaviour aimed to detract MSU from accomplishing its goals. In this respect Pettigrew (1975) suggests that group support is an important power resource that can prevent changes from being implemented. Moreover, there seemed to be no major incentives for the senior public servants. In this respect, Kanter (1985) emphasized the importance of incentives in sustaining change processes

It has also been suggested that there is a strong relationship between the acquisition of power and organizational resources. This relationship is defined because control over resources enhances power and also because power is considered as a resource. In this respect Burns (1961) considers the exploitation of resources to achieve control over others as an OP process. In the context of the case study the MSU's control over budgets provided the Consultants with an additional source of power which enabled them to continue to set the agenda for change. However this was certainly a two edged sword since the fact that the Ministries did not control the funds associated with their change programmes translated in a lack of ownership for the change initiatives which in turn meant that many proposals and reports were shelved or aborted.

In the context of this study within a policy implementation stage it is being posited that:

Theoretical Proposition P&P-1B-1.0:

Part A: Consultants are competent in securing access to budgets and resources by being proactive in developing funding proposals, securing support from the highest levels of the organisation and thus reducing the influence of lower level decision makers, and maintaining control over funding decision making forums.

Part B: Consultants who secure control over significant budgets and resources are positioned with an additional source of power to enable them to continue to set the agenda for change and sustain momentum for change programmes. However such control over resources may translate into a lack of ownership for the change initiatives by Management who are not the Senior Sponsors, which may result in resistance to change.

Line manager's business as usual commitments enable Consultants to take control over change programme

It was observed that managers within the public service had to deal with legacy issues on a day to day basis and often get caught up in their day job and fire fighting. On the other hand Consultants are focused on a specific project and have the time to develop sophisticated plans and managing upward communications with senior politicians.

In the context of this study within a policy implementation stage it is being posited that:

Theoretical Proposition NA-1B-1.0: Managers are often focused on business as usual and do not have sufficient time and capacity to deliver change programmes. This lack of time and capacity translates into an engagement opportunity for Consultants.

Resistance to Consultants assuming leadership roles in programme implementation

In the context of the case study senior public servants argued that whilst the change programme was a good blueprint, the engagement of consultants to lead the change programme created resistance. Senior public servants argued that change processes should be internalised within the public service and that consultants should support and not lead change processes. In the absence of control over the reform, the senior public servants coalition developed strong resistance that inhibited the effectiveness of change initiatives.

Moreover the engagement of foreign consultants on significantly better terms that also enjoyed better working environment and were not held accountable for longer-term delivery also triggered resistance from the senior public service.

In the context of this study within a policy implementation stage it is being posited that:

Theoretical Proposition R&M-1B-1.0:

Part A: The engagement of consultants to undertake change programme leadership may result in resistance from departmental heads even if they are supportive of the change agenda. Resistance may be mitigated if Consultants provide subject matter expertise to support departmental heads deliver change as opposed undertaking programme leadership roles.

Part B: The perception that consultants undertaking implementation roles are engaged on superior conditions, without being accountable for long-term delivery may also contribute to further resistance.

Implications of surge in the number of Consultants on Client Site

In the context of the case study it is noted that while a few consultants were engaged during the policy formulation stage, the number of consultants surged during implementation. At this stage consultants were engaged in multidisciplinary array of projects such as human resources, financial, general and information technology management. Moreover Consultants were talking a “new management ” language which was new to the Maltese Public Service and may have sparked divisions between the senior public servants and the Consultants. The tone and rhetoric used by Consultants was also described as celebratory.

In the context of this study within a policy implementation stage it is being posited that:

Theoretical Proposition R&M-1B-2.0: The sudden surge in the number of consultants present on client site during implementation will instil a new dimension to the change programme, wherein the widespread use of different language may trigger resistance to proposals advocated by the consultants.

Implications of criticisms levied by Consultants during policy formulation on implementation

From the case study it is apparent that during the course of policy and strategy formulation consultants often depict a critical picture of the current state (as in Chapter 6). Such criticisms may instigate adverse reactions from departmental managers who will later be involved in implementation. The case study depicts instances where the Consultants were very critical of an organisational set up in the presence of the Prime

Minister. This “burnt any future bridges” between the Consultant and the Departmental Manager and any attempts to engage at implementation stage were futile.

In the context of this study within a policy implementation stage it is being posited that:

Theoretical Proposition R&M-1B-3.0: Negative criticism of the current state made by Consultants during policy formulation may lead to significant resistance during implementation by management if the Consultants are also involved in implementation.

Limited power associated with support from the centre

It is noted that traditionally structural decisions within the public service were influenced by the senior public service who can be considered as the dominant coalition in the public service. Such structural decisions are the domain of the organisational elite (Walsh, Hinings, Greenwood and Ransom, 1981). Hence structural changes often occur when the changes match the values held by the organisational elite or new actors gain power to become the organisational elite (Fligstein, 1991). In the context of the case study the senior public service who were traditionally perceived as being the organisational elite did not support the implementation approach adopted by Consultants. However the Consultants were supported by the Prime Minister’s inner circle and established themselves as the new organisational elite.

In seeking to understand such power relations in the public service, it is necessary to comprehend the concept of resistance (Barbalet, 1985). In this respect those which are subject to power can deploy other social resources and mount resistance thus limiting the outcomes of power. Furthermore “a seasoned organizational politician (such as the senior public servants in the case study) can create conflict out of nearly any situation and will do so if the stakes are high enough” (Hatch, 1993: 1997). Such political manoeuvres between Consultants operating in a staff function and the public service, operating in a line function resemble some of the characteristics of the line versus staff game described by Mintzberg (1983). This type of political game is played during phases of organizational change. Mintzberg defines the line versus staff game as “a game of sibling-type rivalry, played not just to enhance personal power but to defeat a rival” pits line managers with formal decision-making authority against staff advisors with specialized expertise; each side tends to exploit legitimate power in illegitimate ways”. (1989: 239)

It is noted that most Departmental Heads followed their leaders’ (senior public servants) view and downplayed the reform. This resulted in strengthening the public servants who acted as a united coalition against the common enemy - the MSU outsiders. The senior public servants maintained their position as the dominant coalition. This despite MSU’s institutional dominance in terms of financial resources and political support. The senior public service recognized MSU’s power was limited to a staff function lacking executive powers. On the other hand the strength of the senior public servants lied in their line powers, which not only gives them authority but also some potent political means of influence (Mintzberg,

1983). Given that power is an integral part of line manager's jobs, senior public servants have a strong will and skill to fight political battles.

The dominant coalition was not able to stop issues reaching the agenda, however they had the political will and skills to neutralize any attempts at change they did not support. In this respect, JS noted that the organization structures were determined by the Administrative Secretary and not by outsiders with "colonialist" attitudes. In this respect, Pfeffer (1978) looks at structure as a political contest for power, resulting in power struggles for positions. Organization structures were definitely one of the foci of dominant coalition. Moreover, public policy literature suggests that public servants are rather unwilling to accept a mere role to implement strategies articulated by policy makers (e.g. Majone and Wildavsky, 1978).

Senior public servants noted that negative reactions were triggered because career officers were left out of the change programme. Moreover, the dominant coalition did not recognize the expert status of MSU and it was often suggested that they knew their jobs better. This seems to suggest that MSU's political processes of professionalism as devices aimed at acquiring power (Pfeffer, 1981) were only effective with the Prime Minister and his aides, who were frequently presented with glossy reports. To the senior public servants, MSU was seen as a group of well-paid consultants playing at strategy while they were expected to loyally carry on with their operations despite demoralized staff and insufficient resources.

Moreover some of the expatriate Consultants demonstrated very little empathy, real understanding of the politics of the Maltese Public Service and hardly any appreciation of the talent of the public service and of the goodwill for change that still existed. As evidenced from the case study while the Consultants defined the agenda for specific initiatives, they were not organized in a way to support their real clients who should have been the Ministries and Departments who should have owned the change.

From the case study analysis it is clear that political support from the strategic apex of Government was not enough for MSU to deliver sustainable change. Notwithstanding the great political ability displayed by senior consultants in the shaping of public service reform strategy, the creation of a new organizational unit and the attainment of commitment from the Prime Minister, the MSU failed to deploy its political skills in managing senior public service stakeholders during the implementation of reforms.

It is also evident that whilst supporting MSU, the Prime Minister was unwilling to replace non-cooperative senior public servants. In the absence of effective stakeholder engagement (Freeman, 1984) and buy-in from the senior public servants or the adoption of an approach wherein top public servants would have been replaced, the dominant coalition embracing the senior public servants seem to have mounted effective resistance.

In these respect, Pfeffer (1981) suggested that for those seeking to drive change in organizations, an analysis and understanding of the stability of power is essential to aid them in understanding problems associated with such changes. It is evident that the MSU consultants underestimated the importance of the institutionalised stability within the public service. In this respect, Macmillan and Guth (1985) stressed the importance to recognize political realities and managing them. An underestimation of the enemy's capabilities in their home terrain, in this case line politics conditioned the resultant failure in MSU's efforts to reform the public service.

In the context of this study within a policy implementation stage it is being posited that:

Theoretical Proposition R&M-1B-4.0: Despite Consultant's support from the senior sponsor, line management have the ability to neutralize attempts at change within their territory, which they do not support.

It is noted that in this section of the case study the consultants failed to deploy its political skills to customise their messages and content to seek the support of senior public service stakeholders. However this requires further analysis over the longitudinal analysis of this case study period. In this respect, Pettigrew *et al* (2001) argued that "even if change agents know about the factors shaping degrees of receptivity to change" it is important for social scientists to examine "how should they (change agents) customize the content and process of change to reflect the contexts of different parts of their organizations?" (Pettigrew *et al*, 2001: 704). This literature gap has particular relevance to the central theme of this thesis. More specifically this period of the case study provides the opportunity to understand whether and how Consultants can customise the content and process of change to reflect different parts of the organisation. It is evident from policy cycle one and working hypotheses A-1.3 that Consultants have demonstrated capability in tailoring messages and content to reflect the needs of the Prime Minister's inner circle (sponsoring group). The examination as to whether and how consultants demonstrated capability in tailoring messages and content to reflect the needs of other parts of the organisation is examined in subsequent sections of this chapter.

5.3 MSU's Approach To Addressing Criticism and Resistance 1991-1992)

This stage of the case study provided the researcher with an opportunity to examine the criticism and resistance which was directed towards the Consultants by the senior public servants. Moreover the researcher examined the tactics deployed by Consultants in countering mounting criticism and resistance. More specifically this section 5.3 will present:

1. A pre-structured sequential analysis of this stage of the case study which included:
 - Early Signs of Failure and Consultant's Attempts to Address the Issues (5.3.1).

- Attempts at accelerating momentum by implementing New Top Structures for the Public Service (5.3.2)
 - New Governance to improve engagement of Senior Public Servants and Reinforcement of Relationships with the OPM (5.3.3)
 - Change in Rhetoric and Communications Messages to Focus on Implementation (5.3.4).
2. Section 5.3.5 proceeds by presenting a theoretical analysis of this stage of the case study within the context of existing relevant literature, which has provided the foundations for developing Theoretical Propositions associated with the respective theory building themes (as per reproduced table below).

Reproduced Table 5 1 Policy Cycle 1-B Research Questions

Policy Cycle 1-B: The contribution that programme leadership consultants can make to the maintenance of momentum for radical change programmes whilst supporting implementation, and the implications for the client sponsors of the change programme.

#	Theory Building Theme	Focus within Policy Cycle 1-B
CL	Leverage of the Consultants' Relationship with the Client	– How the Consultants' relationship with the organisational leadership contributes to sustaining momentum for the radical change programme during the implementation?
P&P	Power and Political Strategies Deployed by Consultants	– What power dynamics were leveraged by the Consultants to institutionalise, generate commitment and resource the radical change programme and retain the deployment of consultancy services?
AD	Consultants' ability to Adapt over time	– How did Consultants react when a radical change programme was not delivering visible results to contribute to maintaining momentum for the change programme?
R&M	Resistance and Mitigation Strategies by Consultants	– What factors contributed to resistance to the radical change programme involving consultants and what strategies were adopted by Consultants to mitigate the concerns of the resistance group?
NA	Not Anticipated	Emerging Theoretical Propositions which were not covered in the initial Theory focus scope

The Theoretical Propositions are presented in section 5.3.5. These Theoretical Propositions are categorised against the Theory Building Themes being explored and presented in table 5.1. Theoretical Propositions which were not covered in the initial Theory focus scope will be classified as NA (Not Anticipated).

5.3.1 Early Signs of Failure and Consultant's Attempts to Address the Issues

The resistance and criticism of MSU which was developing from within the senior public service could not be ignored. As early as mid-1991 the strains and pressures on the Consultancy Division of MSU were already surfacing. At the time Division comprised an Acting Director, 14 Consultants, a number of Assistant Consultants and Graduate Trainees. At the time a business plan for the division was developed and presented to the Cabinet Committee on Reform for the period from July to December 1991. This initiative was carried out in response to criticism which was being levied at the Division's delivery track record in earlier months. This led to a review of the division's strengths and weaknesses, the relationships between the Cabinet Committee for Reform, client ministries and departments, the ability to deliver the change agenda defined in the Public Service Reform Commission Report and Operations Review.

Mr O'Kelly who was at the time Acting Director of the Division authorised the disclosure of the following issues with respect to the operations of the Consultancy Division:

- Lack of organisational structure with clearly defined responsibilities with most Consultants reporting to the Director;
- Lack of a business plan with stated objectives;
- No agreed terms of reference for many engagements;
- Resources spread too thinly due to take up of unplanned engagements resulting in delays across most projects including priority areas;
- Lack of an agreed reform implementation process with established framework to manage initiation and implementation of projects.

Moreover the Division's management team recommended a re-prioritisation of initiatives with a focus on Government-wide Finance initiatives, reform of the Works Division (responsible for many aspects of the country's infrastructure), reform of Customs and Government-wide Human Resources initiatives. The importance of "delivering positive and visible results by 31 December 91" was a priority (Draft Business Plan of the Management Systems Unit Consultancy Division: July to December 1991: 3).

At the time the MSU was perceived as an organisation which had clout emanating from support from the Prime Minister's inner circle and which delivered through top-down approach and not through buy-in and an internalised process (Interview, Henry Alamango). Moreover it was acknowledged that the Cabinet Committee for Reform was the key decision making body for the programme. However the Consultancy Division's Management team acknowledged that while the MSU can facilitate change, the ultimate responsibility of change rests with the respective organisations and that this was view consistent with the

remit of the MSU as proposed by the Operations Review Consultant who was subsequently appointed as the Chairman of the MSU.

In this respect in their Business Plan for the last 6 months of 1991 the Consultancy Division management team emphasised that:

The Consultancy Division of the MSU can only propose reform and then facilitate its implementation. While the consideration and approval of recommendations for reform is the responsibility of the Cabinet Committee on Reform, the Division believes that it is important that all such recommendations should also be reviewed critically by the most senior officials, who, as representatives of the Public Service, can comment on, or qualify, them prior to their consideration by the Cabinet Committee.

It is desirable and this procedure should not add another bureaucratic layer to the existing review procedures. Accordingly, the Division suggests that these reviews should be conducted by a Sub-Committee of the Cabinet Committee. Moreover that this Sub-Committee should comprise the three senior officials who are currently members of the Cabinet Committee namely, the Secretary General, the Administrative Secretary and the Director of the MPO. To these would be added, ex-officio, the Permanent Secretary of the Ministry of Finance and, as required, the Permanent Secretaries or Heads of ministries or departments most closely involved in the issues for discussion by the Cabinet Committee. (Draft Business Plan of the Management System's Unit Consultancy Division – July to December 1991:12).

In this respect the view of Mr B M O'Kelly (Acting Director of the Division) was that these proposals would ensure that recommendations are clearly reviewed by Ministries and ensure that they were properly considered and it would reduce the risk of delays in implementation due to misunderstandings of what has been agreed.

The review of the Consultancy Division's operations led to a new organisation structure but more importantly a re-prioritised portfolio of engagements to improve delivery performance. For illustrative purposes the table below highlights the two of the Division's priority areas for the last 6 months of 1991:

Table 5 4 Divisional Priority Areas for Q3 and Q4 of 1991

Financial Management Projects	
<u>Mandate:</u> To promote and enhance the efficiency, effectiveness, economy, and accountability of the financial administration function within the Government of Malta, its ministries and agencies in the context of issues diagnosed by the Operations Review and PSRC reports.	
01	1992 Expenditure Planning Support
02	Financial Accountability Framework
03	Definition of an Internal Audit Function
04	Development of Financial Policies
05	Departmental Financial Information Systems
Implementation of Department of Works Projects	
<u>Mandate:</u> To facilitate the implementation of the recommendations contained in the Department of Works Report prepared by the MSU and approved by the Cabinet Committee on Reform in February 1991. This also entailed assisting in the creation of seven agencies arising from the fragmentation of the existing Department of Works.	
01	Implementation support across the following areas: <ul style="list-style-type: none"> – Organisation – Business Plans – Structure Plan – Districts and Field Offices – HR controls – Management Development and Training – Building Regulations and Development Control – Mapping Unit – Fleet and Fuel Management – Roads Strategy – Road Maintenance protocols – Project Management Methodologies – Tendering Procedures – Works Management and Quantity Surveying – Framework for Waste Management – Other related implementation Support
Other Key Projects	
The other two projects which were also included in the portfolio of engagements for July to December 1991 included:	
01	– Implementation of restructuring at the Department of Customs
02	– Implementation of Public Service Wide Human Resources Projects

5.3.2 Attempts at accelerating momentum by implementing New Top Structures for the Public Service

In 1992 MSU attempted to accelerate the momentum of the implementation of the institutional and structural aspects of the reform. The Chairman of MSU emphasised that 1992 had been a turning point in Malta's Public Service and quoted "the re-alignment of ministries, the development of civil service top structures, the appointment of Permanent Secretaries and a substantially modified estimates allocations procedure" as key successes (MSU Business Plan 1993: 1). In preparation for 1993, an MSU Consultancy

Division Planning Day was organised in the Villa Portelli Board Room (October the 7th 1992}. The session began with “a retrospective of MSU, a discussion of outstanding issues and how we currently see ourselves regarding our (MSU) roles and responsibilities” (Memo by Suzanne Ellenbogen on MSU Consultancy Division Planning Day – Oct 7th 1992, 14th September 1992).

However in this context an analysis of the projects delivered in 1992 demonstrates that most of the changes which were implemented did not impact on the public service’s 30,000 employees. The impact was constrained to the Public Service’s top structures. For instance, the accomplishments claimed by the MSU for 1992 (An analysis of MSU’ Projects Portfolio, Business Plan 1992 and 1993 and Status Reports) included:

- Supporting the process to appoint Permanent Secretaries across Ministries;
- Delivering a human resources complementing exercise for Administrative Officers and more senior grades;
- Introducing performance management for senior public servants;
- Establishing multi-year business planning and a process for government budget compilation;
- Works and Customs re-organisation.

Moreover new Information Systems developments for 1992 included:

- Initial deployment of data centres;
- Introduction of user and desktop computing;
- Initiation of major systems development.
- Pilot launch of electronic mail.

New Top Structures

The senior appointments made to the positions of Permanent Secretaries were the most strategic aspect of the 1992 developments. The role of Permanent Secretary was enshrined in the Constitution. However prior to 1992 these roles were not used and the senior public service consisted of various Secretaries (e.g. Administrative Secretary, Finance Secretary) and Heads of Department. The appointment of Permanent Secretaries was considered as strategic because while resistance is something you will come against everywhere in all countries and organisations, it is key to enable change that the incentives for the top public servants that would provide motivation to align to public service reform objectives (Interview, Patrick Vella).

However the appointments did not result in a revolution in the Public Service. The Administrative Secretary at the time was re-designated as Permanent Secretary, Office of the Prime Minister and maintained the role of Head of the Public Service.

It is also noted that some attempts at introducing fresh faces were made. For instance at the time Alfred Fabri who was a former member of the PSRC and a board member of MSU was offered a role as Permanent Secretary but declined. He did not want to be perceived as being self serving and anticipated the perils of coming from outside the service. Moreover Alfred Fiorini Lowell who was a former Private Secretary to the Prime Minister was also appointed as Permanent Secretary (Interview, Alfred Fiorini Lowell). Alfred did develop good relationships with the MSU and as Permanent Secretary in the Ministry of Education (1992), he had commissioned an operations review of the Ministry of Education which was commended by the Permanent Secretary. (Interview, Alfred Fiorini Lowell).

However there was only one Permanent Secretary who was appointed from outside the Public Service. This was Maurice Zarb Adami who was appointed to lead health reform and was brought in by Minister Louis Galea. The Minister at the time believed that there was no one available in the Public Service who could deliver the task at hand. It is noted also noted that the new Permanent Secretary who had a strong personality was not welcomed by the rest of his peers Alfred Fiorini Lowell had sent him a card when appointed with a note saying “welcome to the club”. He appreciated the gesture because he was treated like an outsider by other senior public servants. (Interview, Alfred Fiorini Lowell). It is noted that the relationship between Maurice Zarb Adami and the MSU and its Chairman did not develop positively as will be explored in later sections.

Moreover senior MSU executives now acknowledge that the management of relationships with and the engagement of Permanent Secretaries and senior public servants was clearly a limitation for MSU and its consultants (Interview, Philip Micallef).

5.3.3 New Governance to improve engagement of Senior Public Servants and Reinforcement of Relationships with the OPM

In attempting to improve the effectiveness of the reform process proposals for new structures were made. At the MSU’s Human Resources and General Management Consultancy Staff meeting held on the 24th of September 1992 a proposal to establish a Public Service Reform Co-ordinating Committee was discussed. In essence the proposal attempted to engage with the senior public officers in the Office of the Prime Minister. The composition of the new committee entailed:

- Mr J Sammut, Permanent Secretary, Office of the Prime Minister and Chairman

- Mr J V Tabone, Chairman, MSU
- Mr J Curmi, Director General, MPO
- Dr G Podrebarac, Managing Consultant, MSU

The terms of reference were:

- To establish specific goals for Reform and to monitor progress as per Reform Initiatives ensuring achievement of short term goals and long term objectives.
- To establish, communicate and enforce corporate principles, policies and systems for effective Implementation of Public Service Reform.
- To assist the work of the Cabinet Committee on Reform by ensuring that all recommendations had been carefully considered, and advice formulated by officials, in advance of Cabinet Committee discussions.
- To provide leadership and guidance for Project Teams, removing obstacles for performance.
- To enhance communications of reform activities in order to gain support from all levels (stakeholders).

In the same year (1992) the MSU through the Staff Development Organisation intensified efforts to engage with the Senior Public Service. This culminated in the creation of a Forum for Permanent Secretaries. A day seminar was also organised for this forum and sponsored by the Prime Minister. The first 2 day forum was addressed by the Prime Minister to ensure that the key messages are conveyed, The forum also focused on:

- Prime Minister's emphasis on the importance of the Permanent Secretary's role in contributing to the attainment of the vision and reform objectives, his support of a strong public service; meritocracy as the way forward and support of the Pay for Performance Scheme; key challenges facing Permanent Secretaries.
- Major policies and programmes;
- Permanent Secretary roles, reporting relationships, expectations and accountabilities, key issues and challenges;
- The roles and accountabilities of Central Agencies; major initiatives and status of projects undertaken to achieve public service reform objectives; roles of these agencies in facilitating implementation of these initiatives.

The Permanent Secretaries were also split into two-sub groups to discuss:

- Key actions for capacity building at Ministry level to support Reform;
- Ministerial strategy formulation to support reform process;
- Recommendations of principle areas of accountability.

Day 2 involved the Ministers, Parliamentary Secretaries and the PM's PA to join the group.

The Chairman of the MSU and its Consultants also maintained effective relationship management with the Prime Minister's inner circle. At the time the growing importance of the Prime Minister's Personal Assistant, Richard Cachia Caruana was clearly recognised. This is evidenced in the quote below:

The present Personal Assistant is already to some extent performing the role of Policy Advisor to the Prime Minister. He is also very much involved in specific and extensive policy formulation in a number of areas that fall outside the scope of any ministerial portfolio. Examples of this are, the implementation of local government, the development of a framework for the creation of agencies and to some extent the Public Service Reform. (A Proposal to Establish a Policy Unit in the Office of the Prime Minister , J V Tabone, September 1992: 3).

In this respect the Chairman of MSU worked closely with the Prime Minister's Personal Assistant in recommending the establishment of a Policy Unit for the Office of the Prime Minister which would be closely associated with the MSU and even funded by the Unit:

The Personal Assistant is also the incumbent in the Prime Minister's Office responsible for liaison with the Management Systems Unit. The company is involved in a broad range of activities including a certain amount of policy formulation. A link between the Unit and the Management Systems Unit will also ensure that there is no overlap or duplication. (A Proposal to Establish a Policy Unit in the Office of the Prime Minister , J V Tabone, September 1992: 3).

5.3.4 Change in Rhetoric and Communications Messages to Focus on Implementation

At the time the MSU Consultants were also under pressure to demonstrate tangible benefits which justified the investment in the reform. In this respect reporting and MSU communications were clearly refined and directed at the senior stakeholders. These efforts were continuously refined.

In positioning the Unit the Chairman emphasised that 1993 would be the year in which a shift in strategy would away from mobilising support for reform to the actual implementation of the reform. However in the business plan for 1993 highlights that the "primary objectives for 1993 will be to ensure the Reforms that have already occurred are strengthened and entrenched" (MSU Business Plan 1993: 2).

The MSU's shift in strategy is summarised in the table below:

Table 5 5 MSU's Shift in Strategy

From	To
Initiator of ideas and recommendations	Implementer of process and practice
Establishing structures	Changing management style
Clarifying roles	Gaining commitment of users
Facilitating the process	Handholding and supporting the users in effecting the process'
Providing the tools	Helping users use the tools
Establishing mechanisms	Training, retraining and transferring knowledge
Managing the reform	Empowering and enabling users
Source: MSU Business Plan 1993: 10.	

Moreover the Chairman of MSU recognised new external developments that were shaping government policy. In particular Malta’s intent to accede to the European Commission was a key development which required demonstrable change in government operations.

5.3.5 Theory Building

In sections 5.3.1 to 5.3.4 the researcher presented a pre-structured sequential analysis of this section of the case study which included:

- Early Signs of Failure and Consultant’s Attempts to Address the Issues (section 5.3.1).
- Attempts at accelerating momentum by implementing New Top Structures for the Public Service (section 5.3.2)
- New Governance to improve engagement of Senior Public Servants and Reinforcement of Relationships with the OPM (section 5.3.3)
- Change in Rhetoric and Communications Messages to Focus on Implementation (section 5.3.4).

The section follows this case study analysis and undertakes a theoretical analysis of this stage of the case study within the context of existing relevant literature, which has provided the foundations for developing **Theoretical Propositions** associated with the respective theory building themes (Policy Cycle 1-B – Theory Building Focus).

Reproduced Table 5 1 Policy Cycle 1-B Research Questions

Policy Cycle 1-B: The contribution that programme leadership consultants can make to the maintenance of momentum for radical change programmes whilst supporting implementation, and the implications for the client sponsors of the change programme.

#	Theory Building Theme	Focus within Policy Cycle 1-B
CL	Leverage of the Consultants’ Relationship with the Client	– How the Consultants’ relationship with the organisational leadership contributes to sustaining momentum for the radical change programme during the implementation?
P&P	Power and Political Strategies Deployed by Consultants	– What power dynamics were leveraged by the Consultants to institutionalise, generate commitment and resource the radical change programme and retain the deployment of consultancy services?
AD	Consultants’ ability to Adapt over time	– How did Consultants react when a radical change programme was not delivering visible results to contribute

		to maintaining momentum for the change programme?
R&M	Resistance and Mitigation Strategies by Consultants	– What factors contributed to resistance to the radical change programme involving consultants and what strategies were adopted by Consultants to mitigate the concerns of the resistance group?
NA	Not Anticipated	Emerging Theoretical Propositions which were not covered in the initial Theory focus scope

The section proceeds by proposing Theoretical Propositions which are also categorised against the Theory Building Themes being explored.

Consultants' reactions to criticism and attempts to improve engagement with the resistance group

Given the negative implications of resistance to change, Judson (1991) argued that managing resistance and getting commitment are essential to the success of any change effort. Moreover, it is now recognised that resistance can be managed and how organisation members are treated and how change is implemented has direct influence on the intensity of resistance (Cobb *et al*, 1995). In the context of the case study the MSU Consultancy Group was perceived as an organisation which had clout emanating from support from the Prime Minister's inner circle and which delivered through top-down approach and not through buy-in and an internalised process. This resulted in resistance and criticism directed towards the Consultants from the senior public servants. It is evident that the Consultants were under increasing pressure to address such challenges. In this respect the Consultants:

- Recognised that while they can facilitate change, the ultimate responsibility of change rests with the public service.
- Committed to improve engagement with the senior public service by agreeing that their recommendations would be reviewed critically by the most senior officials, who, as representatives of the Public Service, can comment on, or qualify, them prior to their consideration by the Office of the Prime Minister.
- New structures and governance mechanisms for the change programme were introduced;

In the context of this study within a policy implementation stage it is being posited that:

Theoretical Proposition R&M-1B-5.0:

Part A: Consultants will attempt to mitigate resistance to change by adopting a wide range of tactics such as introducing new structures and governance mechanisms for the change programme to enable better engagement with the resistance group.

Consultants reassure their sponsoring group to maintain sponsorship

At the time the MSU Consultants were also under pressure to demonstrate tangible benefits which justified the investment in the reform. The Prime Minister was well versed in the workings of the reform and was aware of disgruntlement by senior public servants, but was distant from the implementation realities.

The criticism of the Consultants operations during this period led to an internal review of the Consultancy Division's operations. This led the Chairman and the Consultancy Management team to agree to a new strategy to reassure their primary Sponsors, the Office of the Prime Minister. More specifically:

- Reprioritise the portfolio of engagements against the Sponsoring Group's political imperatives.
- Attempted to maintain momentum for the change programme by delivering positive quick wins and visible results.
- Improve communications directed at the sponsoring group and associates and emphasising the transition from strategy to implementation stages.

In the context of this study within a policy implementation stage it is being posited that:

Theoretical Proposition CL-1B-1.0:

Part A: In the event of adverse criticism and resistance Consultants will attempt to maintain momentum for change by providing reassurance to their sponsoring group and deploying a wide range of tactics which may include:

- Sustaining momentum for the change programme by delivering positive quick wins and visible results.
- Improving communications directed at the sponsoring group and associates and emphasising the benefits of implementation.
- Taking action to ensure that the change programme is aligned to the Sponsoring Group's priorities.

Consultants seek the support of their sponsor to sustain momentum for change

Over the course of this period the Consultants demonstrated to the Prime Minister that they improving their engagement with senior public servants and also reassured the Prime Minister on the approach to change which had been adopted. At this stage the Consultants requested the support of the Prime Minister to provide direction to senior public servants to support the change programme.

It is noted that the Prime Minister did provide visible support to the Consultants, ensured that the Finance Minister provided the required resources and addressed all senior Public Servants on the need to support the reform.

However the Prime Minister did not resort to coercive measures or changes in the leadership of the senior public service, which many Consultants argued were necessary. The Prime Minister stayed clear of the complexities of implementation. In discussing coercive pressures and the impact they have on dealing with resistance to change, Amis *et al* argued that “whether formally or informally exerted, there clearly are times when the powerful nature of the pressuring institution forces an organisation to comply with changes being prescribed, regardless of any resistance that may exist. This is particularly likely to be the case when changes are first proposed. Thus, we suggest that coercive pressures will likely play a vital role in instigating programs of radical transformation when there is widespread opposition to the change with the organisation”. (2002: 438).

In the context of this study within a policy implementation stage it is being posited that:

Theoretical Proposition CL-1B-1.0:

Part B:

- Consultants will seek to ensure that their Sponsor exerts visible top-down support for radical change with the objective to curb resistance.
- Consultants may attempt to convince their sponsor to adopt coercive tactics and even replace key sources of resistance to mitigate resistance to radical change.

5.4 In search of a balanced portfolio - The Consultant's New IT Initiative

The lack of progress and criticism associated with the management reforms provided the MSU with little tangible results. However the implementation of the Government's Information Systems Strategic Plan provided the Consultants with an opportunity to deliver a wide ranging agenda in a Greenfield site wherein clients were receptive to the adoption of new technology (Interview, Peter Gatt; Alfred Fiorini Lowell). Over time the delivery of IT systems was given a higher priority in the MSU's agenda and held high level buy-in from the Prime Minister and was considered as successful (Interview, Helga Pizzuto). Some consultants highlighted that over time the MSU evolved its core focus onto IT may which may have been a response to the lack of successes achieved by the Management Consultancy Division (Interview, Chris Falzon). Moreover the programme of change was fully funded through a central allocation which provided the Consultants with complete control over implementation and rollout (Interview, Henry Alamango). Although some mistakes were made at a project level, the IS/IT programme was cited as a success (Interview, David Spiteri Gingell).

This Information Systems change programme within the context of this case study provided the researcher with an opportunity to examine the approach and tactics deployed to institutionalise a large IT change programme which was implemented on a relatively Greenfield site with limited resistance. To enable a better grounding for theoretical development the researcher also examined an additional initiative which was also led by Consultants which had similar traits to the IT Programme. This involved the introduction of

Local Government in Malta which was also a Greenfield implementation which was perceived as a success (Interview, Peter Gatt; Patrick Vella; Christopher Falzon)..

More specifically this section 5.4 will present:

1. A pre-structured sequential analysis of this stage of the case study which included:
 - Consultants diversify to maintain momentum for change (5.4.1).
 - Growth of IS Initiative Sponsored by Consultants (5.4.2).
 - Negative Aspects of IS/IT Programme (5.4.3).
 - Other change initiatives with similar characteristics to the IT programme (5.4.4).
2. Section 5.4.5 proceeds by presenting a theoretical analysis of this stage of the case study within the context of existing relevant literature, which has provided the foundations for developing Theoretical Propositions associated with the respective theory building themes (as per reproduced table below).

Reproduced Table 5 1 Policy Cycle 1-B Research Questions

Policy Cycle 1-B: The contribution that programme leadership consultants can make to the maintenance of momentum for radical change programmes whilst supporting implementation, and the implications for the client sponsors of the change programme.

#	Theory Building Theme	Focus within Policy Cycle 1-B
CL	Leverage of the Consultants' Relationship with the Client	– How the Consultants' relationship with the organisational leadership contributes to sustaining momentum for the radical change programme during the implementation?
P&P	Power and Political Strategies Deployed by Consultants	– What power dynamics were leveraged by the Consultants to institutionalise, generate commitment and resource the radical change programme and retain the deployment of consultancy services?
AD	Consultants' ability to Adapt over time	– How did Consultants react when a radical change programme was not delivering visible results to contribute to maintaining momentum for the change programme?
R&M	Resistance and Mitigation Strategies by Consultants	– What factors contributed to resistance to the radical change programme involving consultants and what strategies were adopted by Consultants to mitigate the concerns of the resistance group?
NA	Not Anticipated	Emerging Theoretical Propositions which were not covered in

		the initial Theory focus scope
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The Theoretical Propositions are presented in section 5.4.5. These Theoretical Propositions are categorised against the Theory Building Themes being explored and presented in table 5.1. Theoretical Propositions which were not covered in the initial Theory focus scope will be classified as NA (Not Anticipated).

5.4.1 Consultants diversify to maintain momentum for change

In parallel with the implementation of institutional reforms the second phase of the reform was initiated focusing on the implementation of the Information Systems Strategic Plan. The approval of the Information Systems Strategic Plan in November 1990 also led to the creation of an Information Systems Division within the MSU which also integrated the pre-existing Government Computer Centre. Further to workshops held between the 21st and the 25th of January 1991 which were intended to provide senior public servants with Government’s IT strategy and its policy ramifications, the Prime Minister issued a letter to all Secretaries, Heads of Department and Parastatal Organisations (5th of February 1991). This provided the Consultants with unprecedented backing and support as evidenced below:

Table 5 6 Extracts and Analysis of Letter from Prime Minister’s to all Secretaries in 1991

Extracts from Prime Minister’s letter to all Secretaries, Heads of Department and Parastatal Organisations	Key Implications for Consultants:
This plan (ISSP 1990) is now being adopted and we should proceed with its implementation. To this end funds have been voted in the 1991 Estimates.	Clear commitment including funds which were previously unavailable to computer centre and its leadership (vide policy cycle 1).
An organisation responsible for Management Information Systems has been set up to co-ordinate all systems development, support, computer hardware and software acquisitions. It will report to the Office of the Prime Minister.	Creation of New Structure which is controlled by the Office of the Prime Minister.
The responsibility for setting up the organisation and creating appropriate infrastructure resides with the Management Systems Unit. Mr J V Tabone will be the acting Director of this new organisation pending the appointment of a Director which should take place during the first half of 1991. The Computer Centre will form part of this organisation.	Complete power to Operations Review Consultant and Chairman of MSU over computer centre, funding, recruitment and establishing MIS organisation.
The funds voted centrally in 1991 will also enable the MIS organisation to implement activities identified for the first year of this plan.	
A Steering Committee has also been appointed with responsibility for revising and approving all corporate information technology policies; establishing procedures; approving strategic, tactical and operational plans and for monitoring the progress of all major technology initiatives.	

Extracts from Prime Minister's letter to all Secretaries, Heads of Department and Parastatal Organisations	Key Implications for Consultants:
<p>The Steering Committee is composed as follows: Chairman – J V Tabone, Operations Review Consultant Members – E Borg Costanzi, Rector, University of Malta G Borg Cardona, Secretary Ministry of Social Policy H Alamango, Consultant MSU R Bates, Consultant MSU T Buttigieg, Consultant MSU V Cassar, Department of Works V Galea, Commissioner of Inland Revenue A Mifsud, Director SDO</p>	<p>MSU Chairman and Consultants control the Committee and key decisions on IS implementation.</p>
<p>The Advisory Committee on Computerisation cease to exist with immediate effect.</p>	<p>New committee has complete control with the abolishment of previous structures which were sponsored by the Ministry of Finance.</p>
<p>During the next five year 100 micro computers a year will be acquired and distributed throughout Ministries. Mini computers acquired for the major applications identified in the Information Systems Strategic Plan may be either centrally located or distributed, dependent on cost effectiveness.</p>	<p>Clear long-term commitment for programme implementation and funding.</p>
<p>Your commitment to this plan and active participation in its implementation is earnestly solicited to ensure its success and the orderly infusion of effective computer systems throughout government.</p>	<p>Clear message of support and prioritisation</p>
<p>Letter from the Prime Minister Dr Edward Fenech Adami to all Secretaries, Heads of Departments and Parastatals on the 5 February 1991, The Office of the Prime Minister.</p>	

The sanctioning of 1990 ISSP by the Prime Minister and the Cabinet required MSU, to expand on its consultancy and change management operations:

The implementation of the plan called for setting up within MSU of an Information Systems Division embracing the existing Computer Centre whose role would be to create the appropriate technology infrastructure and to design, develop and implement the very broad range of computer systems that are in dire need throughout Government. A Director was appointed to head the Division in May 1991. (Chairman's Letter, MSU Annual Report, 1991/1992: 2-3).

Subsequently, MSU was given responsibility as the public service executive agency on information systems, responsible for the provision of systems support and development. The Information Systems Division consisted of Technical Infrastructure, Information Resource Management; Systems Development and Customer Services.

In May 1991 a Director of the Division was appointed. In this respect it is interesting to note that the existing Head of the Computer Centre who was then a senior public servant was not selected for the role. In this respect the Chairman of the MSU opted for an expatriate by the name of John Bates. This led to Head of the Computer Centre, Emanuel Camilleri to protest and seek legal remedies for the claimed injustice. In this respect the Employment Commission which was a Constitutional Body accepted to review the case

submitted by the Head of the Computer Centre against the Prime Minister. Emanuel Camilleri was himself an expatriate Maltese-Australian who had a distinguished career in the Australian Public Service and industry. He was seconded to the Australian Foreign Office as an Information Management Expert to work on the Malta Assistance Project in 1981 which consisted of the preparation and implementation of a comprehensive ICT strategic plan including the establishment of the Government Computer Centre. He later joined the Maltese Public Service as Head of Department (Government Computer Centre) in 1985 overseeing the implementation of over one hundred major systems ranging from social assistance to revenue collection at various Government Departments and Parastatal Organisations.

Senior stakeholder at the time held the view that Emanuel Camilleri could never be appointed to Head the IS organisation because you could not have a leader who did not believe in MSU's vision (Interview, Philip Micallef). Moreover the Consultants argued that Malta lacked the expertise in IS/IT. This led to an injection of expatriate IS Consultants which comprised circa two thirds of the MSU's Consultants (Interview, David Spiteri Gingell). It is noted that the integration of the rest of the Computer Centre staff into the MSU was handled well and was supported by the Unions. Staff from the former Computer Centre got a good deal when migrating into MSU and also retained the security of potentially opting to return to the public service in non-IT roles.

5.4.2 Growth of IS Initiative Sponsored by Consultants

The Chairman of the MSU maintained control over IS development across Government and more importantly IS/IT and Change Management budgets. The fact that MSU controlled the budgets for change and IT created various tensions with the Ministries notwithstanding attempts to secure buy-in at change management committee levels. A key example of such frictions were the decisions made by MSU to roll out PCs to specific users (Interview, Ray Navarro).

When the first ISSP was launched in 1990, Information Systems, Quality Assurance and standards and methodologies were new to Malta. MSU rapidly became a local leader in the field and it is fair to note that at the time industry was not prepared to deliver the ISSP vision (Interview, Philip Micallef). The creation of the Swatar training centre as a joint venture with the private sector was indicative that standards at the time were poor (Interview, Philip Micallef).

The ISSP 1990 had identified three delivery mechanisms: (i) support from overseas governments; (ii) outsourcing; and (iii) in-house development. The first was deemed as not feasible due to time lag to deliver. Such engagement with foreign governments would have required significant resources. Only minor contributions were made available from overseas (e.g. minor educational systems). Outsourcing to local firms was restricted to small systems due to the industry's capability at the time and did not meet the expectations of local players. Some outsourcing with international vendors supported by local companies was introduced such as VAT and Health (Interview, Henry Alamango). Outsourcing to a foreign companies

was considered expensive which led to the delivery of an in-house capability (Interview, Philip Micallef). The majority of systems were developed in-house by two groups within MSU: Strategic Systems and the Small Systems Group which focused on visible quick wins (Interview, Henry Alamango).

By 1993 the MSU's Information Systems Division expanded and the budgets exploded. Initially based of the enthusiasm for the new project and political commitment the funds were secured (Interview, Patrick Vella). The MSU also grew from 150 to 250 employees in financial year 1992/1993 due to the growth of the Information Systems Division and the absorption of staff at the Government Computer Centre.

It is noted that while ISD was gaining some momentum the focus of the reform was still on the management of change. A senior MSU executive noted that MSU may have increased its focus on delivering IT and attempt to drive change through IT because Consultancy initiatives were not delivering the intended benefits (Interview, Victor Camilleri). It is evident that widespread implementation of IS systems provided the MSU with a golden opportunity since technology implementation on a Greenfield site would provide less resistance than attempting to implement major reforms which impacted employee relations. Moreover the results would be clearly visible unlike many of the attempted institutional reforms.

By 1993 the MSU was also revising the approach to IS implementation which included:

- Weighing the options regarding decisions to build, buy or contract;
- Emphasis on transferring knowledge and skills;
- Preference to employ / contract out with local business;
- Incremental phasing of the functional modules which constitute the majority of projects;
- Using project management and systems development methodologies and programming tools;
- Assisting in developing a national IT human resource base;
- Forging partnerships with local software IT industry; and
- Developing and improving IT awareness of the client community.

5.4.3 Some Negative Aspects of IS/IT Programme

However technology for its own sake was not viewed as a solution. It needed to be complemented by a process focused reengineering efforts (Interview, Philip Micallef). The growth of IS Consultancy Group led to clashes between the group and the Management Consultants over who should provide leadership to the reform process (Interview, Victor Camilleri; Ray Navarro). In this respect the Chairman of MSU noted that dynamics between the Consultancy and Information Systems Divisions were not always exemplary.

Technical people found it difficult to accept that the Consultancy Division drives change (Interview, Joseph V Tabone). In 1993/4, Ron Bates, the then MSU's Director of the Information Systems Division had a medical problem and the Chairman asked Henry Alamango to assist in the recruitment process for a new Director as a member of the recruitment panel. The interview for the selected candidate, Dr John Spackman was held in London. Dr Spackman had an interesting CV and had managed a £600m+ social security programme in the UK. The Chairman believed that a person of such stature was what the MSU required (Interview, Henry Alamango). However soon after his appointment tensions developed. Dr Spackman was used to large environments and was not used to being challenged which eventually led to tensions with the Chairman, consultants and senior public servants (Interview, Henry Alamango). The Information Systems Division grew very instable with the leadership of Dr John Spackman. This led to various reorganisations led by the Chairman to reduce Spackman's influence (Ray Navarro; David Spiteri Gingell). A new structure was introduced at MSU to break the power of John Spackman and dilute the power of ISD (ISD had 280 employees while Consultancy had 60). There was a clear need for an integrated service reform which encompassed both organisational change and ICT solutions. In that context Management Consultancy had also taken over control over IS planning (Interview, David Spiteri Gingell). These political dynamics and conflicts between consultants may have impacted the extent to which the programme may be described a success.

5.4.4 Other Change Initiatives with Similar Characteristics to IT Programme

This section presents a brief overview to another change initiative which also involved Consultants and which also had similar characteristics to the IT programme. More specifically the initiative also involved the introduction of a new concept in a Greenfield site and commanded the absolute support of the Office of the Prime Minister. This was the establishment of Local Government in Malta (White Paper on the Introduction of Local Government, December 1991).

This initiative was sponsored by the Prime Minister. MSU provided support to the Office of the Prime Minister in all technical areas associated with the introduction of Local Councils. This involved "the development of a migration plan for the transfer of a number of responsibilities from central Government to local councils, the preparation of maps and the definition of all 67 council boundaries, the production of standard documentation including regulations and procedures for use by the councils, the drawing up of service contracts for refuse collection, bulky refuse, street sweeping and public conveniences, the development of training programmes for Acting Secretaries, and the provision of management services including work planning, work measurement and the compilation of a road inventory" (Annual Report Management Systems Unit, 1993/1993: 16). In itself this was a significant challenge "in a country which has had a centrally oriented administration for almost two centuries is bound to be very complex process which requires very careful planning and preparation" (The Introduction of Local Government in Malta, Management Systems Unit, 1994:).

In supporting the establishment of the Local Councils framework the MSU set up a Management Services team comprising over 50 staff seconded from various public service departments with the objective to assess and improve productivity across government. The major focus of this team was to establish a national database of urban infrastructure to provide a reasonable basis for planning and budgeting for Local Council Services.

Based on an interview with the MSU's Lead Consultant for the programme, Christopher Falzon it is noted that following contributed to the programme being perceived as a success:

- The programme was a key priority for the Nationalist Administration;
- The programme was sponsored and supported by the Personal Assistant to the Prime Minister who ensured access to finances and resources.
- The programme was led by a local Managing Consultant (Christopher Falzon) who was involved from programme conception to implementation and transition.
- Local Councils were new to Malta and this was a Greenfield site within the public service.
- The Director of the newly established Local Councils Department was appointed after key decisions were made.
- At one time approximately half of MSU was working on Local Councils initiative.
- Various junior public servants supported the MSU team and are now part of the Local Councils Department.

5.4.5 Theory Building

In sections 5.4.1 to 5.4.4 the researcher presented a pre-structured sequential analysis of this section of the case study which included an analysis of:

- Consultants diversify to maintain momentum for change (5.4.1).
- Growth of IS Initiative Sponsored by Consultants (5.4.2).
- Negative Aspects of IS/IT Programme (5.4.3).
- Other change initiatives with similar characteristics to the IT programme (5.4.4).

The section follows this case study analysis and undertakes a theoretical analysis of this stage of the case study within the context of existing relevant literature, which has provided the foundations for developing **Theoretical Propositions** associated with the respective theory building themes (Policy Cycle 1-B – Theory Building Focus).

Reproduced Table 5 1 Policy Cycle 1-B Research Questions

Policy Cycle 1-B: The contribution that programme leadership consultants can make to the maintenance of momentum for radical change programmes whilst supporting implementation, and the implications for the client sponsors of the change programme.

#	Theory Building Theme	Focus within Policy Cycle 1-B
CL	Leverage of the Consultants' Relationship with the Client	– How the Consultants' relationship with the organisational leadership contributes to sustaining momentum for the radical change programme during the implementation?
P&P	Power and Political Strategies Deployed by Consultants	– What power dynamics were leveraged by the Consultants to institutionalise, generate commitment and resource the radical change programme and retain the deployment of consultancy services?
AD	Consultants' ability to Adapt over time	– How did Consultants react when a radical change programme was not delivering visible results to contribute to maintaining momentum for the change programme?
R&M	Resistance and Mitigation Strategies by Consultants	– What factors contributed to resistance to the radical change programme involving consultants and what strategies were adopted by Consultants to mitigate the concerns of the resistance group?
NA	Not Anticipated	Emerging Theoretical Propositions which were not covered in the initial Theory focus scope

The section proceeds by proposing Theoretical Propositions which are also categorised against the Theory Building Themes being explored.

Consultants reduce their focus on failing projects and target new niche opportunities

From the analysis of the case study it is evident that the Consultants recognised IT as an opportunity to drive change and ensure that the overarching change programme demonstrated visible results. To this effect the Consultants developed their internal capability and positioned themselves as a Centre of Excellence for IT in the Public Service. In this respect, Egan (1994) made an interesting distinction between institution-building and power-building politics presenting the benefits of the former and the negative consequences of the latter.

More specifically the lack of progress and criticism associated with the management reforms provided the MSU with little tangible results. However the implementation of the Government's Information Systems

Strategic Plan provided the Consultants with an opportunity to deliver a wide ranging agenda in a Greenfield site wherein clients were receptive to the adoption of new technology. Moreover there was a clear need for an integrated service reform which encompassed both organisational change and IT solutions.

Over time the delivery of IT systems was given a higher priority in the MSU's agenda and as the initiative delivered visible results. Some consultants highlighted that over time the MSU evolved its core focus onto IT may which may have been a response to the lack of successes achieved by the Management Consultancy Division. Moreover the programme was subjected to little resistance given the lack of knowledge of IT within the Public Service and was fully funded through a central allocation which provided the Consultants with complete control over implementation and rollout. Moreover various similarities between the characteristics of the IT programme and the Local Government Initiative were observed. Both programmes were implemented on Greenfield sites, were subjected to little resistance, were delivered through new rather than legacy structures and commanded the support of the Prime Minister. Both these programmes were perceived as a success.

In the context of this study within a policy implementation stage it is being posited that:

Theoretical Proposition AD-1B-1.0:

Part A: Consultants who are facing persistent resistance and lack of visible benefits will seek to evolve their offerings and capabilities, and channel their resources to areas wherein they can deliver quick wins and be more successful.

Part B: The deployment of new emerging concepts in Greenfield sites enable Consultants to take control of emerging change initiatives and develop and position themselves as a Centre of Excellence for such new concepts.

Likelihood of Consultants to sustain momentum for change when coercive pressures are exerted by organisational leaders

In discussing coercive pressures and the impact they have on dealing with resistance to change, Amis *et al* argued that:

Whether formally or informally exerted, there clearly are times when the powerful nature of the pressuring institution forces an organisation to comply with changes being prescribed, regardless of any resistance that may exist. This is particularly likely to be the case when changes are first proposed. Thus, we suggest that coercive pressures will likely play a vital role in instigating programs of radical transformation when there is widespread opposition to the change with the organisation. (2002: 438).

In this respect the Prime Minister backed the Consultants in the implementation of the IT change programme across Government. The support was unprecedented when compared to the other change programmes which were discussed earlier and included:

- Clear message of support to all stakeholders.
- Commitment to funds which were previously unavailable.
- Abolition of existing structures and creation of new Structures.
- Transfer of programme leadership responsibilities to the Consultants.
- Established new governance mechanism which had complete control over decision making and abolished previous control mechanisms.

It is evident that the Prime Minister was willing to apply coercive pressures to ensure that the programme would be delivered. As evidenced in the case study analysis, this level of support enabled the Consultants to maintain the momentum for change of the IS/IT initiative. More significantly the IT programme became the largest component of the overarching Public Service Change Programme and while some projects did encounter challenges and resistance, the vast majority of the programme was delivered and well received.

In the context of this study within a policy implementation stage it is being posited that:

Theoretical Proposition CL-1B-2.0: Consultants are more likely to sustain momentum for change when organisational leaders are willing to apply coercive pressures to stifle resistance, abolish old structures, and provide Consultants with resources, funding and an effective governance framework.

5.5 Major Obstacles in Implementing Business Change Initiatives

The overarching change programme comprised four key change initiatives. These included reforms to the corporate human resource and financial management practices, ministerial-level change and implementation of IS/IT systems and infrastructure across the Public Service. It is noted that the implementation of IS/IT as evidenced in section 5.4 enabled the Consultants to sustain momentum for the change programme. However the other components of the change programme continued to struggle and face significant resistance.

This section presents an analysis the initiatives wherein Consultants were struggling to maintain momentum for change, namely reforms intended to enable delegation of authority (human resources and financial) and localised Ministerial implementations. This context also provided the researcher with an opportunity to examine the approach and tactics deployed to consultants in their attempts to maintain momentum for change wherein the strategy for change is supported by the Prime Minister but the environment involves legacy structures and is conducive to resistance. Moreover the researcher also examined a major factor which contributed to resistance to change – the engagement of expatriate consultants.

More specifically this section 5.5 will present:

1. A pre-structured sequential analysis of this stage of the case study which included:
 - Attempts at enabling change by reforming delegations of authority (5.5.1).
 - Attempts at delivering change in non-corporate Departmental settings (5.5.2).
 - Extent to which expatriate consultants demonstrated the ability to adapt to local environment (5.5.3).
 - External Resistance which accentuated Resistance from within Public Service (5.5.4).
2. Section 5.5.5 proceeds by presenting a theoretical analysis of this stage of the case study within the context of existing relevant literature, which has provided the foundations for developing Theoretical Propositions associated with the respective theory building themes (as per reproduced table below).

Reproduced Table 5 1 Policy Cycle 1-B Research Questions

Policy Cycle 1-B: The contribution that programme leadership consultants can make to the maintenance of momentum for radical change programmes whilst supporting implementation, and the implications for the client sponsors of the change programme.

#	Theory Building Theme	Focus within Policy Cycle 1-B
CL	Leverage of the Consultants' Relationship with the Client	– How the Consultants' relationship with the organisational leadership contributes to sustaining momentum for the radical change programme during the implementation?
P&P	Power and Political Strategies Deployed by Consultants	– What power dynamics were leveraged by the Consultants to institutionalise, generate commitment and resource the radical change programme and retain the deployment of consultancy services?
AD	Consultants' ability to Adapt over time	– How did Consultants react when a radical change programme was not delivering visible results to contribute to maintaining momentum for the change programme?
R&M	Resistance and Mitigation Strategies by Consultants	– What factors contributed to resistance to the radical change programme involving consultants and what strategies were adopted by Consultants to mitigate the concerns of the resistance group?
NA	Not Anticipated	Emerging Theoretical Propositions which were not covered in the initial Theory focus scope

The Theoretical Propositions are presented in section 5.5.5. These Theoretical Propositions are categorised against the Theory Building Themes being explored and presented in table 5.1. Theoretical Propositions which were not covered in the initial Theory focus scope will be classified as NA (Not Anticipated).

5.5.1 Attempts at enabling change by reforming delegations of authority

Delegation of financial and human resource management from the Management and Personnel Office, the Ministry of Finance and the Public Service Commission to Ministries and Departments was one of the intended outcomes of the reform process. However notwithstanding various efforts by the MSU Consultants, this did materialise as acknowledged in the 1994 and 1995 MSU business plans:

Table 5 7 Evidence of Failure to Deliver Delegation Projects

Source	Evidence that delegation had not been delivered
1994 MSU Business Plan: p22	The reform process is premised on providing management within the Public Service with appropriate delegated powers in the areas of human resources and financial management. This necessitates changes in the role of the Public Service Commission and the Ministry of Finance. Much work has been done on the articulation of the needed changes and the design and development of appropriate systems and instruments of delegation. The attainment of changes to achieve appropriate delegation and accountability has to be a major and early objective for 1994.
1995 MSU Business Plan: p6	The Reform process is premised on providing management of the Public Service with appropriate delegated powers, while simultaneously making management accountable for the use of these powers. Delegation and accountability are required specifically in the areas of human resources and financial management. This necessitates changes in the role of the Public Service Commission, the Management and Personnel Office, and the Ministry of Finance. Work continues on the articulation of the changes that have been identified, together with the design and development of appropriate systems and instruments of delegation and accountability.

It is noted that in 1991 Edward Borg Constanzi (former Public Service Reform Commission Chairman) became chairman of Public Service Commission (PSC). This appointment had the intent to support the implementation of the reform recommendations. However disagreements surfaced around the increasing politicisation of the public service and the relationship between the PSC and Government deteriorated. This led to ongoing disagreements on issues such as delegation of public service appointments (Interview, Edward Warrington).

Notwithstanding this resistance the MSU Consultants attempted to push through reforms on delegations by proposing new legislation taking the form of a Public Service Act. The Consultants first attempt was a complete failure given that the Lead Consultant drafted legislation that gave little consideration to the Malta’s Constitutional parameters which led to the Act being rejected (Interview, David Spiteri Gingell).

Subsequently the 1993 MSU Business Plan also laid out the objective to draft a Public Service Act which was intended to supplement the provisions of the Constitution regarding the Public Service, give greater prominence and weight to the basic principles on which the Public Service rests, such as political impartiality, merit principle and managerial accountability. The initiative was intended to institutionalise the reform principles through enactment of these principles in legislation to make them “difficult to ignore, dilute or emasculate” (MSU Business Plan for 1993: 24). The MSU Consultants did deliver a draft. In this respect at the MSU Executive Committee (EXCO) held on the 2nd of July 1993, the Chairman highlighted that he “(JVT) met with the Chairman PSC to discuss the impact of impasse regarding delegation (authority and financial)” and emphasised that “it would be difficult to make progress (with reforms) anticipated until issue (delegation) has been addressed” (MSU EXCO Minutes, 02/07/93: 2). The Chairman of MSU met again with the Chairman of the PSC and noted that the meeting was “very constructive and will hopefully aid in addressing the present impasse relating to delegation” (MSU EXCO Minutes, 16/07/93:1). By the 7th of October 1993 the Chairman had expressed confidence that the Public Service Act would be in place by the end of that year (MSU EXCO Minutes, 07/10/93). However the necessary reforms were not progressed in part due to the quality of the legislation proposed by the MSU and also because the Ministry of Finance held different views (Interview, David Spiteri Gingell). A further attempt was undertaken in 1994/5, by Professor Godfrey Pirotta and Dr. Edward Warrington. However the drafted public service act was not well received (Interview, Edward Warrington) and key stakeholders argued that the Act went against the principles of the Public Service Reform Commission’s blueprint (Interview, David Spiteri Gingell).

It was evident that the Consultants, the Public Service Commission and the Ministry of Finance were not agreeing on the parameters for further reforms (Interview, Patrick Vella) and that notwithstanding support from the Prime Minister’s inner circle the Consultants struggled to push through such a major change which involved changes to legacy practices and traditions. A culture of mistrust became prevalent between the Consultants, Central Agencies, Ministries and the Public Service Commission (Interview, Henry Alamango). This resulted in limited progress across all proposed delegations reforms including Financial Management delegations (Interview Patrick Vella).

5.5.2 Attempts at delivering change in non-corporate Departmental settings

Ministry specific initiatives were defined as change projects which were delivered in collaboration with Consultants for the benefit of a specific Ministry or Department. The Reform Agenda was clearly driven and directed from the centre. Hence Ministries often perceived the MSU and its Consultants as an imposition from the Office of the Prime Minister (Interview, Ray Navarro). Notwithstanding the support from the Prime Minister the Consultants faced an uphill battle when it came to Ministry or Department specific initiatives.

It is also noted that while the support of the Prime Minister's Personal Assistant enabled the Consultants to control centralised initiatives and budgets and transmitted authority to initiatives, this relationship may have in some instances hampered cooperation at a Ministerial level (Interview, Ray Navarro)

Moreover in many instances the relationship between lead consultants and Ministries were not perceived as being collaborative (Interview, Henry Alamango). The differences between Ministries and MSU were a result of various factors. There were tensions between corporate goals and need for visible goals at a departmental level, short-term and longer-term goals and also clear attempts of Ministries to preserve their authority and autonomy (Interview, Henry Alamango). Moreover while Consultants did succeed in introducing new initiatives in Greenfield sites (e.g. many IT and Local Government initiatives), they struggled with change management involving legacies (Interview, Patrick Vella). In some instances a breakdown in relationships between Consultants and senior Public Servants resulted in failed change initiatives. Maurice Zarb Adami was an example of a senior public servant whose relationship with MSU was severed. He was initially engaged as Permanent Secretary from outside the Public Service. At the Ministry the Permanent Secretary adopted all kinds of techniques to ensure that his autonomy was preserved and resisted most of MSU's initiatives in his Ministry (Interview, Henry Alamango). He was later appointed Permanent Secretary at the Ministry of Home Affairs. He remained very weary of MSU and its Consultants, and at one point even engaged his own Consultant to report on the MSU's progress. The report "lambasted" MSU's Chairman personally. The Permanent Secretary also sent the report to MSU. It is also noted that the MSU Chairman showed the report to the Prime Minister, who later instructed Cabinet not to engage this individual Consultant on Government projects. However this Consultant continued to serve the Ministry (Interview, Henry Alamango).

The Ministry of Social Policy is also an area where the MSU Consultants faced a long-drawn resistance campaign (Interview, Henry Alamango). An example of such conflicts at the Ministry was evidenced at the end of the second quarter in 1993 when the MSU Chairman commissioned an internal in depth review of the Department of Social Security information systems projects, which were perceived by key stakeholders as not delivering. In the management summary of this review it was highlighted that:

Both MSU and the Client need to act more forcefully to get the act together: we in the MSU to tackle the integration of projects and strategic architectures involved; the Client to grasp the nettle of organisational change and to take responsibility of their programme.
(MSU Social Security Working Party – Review of MSS, issue 1.0, June 1993:5).

The outcome of this report was issued to the Permanent Secretary and the Minister responsible via an letter from the Chairman of MSU, dated 8th July 1993. However the report also revealed that the MSU often adopted forceful top down tactics such as seeking clear mandates from the Cabinet Committee for Reform which may overrule Ministry specific concerns. This is evidenced in MSU's review report:

MSU should sell this approach to the Ministry, and ensure MSU Quarterly Status Report reflects agreements reached and is endorsed by Cabinet. The arguments should be presented without fear

or favour at all levels from the top down to see that the new plan is fully committed to; any changes agreed should be circulated with a formal approval of the strategy and a directive authorising it to be implemented forthwith.

A period of some two to three weeks from acceptance of this report should then be the maximum allowed for detailed revisions to plans to be tabled in accordance with the approved strategy.

(MSU Social Security Working Party – Review of MSS, issue 1.0, June 1993:7).

A lead consultant and programme manager at the time highlighted that the majority of Operational Reviews within Ministries and Departments and resultant Change Programmes were not delivered due to lack of ownership by senior public servants and interdependencies associated between the need for HR and Financial reforms to enable decentralised change (Interview, Helga Pizzuto). Another senior consultant noted that only a small number of ideas from the ones conceptualised by Management Consultants were implemented as intended (Interview, Chris Falzon).

It is noted that the initiatives involving Consultants which were classified as successful by interviewees were the ones where line management supported and championed their implementation such as:

- Land registration, joint office and geographical information systems (Interview, Philip Micallef);
- Value Added Tax systems (Interview, David Spiteri Gingell);
- Customs reform (Interview, Henry Alamango);
- Tax reforms which were IT driven (Interview, Henry Alamango);
- Passports office (Interview, Alfred Fiorini Lowell).

Moreover the majority of the above initiatives involved a large element of IT systems implementation.

5.5.3 Extent to which expatriate consultants demonstrated the ability to adapt to local environment

A senior MSU executive highlighted that during MSU's existence, recruitment mistakes were made across management consultancy and IS/IT (Interview, David Spiteri Gingell). Moreover it was highlighted that the best and most successful expatriate Consultants were the ones who adapted to the local culture and cited many of the Canadian and the Australian Consultants as examples (Interview, David Spiteri Gingell). At the time the MSU provided a unique and dynamic environment in Malta which may be best described as melting pot of experiences (Interview, Henry Alamango).

It is also important to note that the MSU grew from 0 to 300 employees in its early existence. It was also acknowledged that some expatriate Consultants did not deliver to expectations (Interview, Henry Alamango). Another MSU executive highlighted that Consultants often failed to engage with the client and the fact that many key roles were undertaken by expatriate consultants did not support the buy-in process (Interview, Ray Navarro). Moreover expatriate consultants many a times failed to develop a strong

relationship with the client and did not demonstrate empathy to the difficulties of the client (Interview, Ray Navarro). This view was shared by other former MSU executives. For instance a senior MSU manager highlighted that his “perception of foreign consultants was that they adopted the attitude of they know it all and tried to impose change, which led to mixed feelings about MSU in the Public Service (Interview, Victor Camilleri).

Alfred Fabri who was a long-standing member of the MSU Board and the Cabinet Committee on Reform emphasised that MSU did deliver successes. However there was a real issue around creating a foreign nucleus and around a perception of neo-colonialism. In this respect Alfred Fabri “used to insist to JVT (Chairman of MSU) to reduce the number of foreign consultants” (Interview, Alfred Fabri). Unfortunately the change programme may have been impacted by the perception of being driven by foreign elite, who well paid, and hosted in superior conditions in Villa Portelli. These views and perception triggered political behaviour.

It was also acknowledged that the choice of people for Consultant roles could be better. There were some expatriates who were perceived as being in Malta on vacation and the behaviour of some was questionable (Interview, Alfred Fabri). Others also highlighted issues with recruiting Consultants held the view that technical specialists were not necessary the right people to build relationships and secure support and buy-in from clients (Interview, Chris Falzon).

The former Policy and Strategy manager at the MSU highlighted that the country was not prepared for an organisation which was full of expatriates and that the foreign culture did cloud the issues and the engagement with senior public servants. A culture of us and them developed. This triggered resistance from the senior public servants and resulted in limited sponsorship (Interview, Philip Micallef).

However was also noted that some senior public servants identified good individuals (Consultants) within MSU and developed long-lasting relationships which did deliver some successes (Victor Camilleri). It was also noted that some inadequate Consultants and Executives were moved out (Interview, Patrick Vella). However every dismissal resulted in exponential political impact and criticism (e.g. of expatriates who were dismissed or retired: Sean O’Kelly, Ron Bates, John Spackman, Margaret Alder, John Bon etc.) (Interview, David Spiteri Gingell).

5.5.4 External Resistance which accentuated Resistance from within Public Service

As senior public servants became more vocal in their criticisms of the MSU and its Consultants, external stakeholders also started to scrutinize the change programme and the investment being made in it. More specifically the main opposition party (Labour party) and constituted bodies expressed their views on the change programme.

5.5.4.1 1993: Labour Opposition accuse Consultants of Creating a Illusion of Change

During the course of 1993 the Leader of the Opposition and the Malta Labour Party, Dr. Alfred Sant intensified his criticisms of the reform process. Dr. Sant himself was a former management consultant who had been awarded a DBA from Harvard University. The Labour Party argued that the MSU was awarded excessive resources with no accountability mechanisms. As political tensions and criticism directed towards the MSU intensified the:

Chairman met with PM (Prime Minister) last week. Discussion on controversy over MSU. Decision was to continue on current course but for MSU to concentrate on producing more discernible results. (MSU EXCO Minutes, 04/06/93:1).

In this respect the "Chairman (of MSU) met with Opposition Leader to help develop understanding of *raison d'être* of the MSU, as well as of specifics of what we are doing" (MSU EXCO Minutes, 5th of August 1993: 1). Moreover in the meeting the Leader of the opposition, Dr Sant highlighted that:

- Concept of limited liability company structure for the MSU was not required;
- Young people were turned off by the change programme and not involved in it;
- Ministries were not committed to the efforts being championed by MSU;
- Management needed to ensure that expatriate Consultants transferred knowledge to local trainees. (Hand written meeting notes, EXCO Agenda, August 5th 1993).

Over time the change programme and the Consultant's *modus operandi* became increasingly politicised (Interview, Ray Navarro). The Labour party also criticized MSU's absence of commercial accountability, escalated use of public funds and policy on recruitment of expatriate consultants, rather than its function. Moreover MSU had also resisted providing the remuneration packages of expatriate consultants to parliamentary Public Accounts Committee. This incident was the antecedent to the Public Accounts Committee ceasing its operations. This sparked further political controversy surrounding the *modus operandi* of the Consultants.

The Labour Party continued to criticise the approach adopted by the MSU and argued that Consultants were creating the illusion of change without real substance. In this respect MSU Management Trainees highlighted that the Consultants focused too much on rhetoric and could not interact with public service. (Interview, Peter Gatt).. This was also noted by the former Executive Secretary of the Public Service Reform Commission. In this respect the Commonwealth Secretariat had commissioned Edward Warrington to edit a document on the reforms in the Maltese Public Service. MSU provided data which was unsatisfactory and held claims on results achieved which were not backed up with evidence. In this respect he asked the contributors for some additional information. With one exception my request was responded

with a flat refusal (Interview, Edward Warrington). Moreover while MSU used celebratory tones, limited credit was given by MSU to the foot soldiers in the Public Servants (Interview, Edward Warrington).

5.5.4.2 Criticism from the Constituted Bodies

On the 20th of May 1993 the MSU Chairman and other senior colleagues met with the President and Secretary General of the Malta Federation of Industry (member of the Union of Industrial and Employers' Confederations of Europe) to discuss the progress of the reform of the Public Service. The feedback provided by the Federation of Industry was documented in a letter dated 8th of June 1993 written by E Calleja, Secretary General of the FOI to J V Tabone as Chairman of the MSU and presented in the table below. From an analysis of the communication and meetings between the FOI and the MSU it is clear that the FOI believed that:

- Tangible results were not yet being delivered notwithstanding that the reform had been launched in 1989.
- MSU and its Consultants were the owners of the reform. This was clearly a major misconception which may have been perceived from MSU's communications. However the real owners of the reform were the Senior Public Service.

Table 5 8 Issues raised by Federation of Industry and their Implications

#	Issues Raised by Federation of Industry	Relevant Considerations
01	<p>Values and objectives</p> <p>The goals are to develop administrative structures and management systems which obviously should lead to more efficiency in various systems of operation. Efficiency levels should obviously optimise with the information systems project which is being developed concomitantly with and part of the plan (for reform) itself....</p> <p>Industry expects that the gain in efficiency should reflect in the staff complement of each department. We expect a redeployment from those areas which will now result to be overmanned to other services where the lack of the proper human resources has been repeatedly brought forward as a reason for a mediocre service....</p>	Reform was not leading to efficiencies in headcount
02	<p>Customer service</p> <p>Industry reports to us delays by departments and complicated and time consuming bureaucratic processes. We hear of a slow down in service through lack of knowledge, training and/or lack of interest to give a service. This regularly happens at front office level when the experienced desk officer is away on leave or transferred through promotion or service exigencies....</p>	Lack of processes and standardisation
03	<p>Licensing</p> <p>We find that a recurring complaint which has hardly been addressed is licensing and permits....</p> <p>The alternative is for you to seriously consider introducing 'One-stop-shop' licensing'....</p>	Clear perception that MSU was the owner of the change process

#	Issues Raised by Federation of Industry	Relevant Considerations
04	<p>General comments</p> <p>Industry notes that the scope of activities of MSU covers only government ministries and departments. The cost of services provided by parastatal companies/corporations and the monopolistic situations have for several years been a cause for concern.</p> <p>We would indeed be happy if efficient development plans were to be drawn up and if some formula for privatisation, competition and performance-related contracts could be gradually introduced.</p> <p>Suggestions for co-operation in implementation of reform</p> <p>The Federation is interested in seeing public service reform efforts develop into tangible results. The MSU plan obviously is looking for results in its implementation....</p> <p>The conclusions reached in our joint discussion indicated that MSU needs first and foremost to change people's attitudes in the public service. This seems to be the most difficult and significant task ahead. It is perhaps this aspect which needs careful consideration and collaboration with the private sector.</p> <p>We believe that government needed to apply a 'stick and carrot' approach to the public service reform. Unfortunately, the 'carrot' (by way of salary revisions) has already been given without demands up-front on efficiency in both human and financial resources. This unfortunate mistaken sequence will not make your task of implemented reform an easy one.</p>	<p>Clear references that imply that the change process and plan is owned by MSU.</p>

The meetings with the Constituted bodies were also discussed by the MSU's Executive Committee as evidenced from the Minutes:

Up-date on recent communications with Constituted Bodies and their feedback on reactions: Man in the street needs to know more about what has been done, being done and to be done. Need to put pressure on government heads to talk more about work done in conjunction with MSU:

- Tell the story of many young people who have had experience with MSU;
- Maintain regular sessions with Chamber (of Commerce), FOI (Malta Federation of Industry) – these would have a big impact.

Should aim at making the subject of change into a national issue. (MSU EXCO Minutes, 04/06/93: 3).

However it is evident from the Minutes that the Consultants only focused on the feedback associated with the need to communication better rather than the underlying message that results were not being achieved.

5.5.5 Theory Building

In sections 5.5.1 to 5.5.4 the researcher presented a pre-structured sequential analysis of this section of the case study which included an analysis of:

- Consultants attempts at enabling change by reforming delegations of authority (5.5.1).
- Consultants' attempts at delivering change in non-corporate Departmental settings (5.5.2).
- Extent to which expatriate consultants demonstrated the ability to adapt to local environment (5.5.3).
- External Resistance which accentuated Resistance from within Public Service (5.5.4).

The section follows this case study analysis and undertakes a theoretical analysis of this stage of the case study within the context of existing relevant literature, which has provided the foundations for developing **Theoretical Propositions** associated with the respective theory building themes (Policy Cycle 1-B – Theory Building Focus).

Reproduced Table 5 1 Policy Cycle 1-B Research Questions

Policy Cycle 1-B: The contribution that programme leadership consultants can make to the maintenance of momentum for radical change programmes whilst supporting implementation, and the implications for the client sponsors of the change programme.

#	Theory Building Theme	Focus within Policy Cycle 1-B
CL	Leverage of the Consultants' Relationship with the Client	- How the Consultants' relationship with the organisational leadership contributes to sustaining momentum for the radical change programme during the implementation?
P&P	Power and Political Strategies Deployed by Consultants	- What power dynamics were leveraged by the Consultants to institutionalise, generate commitment and resource the radical change programme and retain the deployment of consultancy services?
AD	Consultants' ability to Adapt over time	- How did Consultants react when a radical change programme was not delivering visible results to contribute to maintaining momentum for the change programme?
R&M	Resistance and Mitigation Strategies by Consultants	- What factors contributed to resistance to the radical change programme involving consultants and what strategies were adopted by Consultants to mitigate the concerns of the resistance group?
NA	Not Anticipated	Emerging Theoretical Propositions which were not covered in the initial Theory focus scope

The section proceeds by proposing Theoretical Propositions which are also categorised against the Theory Building Themes being explored.

Legacy Departmental Implementations Sponsored by the Centre

Beer, Eisenstat and Spector (1990) argued that:

while senior managers understand the necessity of change, they often misunderstand what it takes to bring it about. They assume that corporate renewal is the product of companywide change programs and that in order to transform employee behaviour, they must alter a company's formal structure and systems. Both these assumptions are wrong, say these authors. Using examples drawn from their four-year study of organizational change at six large corporations, they argue that change programs are, in fact, the greatest obstacle to successful revitalization and that formal structures and systems are the last thing a company should change, not the first.

The most successful change efforts begin at the periphery of a corporation, in a single plant or division. Such efforts are led by general managers, not the CEO or corporate staff people. (1990: 158).

From the analysis of the case study it is evident that while Consultants did succeed in introducing new initiatives in Greenfield sites (e.g. many IT and Local Government initiatives), they struggled with change programmes, which involved legacies.

It was observed that when Consultants failed to engage and develop a strong relationship with the client often resulted in loss of momentum for change. This was also the case in instances when Consultants were sponsored by the Prime Minister's inner circle. In such instances the Consultants struggled to push through such a major public service wide change which involved changes to legacy practices and traditions. This is consistent with the arguments presented by Beer, Eisenstat and Spector (1990), wherein the Prime Minister and his team in this case study are equivalent to corporate staff in large organisations.

Moreover the fact that the Reform Agenda was driven and directed from the centre resulted in the MSU and its Consultants being perceived as an imposition on Ministries and Departments. Hence while the support of the Prime Minister's Personal Assistant enabled the Consultants to control centralised initiatives and budgets and transmitted authority to initiatives, this relationship may have in some instances hampered cooperation at a Ministerial level.

On the other hand, in instances where the Consultants maintained good working relationships with the senior public servants, and demonstrated that the objectives of the centre are aligned to departmental management objectives, this resulted in management sponsored change wherein momentum for change was maintained.

In the context of this study within a policy implementation stage it is being posited that:

Theoretical Proposition R&M-1B-6.0:

Part A: Consultants struggle to maintain momentum for change programmes, which are driven by from the centre and not supported by Line Departments, and which involve significant legacy challenges.

Part B: Consultants may maintain momentum for change programmes which are driven by from the centre, if they develop strong relationships with departmental management and if the objectives of the centre are aligned to departmental management objectives.

Moreover the case study analysis also reinforces:

Table 5 9 Reaffirmation of Earlier Propositions

Earlier Theoretical Propositions	Reaffirmation in this section of the case study
P&P-1B-1.0: Part B: Consultants who secure control over significant budgets and resources are positioned with an additional source of power to enable them to continue to continue to set the agenda for change and sustain momentum for change programmes. However such control over resources may translate into a lack of ownership for the change initiatives by Management who are not the Senior Sponsors, which may result in resistance to change.	It was evident that that centralised budgets for change controlled by Consultants also contributed to resistance at a Departmental level.
R&M-1B-4.0: Despite Consultant’s support from the senior sponsor, line management have the ability to neutralize attempts at change within their territory, which they do not support.	It was noted that Consultants were creating the illusion of change without real substance. However these claims only served to reassure the senior sponsors who was distant from the operational realities and did not convince Departmental Management.

5.6 Consultants Second Wave of Responses to Address Criticism

It is evident from the previous section that the Consultants were facing huge resistance to change from both within the public service and also externally. Some of the tactics which were used early on to maintain momentum for change which were targeted at reassuring the sponsors of the change programme did maintain funding at projected levels. However any tactics adopted by the Consultants to reduce resistance to change such as engaging with the resistance group still did not reduce resistance.

This section presented an opportunity to examine a second wave of responses designed by Consultants to attempt to mitigate growing internal and external resistance to change. More specifically this section 5.6 will present:

- 1. A pre-structured sequential analysis of this stage of the case study which included Consultants':
 - Reinforcement of integrated stakeholder engagement and communications strategy (5.6.1)
 - Introduction of relationship management to improve joint working with the senior public service (5.6.2).
 - Knowledge transfer from expatriates to local trainees (5.6.3).
- 3. Section 5.6.4 proceeds by presenting a theoretical analysis of this stage of the case study within the context of existing relevant literature, which has provided the foundations for developing Theoretical Propositions associated with the respective theory building themes (as per reproduced table below).

Reproduced Table 5 1 Policy Cycle 1-B Research Questions

Policy Cycle 1-B: The contribution that programme leadership consultants can make to the maintenance of momentum for radical change programmes whilst supporting implementation, and the implications for the client sponsors of the change programme.

#	Theory Building Theme	Focus within Policy Cycle 1-B
CL	Leverage of the Consultants' Relationship with the Client	– How the Consultants' relationship with the organisational leadership contributes to sustaining momentum for the radical change programme during the implementation?
P&P	Power and Political Strategies Deployed by Consultants	– What power dynamics were leveraged by the Consultants to institutionalise, generate commitment and resource the radical change programme and retain the deployment of consultancy services?
AD	Consultants' ability to Adapt over time	– How did Consultants react when a radical change programme was not delivering visible results to contribute

		to maintaining momentum for the change programme?
R&M	Resistance and Mitigation Strategies by Consultants	– What factors contributed to resistance to the radical change programme involving consultants and what strategies were adopted by Consultants to mitigate the concerns of the resistance group?
NA	Not Anticipated	Emerging Theoretical Propositions which were not covered in the initial Theory focus scope

The Theoretical Propositions are presented in section 5.6.4. These Theoretical Propositions are categorised against the Theory Building Themes being explored and presented in table 5.1. Theoretical Propositions which were not covered in the initial Theory focus scope will be classified as NA (Not Anticipated).

5.6.1 Reinforcing Integrated Stakeholder Engagement and Communications Strategy

As early as in 1992 the MSU Consultants reviewed their external communications strategy and noted acknowledged that “support for change does not necessarily equate in support for MSU” and that change initiatives had “low visibility and low credibility” (MSU External Communications Strategy, 1992/3). There was also a clear recognition that.

We need to have a concerted/coordinated communication effort. E.g. Program of cooperative media relations, need to identify client(s) changing attitudes, need to poll our clients about change and the role they see MSU playing as a change agent. (MSU External Communications Strategy, 1992).

Messages; Goals will be presented in a proactive and positive way for specific audiences (i.e. decision-makers; opinion-leaders, the media, business leaders and existing supporters in the general public) in order to solidify support.

Given the changing environment MSU works in and the shift in public attitudes and opinions, MSU must adjust its messages to expand beyond the reform theme.

The work of MSU must be articulated in different ways = additional emphasis must be placed on logical and rational reform that is realistically achievable.

This shift will not be a rapid one. MSU must move carefully and its communications strategy must be coordinated with the efforts of our partners who must themselves recognise the need to adapt their messages to shifting public attitudes and the evolving public environment.

(MSU External Communications Strategy, 1992).

The strategy was followed by the development of a proposed MSU External Communications Plan. Interestingly the communications strategy addressed most key stakeholders as evidenced in the table below with the exception of the key stakeholders of the reform which were the senior public service management and its employees which did not feature in the plan.

Table 5 10 Themes of the 1992/3 MSU Communications Plan

Communication Theme	Description
Public Communication	Increasing public understanding of the reform and broadening the basis of public support for the MSU's role in the reform.
Partner Communication	Activities directed towards establishing a shared vision and renewed working relationships with MSU's partners.
Pro-active Media Relations	Improving MSU's issue management capability and providing information on reform to the public through authoritative new media.
Decision Maker's Support	Keeping parliamentarians and their staff and officials in ministries informed on reform programme initiatives.
Prime Minister's Support	Providing the Prime Minister with effective support in his role as the primary spokesperson for the Maltese Reform.
Internal Communications and Support	Internal communication activities aimed to renew the shared internal vision of MSU and its role in the reform program, build employee understanding of organizational changes arising in the strategic management review, and provide the skills and resources needed to turn MSU into a communicating organization.
(MSU External Communications Strategy, 1992/3)	

Moreover the review of communication activities had emphasised the “need for Candour”. More specifically the review stated:

Given the tension in public and political sentiment, i.e. surviving majority support for the reform program, there is an absolute need for candour in messages about the reform program. The failures of the past and present must be acknowledged and the possibilities of the future must be honestly portrayed. (MSU Paper: Strategic Considerations for Communication Planning).

Notwithstanding this recommendation the Chairman of the MSU Consultancy Group continued to reiterate his perception of success and highlighted that:

We have been very successful (1993) in forging partnerships throughout the Service, much of this one can ascribe to MSU's role being better understood and accepted. This year has also witnessed a significant growth for the company increasing from a staffing strength of 150 to 250, this factor on its own being some import and posing a quite remarkable challenge. In a relatively short space of time we have assembled a team that is absolutely committed to the organisation's mandate and professionally equipped to provide the necessary support for the Public Service in its quest for improved efficiency and customer service. (Annual Report, Management Systems Unit, 1993/1993: 2).

In this respect a key senior executive within MSU noted that while the Chairman had great political skills which he deployed in securing support and buy-in from the Prime Minister's inner circle and that such messages were often addressed at this audience. However the Chairman had a weakness with his communications especially with his body language and struggled in TV appearances, PR initiatives and interviews with the press. Notwithstanding this he clearly understood the need for MSU to improve its communications efforts and was a strong believer in communications and attempted to develop MSU's PR capability (Interview, Henry Alamango).

The need to improve communications was once again emphasised in the 1993 business plan. The business plan for 1993 recognised that “the organisation has matured, results have been forthcoming and it is time

for the public and the civil service to become more aware of the reform initiatives in place or under way” and stressed that “it is vital for higher standards being achieved are communicated widely” (MSU Business Plan for 1993: 12).

This led to a major communications push in the last quarter of 1993 led by the MSU’s Manager of the Communications Strategy Group, Moira Ferry (MSU Executive Committee Minutes, 07/10/93: 3)

. More specifically this involved:

- Engaging a prominent local PR adviser;
- Organising media interviews with key Consultants;
- Press visits to MSU;
- Visits by Ministerial PROs for MSU briefings on IS/IT;
- Focus on visible improvements at the Inland Revenue and House of Representatives systems;
- Local Councils publicity campaign.

Notwithstanding the emphasis on communications in the 1993 business plan, communications remained a key issue and challenge which resurfaced in the 1994 business plan and MSU Executive Committee meetings:

Table 5 11 Reference to Communications Challenges in MSU Executive Committee Minutes

#	Reference to communications strategy
01	<p>There is a persistent lack of comprehension by the wider public of the scale and quality of the accomplishments of Government to date. In order to ensure a wider understanding both of the extent of these achievements and the need for all to benefit from the process of reform, work will be carried out this year in reviewing the government's present communications infrastructure.</p> <p>Communications will focus on a number of audiences, but particularly the:</p> <ul style="list-style-type: none"> – Public; – Public Service; – External organisations; and – Business community. <p>(MSU Business Plan 1994: 16).</p>
02	<p>On Communications Strategy front, consensus that communications strategy for projects must be reinforced and be part of project plan.</p> <p>Chairman to review functions of Communications Strategy Group with Moira Ferry.</p> <p>(MSU EXCO Minutes, 20/08/93: 2).</p>
03	<p>1994 Business Plan Update....</p> <p>02 Communications Strategy for Government's and MSU's Business Plans will surely falter unless more awareness is created within Ministries to this basic, inevitable need (PROs in Ministries are unaware of issues MSU is involved in – most have never met MSU Project Leaders – all lack active contact with Permanent Secretaries).</p> <p>(MSU EXCO Minutes, 09/09/93: 2).</p>

Clearly the MSU's communications efforts were not delivering the intended benefits. In this respect key MSU executives, Consultants, Public Servants and even independent observers highlighted that the Consultants were encountering problems in their communications strategy because the MSU's communications strategy was flawed and not substantiated by operational changes. Moreover the MSU communications was using a language which was not understood by key stakeholders . It was also noted the business community did not understand MSU communications (Interview, Edward Warrington; Henry Alamango).

5.6.2 Introduction of relationship management to improve joint working with the senior public service

The former Executive Secretary of the PSRC noted that the biggest flaw of the MSU was that the Consultants were concerned with managing its relationships with the political executive and discounted the importance of the relationships with senior and other public servants (Interview, Edward Warrington).

In 1993 the MSU also attempted to address resistance from the senior public service by circulated its business plan to them to ensure earlier engagement:

Last year (1993), the Business Plan of the Management Systems Unit Ltd (MSU) was circulated in order to give a wide airing to the broad swath of initiatives on which we were embarked. It also served to communicate to as wide a public as possible our involvement and commitment to the process of change. In particular, the Business Plan was considered to be a vehicle for demonstrating the opportunities that exist in identifying, developing and reinforcing change within the system. The ensuing debate, while not always constructive, has helped the reform by drawing collective attention to the process and product. (MSU Business Plan 1994: 1)

However communicating to senior public servants would require a very different strategy than communicating with key Political players who were interested in conceptual ideas and not the details (Interview, Henry Alamango). In this respect senior public servants got more disenfranchised by the circulation of business plans only to see that initiatives have been earmarked for their Ministry to implement without the required management buy-in.

To mitigate these challenges the MSU introduced the concept of Client Representatives and Programme Managers.

Moreover there was also a clear recognition that the MSU had to focus more on Ministerial priorities as opposed to government wide goals. In a discussion paper discussed by the MSU's Executive Committee the following changes were proposed:

The two main strands of the 1994 Business Plan are:

- The development of MSU staff into cohesive, Ministry oriented teams; and
- Progressing our work towards a Ministry focused process.

If the MSU is going to move towards a system which reflects a Ministry focused process, it will have to organise its staff along different lines from that which exist at present. It is essential that resources to carry out projects are obtained from both the MSU and Ministries.

(1994 Business Plan – Discussion Paper 02, MSU: 1-2).

This led to a review of Ministry business plans to produce an agenda with which to approach Ministries (EXCO Minutes, 5th August 1993). In the 1994 Business Plan for the MSU the orientation changed and the plan's contents reflected the priorities and objectives of the various ministries to ensure cohesion of change initiatives. However the Cabinet Committee on Reform remained the final arbiter of priorities in the allocation of the reform's resources. Moreover the political commitment for reform was still strong.

Moreover the MSU also agree to introduce a new matrix structure to improve integration of services across Ministries:

Given that the MSU's method of doing business is shifting to one with a greater client focus, Mr Spiteri Gingell illustrated by means of a presentation how the MSU structure could be adapted to ensure a better delivery of service. Chairman expressed importance of structuring ourselves to better coordinate the efforts of the Consultancy Division and the Information Systems Division, in order to ensure that work is done within a Business Reengineering context. (MSU EXCO Minutes, 5th of August 1993: 3).

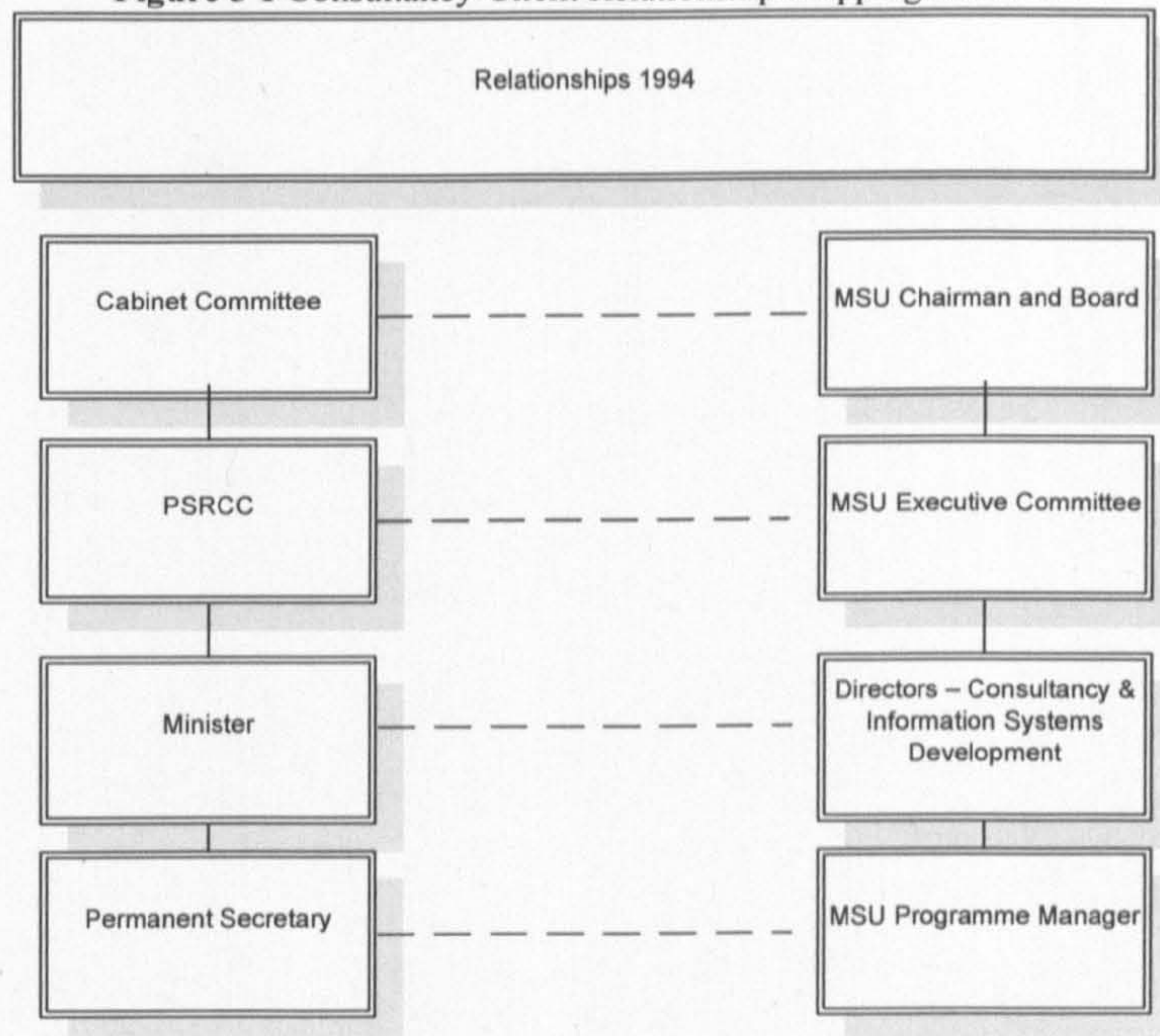
In 1994 the concept of a Ministry Programme Manager was introduced who would be responsible for a portfolio of initiatives across the Ministry which include teams from across MSU Divisions. The

Programme Managers were assigned responsibility to manage “the ministry-focused activities as well as serving as the immediate liaison with the Permanent Secretary and Minister in each Ministry” and “will be sensitive to the needs of the ministry and aware of external individuals and organisations also working within the ministry and having an effect on the drive towards reform” (MSU Business Plan 1994: 5).

This was a positive development which ensured that the Ministry had one point of contact at a senior level with the MSU and that the Programme Manager would focus on the needs of the Ministry (Interview, Ray Navarro). In this respect the former Client Representative / Programme Manager noted that “I personally had developed the relationship with a key Permanent Secretary, Maurice Zarb Adami who previously very critical of MSU (Interview, Ray Navarro).

Notwithstanding these improvements it was clear that the senior public servants, namely the Permanent Secretaries who were the owners of change in their respective Ministerial portfolios were relegated to having their relationship with the MSU managed at a relatively junior level where the MSU Programme Manager was responsible for the relationship with the Permanent Secretary. This is evidenced in the diagram below which represents how the 1994 Business plan envisaged relationships with key stakeholders to be managed. It is evident that the focus of the Chairman was on the Prime Minister and the Cabinet Committee, whereas senior MSU executives focused on managing interactions with Ministers. This relegated Permanent Secretaries who were the senior officers charged with delivering change to being managed by a Client Representative / Programme Manager. In this respect the relationships between the senior public servants and the MSU Consultants only improved where the relationship between the programme manager the Permanent Secretary developed on strong footings and where the objectives of the reform were consistent with the objectives of the department.

Figure 5 1 Consultancy-Client Relationship Mapping as at 1994



5.6.3 Knowledge transfer from expatriates to local trainees

A third response by the Consultants which was also observed during this case study period was an attempt by the MSU leadership to mitigate the criticism directed towards expatriate consultants. The first step was made in 1993 when David Spiteri Gingell, a local MSU executive who had served as both PA to the Chairman and Human Resources Group Manager was appointed as Head of the Consultancy Group. Moreover the MSU adopted a policy to foster knowledge transfer from the expatriate consultants to local trainees (refer to quote below).

The diverse functions within MSU require a wide range of skills. Where these are not available locally, the Company has temporarily had to retain expatriates while ensuring best value for money for the Government of Malta. As one of the Company's primary objectives is, however, to develop local skills, all external consultants are contractually required to transfer relevant and appropriate skills to the Maltese workforce (Annual Report, Management Systems Unit Ltd, 1992/1993: 4).

By May 1993 a training plan was devised for Designate Consultants to prepare management trainees for promotion within MSU. This was presented at the HR and General Management Consultancy Staff Meeting on the 8th of July 1993 and included a skills and knowledge requirements review which included consultancy fundamentals, understanding the public services; core skills, conducting assignments/projects, communication and client relationship. It is also noted that after 1994 the focus to develop local talent was intensified.

In 1994 MSU recruited various graduate management trainees as evidenced from documentation presented in the table below:

Table 5 12 Evidence of MSU's Policy to Engage Local Talent

#	Key Evidence of MSU's Policy to Engage Local Talent	Relevance
01	<p>The Company promotes a policy of advancing local professionals in the various fields of consultancy and information technology through a process of teamwork with more experienced and, in some cases, expatriate personnel. New graduates are regularly employed in Management Assistant positions where they work closely with senior consultants in a well-structured framework and on a broad range of assignments within professional working environments.</p> <p>These management policies assure the transfer of up-to-date skills, give good experience while encouraging that natural assumption of leadership roles.</p> <p>(MSU Business Plan 1995: 4)</p>	Policy to actively recruit local talent.
02	<p><u>Undergraduate Traineeship and Management Assistants</u></p> <p>DSG (David Spiteri Gingell, Manager Human Resources Group) explained the two schemes and the number of young people coming into the organisation. The best form of development was thought to be shadowing consultants and good initial induction. Mention was made of the need to develop a career planning / succession planning programme for the MSU.</p> <p>Action assigned to DSG: To propose schemes which aim at developing new entrants.</p> <p>(MSU Executive Committee Meeting Minutes, 23/6/94 issued on the 4th of July 94).</p>	Schemes designed to develop understudies.
02	<p><u>High-fliers</u></p> <p>Some students have performed exceptionally well. We have, for example, retained two final year B.Sc. students – Romina Cassar and Stephanie Attard – on a full-time basis on the strength of their summer assignment with the IRM Group.</p> <p>Other stars include James Bonavia, Malcolm Custo, Peter Gatt, Mark Galea, Stephen Giacchino, Dominique Mallia and Priscilla Scerri.</p> <p>(Memorandum from Paul Caruana, HR Executive to David Spiteri Gingell, Manager, Human Resources Group on University students 1993 assignments: feedback report, 3/11/93).</p>	Clear monitoring of summer interns to enable post-graduation fast-tracking

It is also noted that David Spiteri Gingell was subsequently the first local Consultant to be appointed as Head of the Consultancy Group which facilitated the implementation of process to up skill a young local Cadre and transfer knowledge (Interview, David Spiteri Gingell).

5.6.4 Theory Building

In sections 5.6.1 to 5.6.3 the researcher presented a pre-structured sequential analysis of this section of the case study which included an analysis of Consultants’:

- Reinforcement of integrated stakeholder engagement and communications strategy (5.6.1)
- Introduction of relationship management to improve joint working with the senior public service (5.6.2).
- Knowledge transfer from expatriates to local trainees (5.6.3).

The section follows this case study analysis and undertakes a theoretical analysis of this stage of the case study within the context of existing relevant literature, which has provided the foundations for developing **Theoretical Propositions** associated with the respective theory building themes (Policy Cycle 1-B – Theory Building Focus).

Reproduced Table 5 1 Policy Cycle 1-B Research Questions

Policy Cycle 1-B: The contribution that programme leadership consultants can make to the maintenance of momentum for radical change programmes whilst supporting implementation, and the implications for the client sponsors of the change programme.

#	Theory Building Theme	Focus within Policy Cycle 1-B
CL	Leverage of the Consultants' Relationship with the Client	– How the Consultants' relationship with the organisational leadership contributes to sustaining momentum for the radical change programme during the implementation?
P&P	Power and Political Strategies Deployed by Consultants	– What power dynamics were leveraged by the Consultants to institutionalise, generate commitment and resource the radical change programme and retain the deployment of consultancy services?
AD	Consultants' ability to Adapt over time	– How did Consultants react when a radical change programme was not delivering visible results to contribute to maintaining momentum for the change programme?
R&M	Resistance and Mitigation Strategies by Consultants	– What factors contributed to resistance to the radical change programme involving consultants and what strategies were adopted by Consultants to mitigate the concerns of the resistance group?
NA	Not Anticipated	Emerging Theoretical Propositions which were not covered in the initial Theory focus scope

The section proceeds by proposing Theoretical Propositions which are also categorised against the Theory Building Themes being explored.

Stakeholder engagement techniques to mitigate external criticism

The Consultants reviewed their external communications strategy and acknowledged that change programme had low visibility and low credibility. This prompted the Consultancy leadership team to commit to improved on external stakeholder engagement efforts with a view to improve the perception of the change programme with external stakeholders and the public. This led to the development of a structured stakeholder engagement planning which was followed by the development of a communications plan.

In the context of this study within a policy implementation stage it is being posited that:

Theoretical Proposition R&M-1B-7.0: Consultants facing criticism from sources which are external to their client organisation will adopt structured stakeholder engagement techniques and communications planning to improve the perception of disenfranchised external audiences, which would otherwise impact the commitment provided by the senior sponsor.

Relationship management targeted at the dominant resistance coalition

Pettigrew (1985) argued that managers will withdraw their interest and support if they think that they are losing control to the consultants or interested parties. In the context of this stage of the case study it was evident that senior departmental Managers (e.g. Permanent Secretaries) were disenfranchised with the change programme which was imposed on their departments and in many instances resisted change. After having exhausted coercive options which involved securing top down support for change and still faced with significant resistance, the Consultants attempted to improve relationships with the senior public servants and align departmental objectives to corporate objectives. In this respect the concept of Consultancy Client Representatives and Programme Managers was introduced where each department had one point of contact at a senior level with the Consultancy Group. This development was perceived as positive in some instances. In some instances the development of a strong relationship between the Client Manager and the Permanent Secretary resulted in an alignment between the corporate objectives of the reform and the objectives of the department.

In the context of this study within a policy implementation stage it is being posited that:

Theoretical Proposition R&M-1B-8.0: In an attempt to seek buy-in from the dominant resistance coalition, Consultants may introduce client relationship managers assigned to work in collaboration with key members of the resistance coalition.

Knowledge transfer to mitigate resistance

It is widely recognised that consultants are active in the diffusion and application of new management models and act as carriers of knowledge across organisations (Roberts, 2003). The role of management consultants in the production and diffusion of knowledge is evident in the public sector (Bloomfield and Danieli, 1995; May, 1994) and in explaining the diffusion of management fads (Huczynski, 1993). However in the context of the case study various critics of Consultants argued that while expatriate consultants were introducing new concepts to the Public Service, there was a limited focus on transfer of knowledge to local management trainees and public servants.

In this respect, the consultancy leadership team sensed the heightened level of resistance to the approach adopted by some of the expatriate consultants and adopted a strategy to encourage knowledge transfer between the expatriate consultants and both management trainees and public servants. In this respect, a training plan was devised which also included a skills and knowledge requirements review. Moreover the drive to develop local talent was intensified.

In the context of this study within a policy implementation stage it is being posited that:

Theoretical Proposition R&M-1B-9.0: After having exhausted top-down coercive pressures to address resistance and criticism targeted at a change programme, Consultants are also likely to devise knowledge transfer plans and frameworks to demonstrate commitment to effectively transition change initiatives into business as usual mode.

5.7 Consultants seek to reenergise momentum of major change initiatives

In the previous sections the researcher has examined various reactive tactics and approaches adopted by Consultants to mitigate and address resistance and criticism. This section explores a complementary set of tactics which were adopted by consultants to proactively instil momentum to the change programme. More specifically this section 5.7 will present:

1. A pre-structured sequential analysis of this stage of the case study which included Consultants':
 - Attempt to enter into a new Greenfield Programme – the EU Accession programme (5.7.1)
 - Tactics to reaffirmation commitment to plan by the sponsoring group (5.7.2)
 - Initiatives to seek external recognition to Consultancy projects (5.7.3).
2. Section 5.7.4 proceeds by presenting a theoretical analysis of this stage of the case study within the context of existing relevant literature, which has provided the foundations for developing Theoretical Propositions associated with the respective theory building themes (as per reproduced table below).

Reproduced Table 5 1 Policy Cycle 1-B Research Questions

Policy Cycle 1-B: The contribution that programme leadership consultants can make to the maintenance of momentum for radical change programmes whilst supporting implementation, and the implications for the client sponsors of the change programme.

#	Theory Building Theme	Focus within Policy Cycle 1-B
CL	Leverage of the Consultants' Relationship with the Client	– How the Consultants' relationship with the organisational leadership contributes to sustaining momentum for the radical change programme during the implementation?
P&P	Power and Political Strategies Deployed by Consultants	– What power dynamics were leveraged by the Consultants to institutionalise, generate commitment and resource the radical change programme and retain the deployment of consultancy services?
AD	Consultants' ability to Adapt over time	– How did Consultants react when a radical change programme was not delivering visible results to contribute to maintaining momentum for the change programme?
R&M	Resistance and Mitigation Strategies by Consultants	– What factors contributed to resistance to the radical change programme involving consultants and what strategies were adopted by Consultants to mitigate the concerns of the resistance group?
NA	Not Anticipated	Emerging Theoretical Propositions which were not covered in the initial Theory focus scope

The Theoretical Propositions are presented in section 5.7.4. These Theoretical Propositions are categorised against the Theory Building Themes being explored and presented in table 5.1. Theoretical Propositions which were not covered in the initial Theory focus scope will be classified as NA (Not Anticipated).

5.7.1 An attempt to enter into a new Greenfield Programme – EU Accession

In July 1990 the Government submitted an application for Malta to join the European Community. However the European Commission only published its response in the form of an Avis in June 1993. Hence the focus of the reform during the early years was not centred around the EU accession since it was very difficult for Government to understand what had to be done to accede to the EU before 1993 when the European Commission issued its opinion on Malta (*Interview, Edward Warrington*).

In its opinion about Malta's potential accession the European Community noted the need for reform particularly in the regulatory and operational framework of the country. In this respect the MSU's business

plan for 1994 noted that “the Community, seeking assurances that the necessary reforms are being pursued with conviction, also noted the small number of skilled human resources available to meet this requirement” (MSU Business Plan, 1994: 16).

The accession into the EU was perceived by the MSU and its Consultants as an opportunity to maintain Government support for the Consultancy led initiatives. In this context the Chairman of MSU briefed the Executive Committee on EC negotiations and noted that:

MSU's role to do with aspects of Public Administration.... EC satisfied with what is being done in Malta, and have shown particular interest in systems strategy which they wish to invest in. (MSU Executive Committee Meeting Minutes, 23/10/93).

However the EU accession was at that time still managed by Ministry for Foreign Affairs which limited MSU's influence on this agenda. Hence between 1993 and 1996 MSU only focused on EU aspects which impact their programmes as opposed to supporting the management of the overall EU accession programme (Interview, David Spiteri Gingell).

Due to these reasons as well as the significant criticism and pressures addressed at the MSU from various resistance groups, the MSU did not successfully focus on developing the capability required to support the EU accession programme, and could not link EU accession demands to the need to drive change across the Public Service.

5.7.2 Reaffirmation of commitment to plan by the sponsoring group

As criticism and resistance directed towards initiatives involving Consultants increased in 1993 the MSU's top team planned to maintain the tempo of the change programme for the next three year cycle (1994 to 1996, as evidenced below:

The Committee (EXCO) discussed the premises upon which 1994/95/96 Financial and Business Planning calculations should be based. The following premises were agreed to:

- 01 The tempo of activities within each Group remains unchanged. Manpower growth at the: Consultancy Division and Communications Strategy Group respectively to be flat lined to 1993 complement.
Information Systems Division are to be within the constraints of the Information Systems Strategic Plan.
 - 02 The Consultancy Division remains part of the Management Systems Unit as against being reconstituted as a public service organisation within the Office of the Prime Minister.
 - 03 A skills transfer strategy that will reduce expatriates complement within the organisation to a ratio of 85% (Local) and 15% (Expatriates) by the end of 1996.
 - 04 The cost of the Management Service Function will continue to be borne by the Department of Local Councils throughout MSU's participation in the project .
 - 05 Financial figures arrived at for 1994/95/96 are to be adjusted for inflation (4%).
- (MSU EXCO Committee Minutes, 18/05/93: 2).

The Chairman of the Consultancy Unit ensured that notwithstanding pressures from the senior public service the management consultancy division would not be internalised within the public service. Moreover

the strategy was also to continue focusing on delivering the 1990 IS Strategic Plan and support Local Councils implementation. The only tangible redress to criticism which was acknowledged was a target to reduce the use of expatriate consultants. However this was not radical proposal since it was intended to retain the majority of these consultants for a further four years.

On the 10th of September 1993 the Chairman of MSU held a meeting with the Prime Minister and Senior Ministers and other officials intended “to set things in various sectors moving ahead” (MSU EXCO Minutes, 09/09/93). This led to a Strategic Review which was held at Girgenti Palace wherein the Prime Minister, senior public servants and the MSU developed a roadmap to accelerate reforms in light of slowdown in implementing HR and Financial delegations and external political criticism. This is evidenced from Minutes below:

Chairman’s Update – Strategic Review, Girgenti

Discussion centred around importance of:

- Political commitment to reform programme
- Leadership/ownership within Public Service
- Acceleration of delegation – discipline and appointments

Envisaged future role of PSC (Public Service Commission) to change.

Chairman went through actions emanating from Strategic Review. The following actions resulted from this:

- GRP(George Podrebarac) to give copy of draft Public Service Act to JS (John Spackman), DSG, PV
- JVT to discuss forum for Unions and Constituted Bodies further with DSG
- JS to produce paper on policies/principles for controlled decentralisation of systems
- One Window Service to be important feature of 1994 Business Plan
- GRP to distribute J Sammut’s submission to the Strategic Review session.

(MSU Executive Committee Minutes, 07/10/93: 2).

The MSU also maintained its hold on the Cabinet Committee on Reform and ensured that initiatives continued to be driven on a top-down manner. For instance the introduction of Citizen’s Charter was designed by MSU to create a top-down mandate for change which would in turn instigate departments to seek consultancy support from the MSU as evidenced below:

Chairman’s Update on Cabinet Committee on Reform – intending to develop document next year of type similar to Citizen’s Charter. Through concern expressed at articulating specific objectives regarding services such as water, education etc., acknowledgement that, even if objectives (are) easily achieved at first, could serve to put some pressure on respective organisations. This may in turn cause them to turn to MSU for assistance.

(MSU Executive Committee Meeting Minutes, 10/12/93).

Moreover by the end of 1993 Government also issued the White Paper “The Change Continues” dealing with institutional, judicial and public administration reforms. This clearly signalled that the MSU Chairman and his lead Consultants had reassured the Prime Minister to maintain the momentum of the reform notwithstanding criticism.

The Chairman of MSU maintained direct contact with the Prime Minister throughout the reform process. It was also observed that the Prime Minister listened to his advice (Interview, Philip Micallef). His strength lied in developing lasting relationships with the Prime Minister and his Personal Assistant and his capacity to create an enabling environment for launching major initiatives such as the creation of MSU. He was a good adviser and was capable at networking and making critical interventions. Moreover he acted with integrity which was visible to all and had a clean profile. This was critical given that MSU was in the public eye (Interview, Henry Alamango).

The MSU’s consultants’ communications tactics were targeted at politicians with the message that change was happening and initiatives were being implemented notwithstanding that many initiatives and their targeted outcomes were not yet visible (Interview, Victor Camilleri). Moreover the Consultants extensively used “Consultancy language” and a celebratory tone to describe their achievements. Examples of such use of language are presented in the table below:

Table 5 13 Evidence of Celebratory Tone used by MSU Consultants

Quotation	Reference
One of the most far-reaching achievements of Management Systems Unit Limited (MSU) in its short lifetime has been to promote acceptance of this culture of change and the benefits it brings.	Management Systems Unit Limited Annual Report 1994/5, Chairman's statement: 2.
In MSU, the Government has the only example in Malta of a knowledge-based enterprise which can match in scale and scope the services in continental Europe and North Africa.	Management Systems Unit Limited Annual Report 1994/5: 5.
There is no doubt that one of MSU's original goals to create an information technology culture in Malta has been achieved in the past five years.... MSU has had a catalytic role in spurring on both public and private sectors in the application of information technology. Starting from a relatively 'green field' situation on the islands in 1990 when IT was a rare tool in the public sector office, MSU has developed the physical infrastructure to transport electronic information and has provided software tailored to Government's needs.	Management Systems Unit Limited Annual Report 1994/5: 21.
MSU has evolved into a full service agency able to provide Government with global expertise finely tuned to understand the special needs of Malta's economy and society.	Management Systems Unit Limited Annual Report 1994/5: 28.

During the first years of the reform, it is evident that MSU's communications tactics, language and glossy reports were sufficient to reassure the Prime Minister that the MSU was reaping benefits. This resulted in enhanced power through the allocation of additional resources and commitment to the cause. Moreover the Prime Minister was committed to the reform process and ensured appropriate sponsorship and resourcing. He also maintained stewardship and up to 1994 even held special Cabinet sessions on reform (Interview, David Spiteri Gingell).

5.7.3 External recognition to enhance legitimacy

A few years into the reform process the Consultancy executives were actively engaging with the Commonwealth Secretariat and other international institutions with a view to share best practice and also seek recognition and legitimation for local efforts. On the 31st of August MSU presented an overview of Malta's information systems strategy and implementation to the Executive of the Commonwealth Secretariat with a view to explore cooperative ventures (MSU EXCO Committee, 05/08/93:2). These efforts led to Malta being invited to host a new Commonwealth IT organisation (COMNET IT) in July 1994 (MSU Executive Committee Meeting Minutes, 23/6/94 issued on the 4th of July 94).

Such initiatives were also perceived by Government and the Prime Minister as a recognition of MSU's efforts and credentials in IS/IT:

When Malta was offered the chance to house the Permanent Secretariat of the Commonwealth Network for Information Technology for Development (COMNET-IT), the Government asked MSU to host and run the organisation's day to day affairs. This choice is a direct recognition by the Commonwealth of the work carried out by the MSU in setting up a state-of-the-art infrastructure.

(MSU Annual Report 1994/5: 9).

In this respect the Prime Minister noted that:

I was pleased, in 1995, to accept the Commonwealth Secretariat's proposal for Malta to host a new foundation dedicated to the promotion of IT for Development.

I felt then that, besides being indicative of Malta's credentials in the endorsement of information technology for national development and as a tool in Public Service Reform, the proposed initiative would be a good example of contribution that smaller countries can make towards international development.

(Prime Minister Dr. Edward Fenech Adami's Letter to COMNET-IT Forum which was also published on the Newsletter of the Commonwealth Network of Information Technology for Development, Issue 2, 1st Quarter 1999).

MSU and its Consultants increased the intensity of their international efforts and also secured:

- 1995 Annual conference of the International Council for Information Technology in Government Administration (ICA).
- 1996 Bi-annual meeting of the Commonwealth Association of Public Administration and Management (CAPAM).
- Malta as one of the Commonwealth case studies demonstrating a portfolio of good practices in administrative reform (MSU 1995 Business Plan: 1 – Introduction by Joseph V Tabone).

Moreover the MSU also attempted to draw comparisons of its approach with European best practice.

The following quotation highlights such comparisons:

Like many similar organisations abroad such as CCTA in the United Kingdom, MSU has promoted and created heavy government investment in professional methods, tools and techniques – supported by the appropriate training courses to maximise the effectiveness and value of IT staff.

(MSU Business Plan, 1996: 8).

The Consultants also justified investment in best practice by claiming that it would support Malta's goal to accede to the European Union as evidenced below:

In line with the Government's pledge to prepare the country for membership of the European Union and to participate in the Euro-Mediterranean Free Trade Area, due to be fully operational by 2010, part of MSU's role is to keep the country abreast of developments overseas. The work of the MSU is highly regarded by international business community. Several countries, in particular Commonwealth and eastern European states, are examining the Malta model – the way the country has embraced change and IT developments – with a view to re-engineering their public services.

(MSU Annual Report 1994/5: 9).

5.7.4 Theory building

In sections 5.7.1 to 5.7.4 the researcher presented a pre-structured sequential analysis of this section of the case study which included an analysis of Consultants':

- Attempt to enter into a new Greenfield Programme – the EU Accession programme (5.7.1)
- Tactics to reaffirmation commitment to plan by the sponsoring group (5.7.2)

- Initiatives to seek external recognition to Consultancy projects (5.7.3).

The section follows this case study analysis and undertakes a theoretical analysis of this stage of the case study within the context of existing relevant literature, which has provided the foundations for developing **Theoretical Propositions** associated with the respective theory building themes (Policy Cycle 1-B – Theory Building Focus).

Reproduced Table 5 1 Policy Cycle 1-B Research Questions

Policy Cycle 1-B: The contribution that programme leadership consultants can make to the maintenance of momentum for radical change programmes whilst supporting implementation, and the implications for the client sponsors of the change programme.

#	Theory Building Theme	Focus within Policy Cycle 1-B
CL	Leverage of the Consultants' Relationship with the Client	– How the Consultants' relationship with the organisational leadership contributes to sustaining momentum for the radical change programme during the implementation?
P&P	Power and Political Strategies Deployed by Consultants	– What power dynamics were leveraged by the Consultants to institutionalise, generate commitment and resource the radical change programme and retain the deployment of consultancy services?
AD	Consultants' ability to Adapt over time	– How did Consultants react when a radical change programme was not delivering visible results to contribute to maintaining momentum for the change programme?
R&M	Resistance and Mitigation Strategies by Consultants	– What factors contributed to resistance to the radical change programme involving consultants and what strategies were adopted by Consultants to mitigate the concerns of the resistance group?
NA	Not Anticipated	Emerging Theoretical Propositions which were not covered in the initial Theory focus scope

The section proceeds by proposing Theoretical Propositions which are also categorised against the Theory Building Themes being explored.

Identification of new Greenfield opportunities

Malta's ambition to gain accession into the EU was perceived by the MSU and its Consultants as an opportunity to instil momentum for Consultancy led change initiatives. However the EU accession was at that time managed by Ministry for Foreign Affairs which limited MSU's influence on this agenda.

Moreover at the time the MSU Consultants were attempting to address criticism and resistance from various groups, which limited their capacity to focus on developing the capability required to support the EU accession programme.

This analysis is not inconsistent with Theoretical Proposition AD-1B-1.0 Part A which was discussed earlier and posited that *Consultants who are facing persistent resistance and lack of visible benefits will seek to evolve their offerings and capabilities, and channel their resources to areas wherein they can deliver quick wins and be more successful.* In this instance, while the Consultants identified the opportunity, they also realised that given the current situation it was unlikely that they could deliver quick wins on this policy area. Hence between 1993 and 1996 the Consultants only focused on EU aspects which impacted their programmes as opposed to supporting the management of the overall EU accession programme.

Seek Reaffirmation of commitment to plan

Notwithstanding increased criticism and resistance directed towards initiatives involving Consultants in 1993, the consultant's top team planned to maintain the tempo of the change programme for the next three year cycle in accordance with approved and funded plans. In this respect, the Chairman of MSU consultancy held a number of meetings with the Prime Minister, Senior Ministers and other officials intended to set things in various sectors moving ahead. The consultants also organised a facilitated strategic review wherein the Prime Minister, senior public servants and the MSU developed a roadmap to accelerate reforms in light of slowdown in implementing HR and Financial delegations and external political criticism. The Consultants also attempted to adopt more coercive tactics with the support of their political sponsor. For instance the introduction of Citizen's Charter was designed by MSU to create a top-down mandate for change which would in turn instigate departments to seek consultancy support from the MSU. The Consultants also supported the drafting of the 1993 White Paper "The Change Continues" dealing with institutional, judicial and public administration reforms. This reinforced the Prime Minister's commitment to the reform which was becoming increasingly binding.

It is acknowledged that the Chairman of MSU developing lasting relationships with the senior sponsors and had a capacity to create an enabling environment for launching major initiatives, and making stakeholder interventions at critical junctures. To this effect the MSU's consultants 'continued to target the Prime Minister's inner circle with the message that change was happening and initiatives were being implemented notwithstanding that many initiatives and their targeted outcomes were not yet visible. Consultants also made extensive use of "Consultancy language" and a celebratory tone to describe their achievements. It was also evident that these tactics continued to secure commitment with the Prime Minister's inner circle until 1994.

In defining commitment, Salancik suggested that it is:

a state of being in which an individual becomes bound by his actions and through these actions to beliefs that sustain the activities and his own involvement. (1977: 62)

Moreover,

volition is essential to all commitment. It is the cement that binds the action to the person and that motivates him to accept the implications of his acts ... Without volition, a behaviour is not necessarily committing, for the person can always assert that he really did not cause the behaviour himself. He thus would not have to accept the consequences of the behaviour or care much what he has done. (Salancik, 1977: 69)

As from the onset of the reform Chairman of MSU created influential networks with the Prime Minister's inner circle. The Prime Minister created a clearly visible public commitment towards the public service reform and MSU as its leading driver. This commitment proved to be an early power base for MSU, which enabled the Consultants to maintain momentum for their initiatives despite being confronted by significant resistance. Moreover it has been suggested that commitment processes make it difficult for organizational actors to see and admit mistakes (Pfeffer, 1981). In assessing the lack of progress in the public sector reform, problems were confined to implementation difficulties. This resulted in allocation of more resources to continue on the same potentially ineffective strategic choices. In this respect, Pfeffer drew a paradigm with Johnson's administration in the United States and his administration's efforts in Vietnam:

The problem was that the U.S. was not trying hard enough, or devoting enough resources to the task. The various attempts to question the wisdom of the escalation policies were themselves defined as being part of the reason for the occurrence of failure.

If problems call forth escalation and increasing commitment, and become defined in terms of implementation, then it is clear how an organization under crisis may react to failure by institutionalising power. Implementation after all, requires control. Control requires additional staff, more information and more elaborate information systems, and more resources devoted to the activities implementing the decision. (1981: 298)

Moreover, Pfeffer argues that "even if preferences are well formed, political language may be sufficient to satisfy some social actors if assessment of the decisions is difficult" (1981: 205) and political language may have worked with the Prime Minister who was distant from the operational realities.

The Maltese Prime Minister's continued commitment to Consultancy led initiatives provided with the Consultants with a source of power. Moreover the Prime Minister's continued public backing for the reform and the sponsoring of new white papers resulted in a binding commitment to the reform and associated change programmes irrespective of results being delivered. Not only did MSU as a consultancy organisation obtain the Government's binding commitment to resource allocation but it also institutionalised the concept of the public service reform itself. This resulted in perpetuating MSU's power base.

This analysis complements the theoretical arguments proposed in hypothesis 3.1c and 3.1d. Moreover in the context of this study within a policy implementation stage it is being posited that:

Theoretical Proposition CL-1B-3.0:

Part A: Consultants reassure the sponsoring group through planned stakeholder interventions at critical junctures of the change programme to sustain momentum.

Part B: Consultants will also seek to develop a binding commitment by the senior sponsor to the change programme but engineering visible public commitments which are undertaken the senior sponsor throughout the lifetime of a change programme.

Attain external recognition and leverage best practice to enhance legitimacy

During this stage of the case study it was observed that Consultants were actively engaging with the Commonwealth Secretariat and other international institutions with a view to share best practice and also seek recognition for local efforts. For instance the MSU and its Consultants secured the creation of a Commonwealth Centre of Excellence for IT which was hosted in Malta and various other international conferences. Moreover the Public Service reform case study was also showcased as best practice in international publications. Such initiatives were also perceived by Government and the Prime Minister as a recognition of MSU's efforts and credentials in IS/IT and supported the Consultants ongoing attempts to maintain the commitment of the Prime Minister. The Consultants also sought to describe comparisons between local implementations and global best practice.

These observations are consistent with academic views that in order to attain legitimacy, organisations adopt new structures and practices that are isomorphic to those of other organisations, even in the absence of evidence that such adoptions will result in enhanced efficiencies (Dacin, 1997; DiMaggio and Powell, 1983; Oliver, 1991; Scott, 1995).

In the context of this study within a policy implementation stage it is being posited that:

Theoretical Proposition CL-1B-4.0:

Part A: Consultants seeking to maintain commitment from their senior sponsor will seek to attain legitimacy to their initiatives through external recognition.

Part B: Consultants seeking to facilitate the implementation of a new order will seek to recommend the adoption of structures which are similar to the sponsoring group's understanding of best practice.

5.8 MSU's transition to a full IT service agency and the Consultants' renewal strategy

The section provides the researcher with an opportunity to study the roles and tactics deployed by Consultants when faced with a stakeholder consensus that the change programme should be internalised within the Public Service. This section of the case study also provides an interesting context with completion of the implementation of the 1990 Information Systems Strategic Plan, which was considered

as having been more successful than management reforms. All of these developments are described against the backdrop of an approaching general election. More specifically this section 5.8 will present:

1. A pre-structured sequential analysis of this stage of the case study which included:
 - Consultants’ reaction to increasing pressure to Internalise Change Programme (5.8.1).
 - MSU’s evolution into an IT full service agency (5.8.2).
 - Reduced involvement and support from the political sponsor (5.8.3) and change in Leadership of the Public Service in 1995 (5.8.4)
 - A new agenda for the next wave of IT driven change (5.8.5).
 - A benefits realisation review with respect to 1990 ISSP (5.8.5.1).
 - Risk mitigation by Consultants against a possible change in Government (4.8.5.2).
 - Institutionalising the Role of ICT Service Agency (5.8.5.3) and the development of a new operating model (5.8.5.4).
 - The e-Economy as a New Opportunity (5.8.6)
 - The Situation prior to the 1996 General Election (5.8.7).
2. Section 5.8.8 proceeds by presenting a theoretical analysis of this stage of the case study within the context of existing relevant literature, which has provided the foundations for developing Theoretical Propositions associated with the respective theory building themes (as per reproduced table below).

Reproduced Table 5 1 Policy Cycle 1-B Research Questions

Policy Cycle 1-B: The contribution that programme leadership consultants can make to the maintenance of momentum for radical change programmes whilst supporting implementation, and the implications for the client sponsors of the change programme.

#	Theory Building Theme	Focus within Policy Cycle 1-B
CL	Leverage of the Consultants’ Relationship with the Client	– How the Consultants’ relationship with the organisational leadership contributes to sustaining momentum for the radical change programme during the implementation?
P&P	Power and Political Strategies Deployed by Consultants	– What power dynamics were leveraged by the Consultants to institutionalise, generate commitment and resource the radical change programme and retain the deployment of

		consultancy services?
AD	Consultants' ability to Adapt over time	– How did Consultants react when a radical change programme was not delivering visible results to contribute to maintaining momentum for the change programme?
R&M	Resistance and Mitigation Strategies by Consultants	– What factors contributed to resistance to the radical change programme involving consultants and what strategies were adopted by Consultants to mitigate the concerns of the resistance group?
NA	Not Anticipated	Emerging Theoretical Propositions which were not covered in the initial Theory focus scope

The Theoretical Propositions are presented in section 6.8.8. These Theoretical Propositions are categorised against the Theory Building Themes being explored and presented in table 6.1. Theoretical Propositions which were not covered in the initial Theory focus scope will be classified as NA (Not Anticipated).

5.8.1 Pressure to Internalise Change Programme

At the time there was a general consensus amongst stakeholders that the management consultancy driven approach to change was not delivering results. During the 1994-1996 period the pressure on MSU intensified and there were proposals to internalise the change programme within the Public Service. This pressure was being made by the body of Permanent Secretaries (Interview, Henry Alamango; David Spiteri Gingell). In this respect a document was also co-authored by the Head of the Consultancy Division to reform the MSU structure which included a proposal to integrate Consultancy Group as part of the Office of the Head of the Civil Service (Interview, David Spiteri Gingell). However this option was not pursued prior to the 1996 General Election.

The MSU Chairman's position was that if the programme was internalised too early in the process, the momentum for change would slow down. In this respect the support received from the Prime Minister and the Minister of Finance were critical to maintain momentum for the programme (Interview, Henry Alamango). The Chairman attempted to keep away civil service procedures from MSU. This led to plans in the mid 90s to position the MSU as a Full Service Agency (Interview, Philip Micallef). Towards the back-end of MSU's existence its organisation was being repositioned as a service agency with a clear recognition that the organisation needed to become more business focused and introduce service level agreements (Interview, Henry Alamango). Moreover MSU also introduced commercial concepts such as the formalisation of client relationships through service level agreements (Interview, Henry Alamango) to formalise its service provision. Various MSU executives noted that this may have led to an expansion of IS/IT engagements and a refocusing of MSU to become Government's information systems agency.

This was critical given that by 1995 MSU's involvement in a number of strategic corporate initiatives was reducing. For instance the Local Councils initiative had been transitioned to business as usual and many IT initiatives planned for in the 1990 ISSP were delivered. Moreover the MSU's role in Government's key priority which was by then accession to the European Union, was limited to technical aspects of public service reform.

5.8.2 The MSU Consultancy Group's evolution into an IT full service agency

In responding to these challenges the Chairman and MSU executive repositioned the MSU into a full service agency. The Chairman emphasised that the MSU had evolved and expanded "upon its original mission and developed further into a full service agency" (Management Systems Unit Limited Annual Report 1994/5, Chairman's statement: 2). These messages were regularly reinforced. For instance in:

Table 5 14 Evidence of MSU's Strategic Evolution into an IT Service Provider

Quotation	Reference
No doubt (that) an agency with the role and vision of MSU retains a place in our (Maltese) public service.	Chairman's statement, MSU Annual Report, 1994/1995: 3)
Over the past year (1995) or so, the work of the MSU itself has shifted focus. In 1995, MSU invested much of its resources in managing and consolidating its earlier work. Now that there is widespread acceptance of the need for new ways of working and the value of information technology, MSU has developed into a full service agency- offering change management advice and assistance, but working increasingly to ensure the full benefits of Malta's of Malta's new IT infrastructure and systems are realised. In line with Government priorities, around 85 per cent of MSU's activities are in information systems services with the remaining 15 per cent providing management consultancy.	MSU Annual Report 1994/5: 7
Any entity that wishes to remain successful has to change its product line and fine tune its systems to be able to respond to customers' demands.... I have no doubt that an agency with the role and vision of MSU retains a place in our public service.	Management Systems Unit Limited Annual Report 1994/5 chairman's statement: 3.

An analysis of MSU's annual reports clarifies the changing prioritisation of MSU's operations. For instance:

MSU has developed into a full service agency – offering change management advice and assistance, but working increasingly to ensure that the full benefits of Malta's new IT infrastructure and systems are realized. In line with Government priorities, around 85 per cent of MSU's activities are in information systems services with the remaining 15 per cent providing management consultancy. (MSU Annual Report, 1994/1995: 7, emphasis added)

MSU's operations were also adjusted to align to the priorities of Government. In this respect the MSU Chairman led this repositioning through effective engagement as a prominent member of the Cabinet Committee for Reform. By 1995 some 50% of Malta's expertise in IT lied within the MSU. Moreover

MSU recognised that managing the IT Government infrastructure was becoming one of the core functions of the MSU and the “company is evolving into a service agency vital to support government business” (MSU Annual Report 1994/5: 21). Moreover the emphasis was on institutionalisation of the MSU into the public service infrastructure i.e. the “MSU is retained by Government “ (MSU Business Plan 1995: 7).

The redefined focus on IT services was also evident in the portfolio of initiatives undertaken by Consultants, as evidenced in the table below:

Table 5 15 MSU Projects Portfolio as at 1995

Major Thrusts – Management Consultancy	Major Thrusts - Information Technology
Assist the Management and Personnel Office to consolidate implementation of corporate human resource activities across ministries.	Continue to deploy the Government’s technology infrastructure with the faster development of Ministry Data Centres together with associated communications and network management.
Assist the Department of Local Councils with the migration of services currently provided by the central Government to local councils in order to increase citizen participation in the decision making process.	Develop plans for the phasing-out of batch services by replacement or transfer to the client organisations.
Assist the Office of the Permanent Secretary, Office of the Prime Minister in the drive to introduce customer service standards to ensure that the public obtains a better quality service.	Develop a revised Information Systems Strategic Plan for Government.
Assist the Ministry of Finance with the implementation of strategic financial management with a view to improving management accountability to enable increased delegation and decentralisation.	
Provide consultancy services to ministries and departments as required, including the undertaking of operational and management services reviews.	Deliver business systems for government – as defined by users – through in-house development, contracting for development or acquisition of suitable software packages.
Provide support in the implementation of changes throughout Government.	Develop systems which will improve service to the public by supporting the ‘whole person’ concept, simplifying the interaction of individuals or family groups with Government agencies.
	Following the policy of controlled decentralisation, allow greater user empowerment in the development of local systems, while maintaining consistent data and applications architecture across Government.
	Further diffuse IT and an information culture throughout the Public Service through the utilisation of PCs within Ministries and Departments and through an active IT training programme.
	Continue to develop local skills in information technology.
MSU Business Plan 1995 – Adapted from pp13-4.	

The information systems dominance in MSU was evident. In developing a capacity for designing and managing information systems and devising information management policies, MSU secured dependency

relationship with the Public Service. This was possible, given that at the time most of the Senior Public Service did not oppose an external entity devising policies and leading on this matter (although there were some exceptions as evidenced earlier). Moreover, the public service lacked the capabilities to develop information systems.

5.8.3 Reducing involvement and support from the political sponsor

It is also noted that the Prime Minister had supported the change agenda from its formulation in 1988 throughout its implementation. His support had also withstood significant resistance from the public service, the media and criticism from the Opposition. However towards the end of the Government's term (1995-1996) Eddie Fenech Adami (Prime Minister) became more frustrated about progress of the non-IT aspects of the reform and the lack of visible results. By 1995 he was spending less time on the reform process (Interview, David Spiteri Gingell).

During the latter years of MSU (1995-1996) there was a sense of frustration around the need to visible results. It is also noted that in the later years (1995-6) the allocation of funds was more restrictive and there was some resentment from within OPM that too much funds were being allocated to the change process (Interview, Patrick Vella). However reaffirmed political commitment over the years made it difficult for the Government to withdraw funding from the change programmed.

Moreover, a major issue which occurred during this policy cycle was associated with the appointment of the first Director of the MSU's Information Systems Division. In this respect Emanuel Camilleri who was then the Head of the Government's Computer Centre was not appointed to the role. Mr Camilleri submitted a claim of injustices to the Employment Commission against the Prime Minister. The Employment Commission which is a Constitutional Body accepted to hear the case and later ruled in favour of Mr Camilleri. The PM felt strongly on the matter on a point of principle (Interview, Alfred Fiorini Lowell). This led to the Prime Minister to submit his resignation given that a Constitutional structure had rules against him. The Cabinet of Ministers later rejected his resignation and the Prime Minister resumed his duties. Soon after this occurrence a meeting was held between the MSU Board directors, Joseph R Grima, Alfred Fabri and Joseph Tabone, who recognized that this event was the lowest point of the reform process (Interview, Alfred Fabri).

These factors impacted the formulation of MSU's to become a permanent full service agency focusing predominately on IT.

5.8.4 Change in Leadership of the Public Service in 1995

On the 4th of August 1995, Joseph Sammut retired as Head of the Public Service and Joseph R. Grima (JRG), then Cabinet Secretary was appointed Permanent Secretary, Office of the Prime Minister and Head of the Public Service. It was widely acknowledged that the Chairman of the MSU had advocated and recommended this appointment (Interview, David Spiteri Gingell).

Many MSU executives anticipated that the new Head of the Public Service could understand the reform better, given his long-standing directorship on the MSU Board. Moreover they anticipated an improved relationship between the MSU and the senior public service given that the former Head of the Public Service was not considered as a supporter of MSU (Interview, Ray Navarro). The new Head of the Public Service accepted that the MSU enabled having “all fronts together” when tackling public service reform (Interview, Joseph R. Grima). However it was clear that while he wanted change, he did not support the MSU Chairman’s radical approach to change.

The new Head of the Public Service’s approach to reform was less radical than anticipated and often adopted compromise positions (Interview, Philip Micallef). This was particularly relevant to the changes proposed with respect to human resources reform that was driven by the OPM (Interview, Patrick Vella). Tensions between the Head of the Public Service and the Chairman of MSU intensified. In fact David Spiteri Gingell (Head of Consultancy team) was approached to be appointed as Board Secretary at MSU to improve the relationship between JVT and JRG (Interview, David Spiteri Gingell).

This development also reinforced MSU’s emerging strategy to focus more on IS/IT as opposed to management consultancy sponsored radical change initiatives.

5.8.5 Defining a new agenda for change

By 1995 it was recognised that the 1990 Information Systems Strategic Plan had been largely implemented with the exception of new systems such as VAT and Local Councils has been added to the portfolio of initiatives. This led the Cabinet Committee for Reform to formally request the MSU to review the original plan and devise an ISSP which defines the country’s needs until the year 2000. The Chairman of MSU through effective engagement of the Cabinet Committee ensured that the repositioning of the MSU was also supported by a recognition that a clear forward agenda needed to be agreed to. This provided the MSU with another opportunity to shape its future structure and institutionalise its role as a permanent service agency.

5.8.5.1 Benefits realisation review with respect to 1990 ISSP

An integral component of the forward planning cycle was a benefits realisation review against the original 1990 Information Systems Strategic Plan. An IS/IT review and planning workshop was held on the 23rd and 24th of June 1994 to assess how MSU fared compared with the aspirations of the 1989/90 plan, how the public service environment evolved and the impact on IS needs. The review involved key senior MSU executives (e.g. Consultant to the Chairman, Executive team, client relations and programme management team). The official summary of these deliberations were presented in the 1995 Information Systems Strategic Plan with key extracts presented below:

Table 5 16 Summary of Progress as presented in the final Information Systems Strategic Plan - 1995, 28th August 1995, Document 2: 20-1

<p>Overall it can be concluded that the original five-year programme has not been completely exhausted and that the work plan will not be completed until about the end of 1996 when some aspects of the plan will then be running about a year late. However, in that time there has been considerable modification of the original plans. Now, major projects such as VAT and support to Local Councils have been added, some projects have been postponed or cancelled at user request, and some have been subsumed into or amalgamated with other projects. In most of the systems that have been delivered, substantially greater functionality has been provided – at the request of the users – than was originally contemplated.</p> <p>The major achievements have been the introduction of the VAT system against very tight deadlines, the automation of the functions of the Public Registry, the development of an interim taxation system, the delivery of the first phase of the Social Security System, a new Departmental Accounting System, interim payroll and personnel management systems, a police incident reporting system, automation of the processes at the Law Courts, implementation of a new Customs system, the launch of a new patient records system as part of an integrated health care programme, public information kiosks for local councils, the initiation of an electronic mail system fir government and an extremely important element of an administrative infrastructure in the form of a Geographic Information System for cadastral records, land registration and information related to a map base....</p> <p>However, the achievements in reality far exceed the functional goals of the individual projects. What is important for government is that those operational systems have been built in such a way that, in addition to delivering immediate business benefit , an infrastructure has been created that will lay down a solid, enduring foundation from which to move progressively into the information age. Delivering business functions from computer systems is not a difficult task in itself. Building a sustainable and flexible structure that will allow the progressive exploitation of new technology, that will accommodate the changes resulting from an ever increasing user perception of the capabilities of computerisation; and that will not inhibit but will facilitate the inevitable further changes that result from new legislative or regulatory reforms, is altogether a different matter. This is the real achievement of the strategy. What has been delivered is much more than a set of operational computer systems: it is a firm base for progress into the future.</p> <p>In terms of financial progress, the original ISSP is running about a year late with LM 0.5 million under-spent.</p>

However it is noted that the Review Team’s evaluation of IS/IT spend as compared to the 1990 forecast was adjusted to ensure that the MSU Consultants was depicted as having under-spent to the Cabinet Committee. An earlier draft of the document which was not published (ISSP – 1995: Draft Version2 – 2 May 1995: Executive Summary) highlighted the true financial picture that:

In financial terms the original ISSP forecast an expenditure of LM 25.2 million spread over the years 1991-1995 inclusive. Adjusted for an average inflation rate of 4% this at 1995 prices would

equate to LM 28.2 million. The actual expenditure to the end of 1995 will be somewhat less than 24.9 million, but the total of planned developments will not be completed until the end of 1996 by which time Lm 32.1 will have been spent.

(ISSP – 1995: Version2 – 2 May 1995: Executive Summary)

It is noted that both “accounts” of spend may be considered as being broadly aligned to targets when one considers that the original planned initiatives portfolio had been increased due to new emerging requirements. However it is clear that communications of benefits realisation was an area which was tightly controlled by Consultants.

The review also justified the approach which was advocated by the Consultants to maintain an information systems organisation outside the structures of the Public Service:

The approach taken by Malta in choosing to outsource its Information Systems activities to an agency outside government, is not a concept invented by the MSU or the Malta Government, but is in line with a world-wide trend towards central government doing less but directing and regulating more effectively. It is a reflection of the principle that the role of government is to establish the legal, economic, fiscal and social framework in which the private sector can flourish. Governments then, in many of the advanced economies are tending to either outsource their information systems development and operation to the private sector, or, as in the case of Malta, to use an agency outside public service but wholly owned by and answerable to Government. (Draft ISSP 1995 – Version 2, May 95: Overview of Progress).

However it also acknowledged that while the MSU was being repositioned as a service organisation the Unit needed to address some serious shortcomings which were being raised by Senior Public Officers. An extract from a draft version of the ISSP (1995) highlighted the issue. It is noted that these statements were later significantly toned down in emphasis in the published version of the ISSP:

The MSU has come under some criticism in the past for a lack of responsiveness to customer needs and it is often observed that there is more work to be done generally to instil in service providers in Malta the absolute need to place the customer first and be unfailingly polite, and responsive to those who pay for your services (Draft ISSP 1995 – Version 2, May 95: Overview of Progress).

5.8.5.2 Mitigating risk against a possible change in Government

Notwithstanding various previous attempts at improving communication both the senior public servants as well as various external stakeholders, disagreed with the approach to change which was driven by the Consultants. This was recognised by the MSU’s senior management in the 1996 ISSP:

However, there is a different aspect of communication which is the responsibility of MSU and it is a lesson hard learned: that there are many damaging misconceptions held about the organisation, which get in the way of the smooth introduction of change. It is considered that there is a need for an MSU communication plan aimed mainly at government stakeholders in the change processes. It should not be designed to sell. The communication should be accurate, unambiguous and devoid of hyperbole, aimed solely at easing the implementation of change by gaining user understanding and hopefully commitment. (MSU ISSP 1996, Document 2 28th August 1996: 46).

Key MSU executives highlighted that the political criticism by the Labour Party directed towards the MSU and its Consultants which was initiated in the early nineties never died out. To the contrary the criticism intensified before the 1996 election (Interview, Ray Navarro). This criticism by the Labour Party resulted in a lot of uncertainty and impacted the morale of senior staff in the latter years of the Nationalist Administration (Interview, Chris Falzon; Patrick Vella).

During the 1995-6 period many consultants and MSU staff members were nervous about a potential change in Government (Interview, Peter Gatt) and some MSU staff were looking for jobs. (Interview, Helga Pizzuto). In redefining the strategy for the evolution of the MSU for 1996 to 2000 the MSU management team recognised the risk of a change in Government with a General Election which was fast approaching.

Change of government policy

The impact could be very high. Measures to reduce risk are considered to be:

- Continued investment in an enduring and irreplaceable infrastructure;
- Continued development of standards of service excellence such that support services offered by MSU are indispensable to the administration; and
- Communication on the justification for the role and method of operation of MSU, together with the essentially apolitical nature of the investment.

(Risk assessment and management, ISSP 1995 – 25th August 1995: 47).

In this respect through the transitioning of the MSU into a permanent service agency was also directed at reinforcing the Public Service's dependency on the MSU for IT services and mitigating against a possible change in Government.

5.8.5.3 Institutionalising the Role of ICT Service Agency

The focus of the 1995 ISSP was very different from the 1990 plan which was concerned about internal policies and establishing the enabling infrastructure for IT in the Public Service. The intent of the team developing the plan was to focus on external aspects of IT and their impact on Government policies and public service operations. The ISSP highlighted the context wherein technology had reduced in cost and increased in its power to process, and, most importantly, to communicate and share information.

Investment in IT was positioned as a key contributor to the following government policies:

- Devolution of power;
- Decentralisation of decision;
- Citizen's right to service;
- Citizen's right to privacy;
- A "Whole Person" approach to Social Security, Social Welfare or Healthcare;
- Cost reduction;
- Improved fiscal control;
- Control of social security fraud or tax evasion;
- Improved economic forecasting;
- Creation of the fiscal and regulatory environment that allows the stimulation of economic growth;
- Access to the information sources of the European Community and the rest of the world to stimulate Malta's competitive position;
- Increasing technological skills and making best use of those skills that already exist;

- Using technology to improve general educational standards.

In developing the 1995 ISSP, MSU's Consultants were seeking to develop a programme which would impact Malta's broader development as opposed to simply impacting public service operations. The plan which was also recommended an estimated budgetary provision of Lm 63 million between 1995 and year 2000.

The MSU executives acknowledged that "a much greater proportion of the technical efforts will be devoted to the provision of a continuing support service" and that "the maintenance of acceptable service levels for the complex and extensive network will, itself, be a major task. MSU will, in effect, become a facilities management organisation for Government" (MSU ISSP 1995, Document 2 28th August 1996: 21-2). This message was consistent with ensuring that the role of the MSU as Government's ICT service agency was institutionalised which would ensure the survival of such structures in the event of a change in Administration

5.8.5.4 Need for new operating model

The ISSP also recommended that a study is undertaken by November 1995 to propose a future business model for the MSU. This involved assessing privatisation or part-privatisation as options as well as changes or extensions to the scope of the organisation (Draft ISSP 1995 – Version 2, May 95). However key executives at the MSU confirmed that privatisation options were not being pursued seriously but it was important to be seen actively considering this option (like some other countries e.g. Denmark). (Interview, Henry Alamango). The privatisation option was not favoured due to "political and commercial opposition, particularly to the possible distortion of the local industry structure and threat of an emerging dominant supplier" (ISSP 1995, 25th August 1995: 54). In this respect final version of the ISSP also reiterated that "Information systems development and operation will be undertaken by MSU, a private company acting as an agent of government with the responsibility to act as the custodian of all government information systems needs" (MSU ISSP 1995, Document 2 28th August 1996: 17).

It is also noted that the ISSP also reaffirmed the MSU's principle that "neither the skills nor the experience are, or ever will be, sufficient to undertake the task at hand, MSU will operate as an international organisation and will obtain the skills needed for Malta's further development from the local and international market" (MSU ISSP 1995, Document 2 28th August 1996: 17).

The ISSP made recommendations which were consistent with the MSU's repositioning into a permanent service agency structure. For instance it recommended that IS budgets are devolved to Ministries and the MSU would operate on a cost recovery basis from 1996 as evidenced below:

It is strongly recommended that MSU move to a position of commercial charging for all its operations. So far, MSU has been funded out of a vote of funds from government directly to MSU together with a Treasury controlled budget for the development of information systems for

Ministries. This method, which was necessary in order to get the operation of MSU started on a basis of predictable and controllable funding, has a number of adverse effects. It has resulted in a distortion of what would be a normal profit and loss statement; it has given the impression that ownership of the programme of reform rests with MSU and not Ministries; and, as the budget is not with Ministries, it has resulted in a situation where the largest allocation of funds did not always coincide with the greatest business benefits. In keeping with principles of budgetary devolution it would now be logical to allocate the budget to Ministries and to operate MSU on a normal commercial system whereby Ministries would justify, plan, fund and pay for services....While it is considered sensible to move towards operating on a commercial basis as soon as is practicable, it is felt necessary – in order to ensure the coherence of the network and preserve the principles of shared information – to maintain a monopoly supply position for MSU for an agreed period after beginning commercial operations. Thereafter it would be possible to consider the introduction of competition to MSU, provided there was a regulatory authority to ensure full conformance of all delivered products of Government standards (Draft ISSP 1995 – Version 2, May 95: 24).

5.8.6 The e-Economy as a New Opportunity

Having consolidated efforts to legitimate the role of the MSU as an ICT service agency, the MSU's lead consultants also devised a growth strategy wherein they attempted to position MSU as the national agency for the e-Economy. This strategy was reflected in the ISSP as evidenced below:

Under the demands of private commerce, industry and parastatal organisations, there is a critical skills shortage that cannot be met in time by the educational programme nor by the importation of foreign expertise. In consequence there is a need to apply by the principles of integrated resource management to IT skills in Malta in order to make the best use of skills locally available. Simple pragmatism dictates that MSU will be the main source of those skills.

Various factors such as the move to EU membership, the development of electronic means of intercommunication between government administrations, the drive for an export-led IT industry, the visibility that the Malta programme has achieved in international and Commonwealth government agencies, the decision that Malta should host the COMNET-IT initiative – an information service to Commonwealth governments – and the rapid development of the global information technology highway that there will always be an increasing need to look outwards and consider government requirements in light of international developments. (MSU ISSP 1995, Document 2 28th August 1996: 21-2)

The ISSP also highlighted that whilst the MSU represented a significant proportion of IT skills in Malta, there were a number of national initiatives that did not fall within its remit such as:

- Developing an internal IT industry;
- Supporting other industries such as the financial services industry and tourism;
- Improving efficiency at parastatal organisations through IT deployment;
- Developing the local telecommunications framework and capacity to enable liberalisation in line with EU accession requirements;
- Providing 'Value Added Data Network' services;
- Providing external connectivity for Malta to become part of the global information highway;
- Developing information systems in support of education;
- Providing the information and entertainment access demanded by citizens.

The ISSP went further in emphasising that:

For Malta to lay serious claim to operating as a regional hub or, indeed, to achieve the less ambitious goals of continuing relative increase in national prosperity, then a co-ordinated strategy

is essential. If everyone continues to act independently rather than as part of a co-ordinated plan then neither the financial nor human resources will be available. It will simply not be affordable. MSU as the IT agent of government and as the largest IT organisation in Malta must play a major role as a contributor to the development of a coherent strategy.
(MSU ISSP 1995, Document 2 28th August 1996: 23)

The MSU also adopted similar techniques as evidenced in the first ISSP wherein they emphasised a sense of urgency to integrate efforts across organisations:

The rest of the world and the rest of Europe is moving fast. It is not enough to aim just to match today's standards. To catch up means moving faster than those who are already well ahead but themselves moving fast. Previous neglect means that there is a very large 'catch-up' investment needed in all sectors of the market.

In summary it is evident that unless ways can be found to make much better, shared use of available resources by pooling investments, using shared infrastructures and training facilities and sharing skills – then the task of developing Malta as a leading information-based economy is just not possible. These issues have a fundamental bearing on the future role of MSU.

(MSU ISSP 1995, Document 2 28th August 1996: 23)

However it was evident that in light of the politicisation of the role of Consultants in the public service reform, such a major shift in strategy which would result in MSU becoming Malta's overarching ICT agency was not going to be approved prior to 1996 General elections. Hence the plan made three recommendations aimed at expanding the future focus of MSU:

Table 5 17 Recommendations for expanding role of MSU prior to 1996 Elections

#	Recommendation
01	A major task for (early) 1997 will, consequently, be the re-examination of the future mission of MSU – considering how best to develop the success so far gained in order to progress further, on a national scale, towards the goal of a technology-supported information economy for Malta. MSU is obviously not the only player for these developments, but it is by far the largest and most influential IT organisation and, as such its future development must be seen in the context of the overall national strategy (MSU ISSP 1995, Document 2 28 th August 1996: 21-2).
02	A study is to be completed by end 1996, determining whether there is scope for shared Managed Data Services for Malta for parastatal industries, government and other key organisations, and relating this to the overall issue of Value Added Network Services provision (ISSP 1995, 25 th August 1995: 65-6).
03	An urgent study by MSU and other major stakeholders to establish the structure, ownership and business plans for a joint venture management and technical training organisation, established as a shared national resource, and designed to meet the needs of MSU, parastatal and private sector organisations for technology and business skills in IT, and operating as a self-funded centre of IT training excellence in the Mediterranean region (ISSP 1995, 25 th August 1995: 65-6).

5.8.7 Situation prior to the 1996 General Election

By 1996 it was clear that the MSU's focus has shifted onto ICT as evident from its portfolio of projects which are illustrated in the table below:

Table 5 18 MSU Project's Portfolio as at 1996

IT Projects		Non-IT Projects
IT Projects	IT Infrastructure Development Projects	
Extension of Common Database Further e-mail roll-out Further roll-out of Payroll and Departmental Accounting Systems Redefinition of Inland Revenue System to support new fiscal policy Extended functionality for Social Security System Library Information System Implementation of Schools Information System Implementation of Public Lotto System Introduction of systems at the Central Office of Statistics Case Management system implementation at Law Courts Document Management Systems Hospital Patients Modules Implementation of Criminal Records Systems Passport Issuance System	Further development of high speed Fibre Optic network Further local area networks implementation Inter-system links Further Groupware implementation Network Management System Extended internet access provision Further infrastructural works	Continuation of analysis of Supervisory Grades Continuation of Museums Change Programme Comprehensive Audit Programme implementation at Audit Office Implementation support for Performance Management Programme Customer care initiatives Support to Ministry of Education in their Computers in Education Programme Initiation of change management process at Department of Land Continuation of change programme at Libraries

Notwithstanding having endured significant criticism and made little progress on the change management front, the MSU had managed to transition into a service agency model and ensured that the Public Service was dependent on its IT services. This dependency was confirmed by both senior public servants and the MSU itself as evidenced in its 1996 Business Plan:

focus was shifting to supporting front-office functions and the delivery of government services. It was recognised that by 1996 there was a strong mass of information systems across the public service which created a strong dependence on these systems and hence its service provider – the MSU. MSU is now concentrating on consolidating and supporting the systems delivered over recent years. This move illustrates the trend towards a service – rather than a developmental-oriented organisation, and will have a dramatic effect on the distribution of costs within the organisation. (MSU Business Plan, 1996: 31).

However the Opposition Labour Party maintained its position of the MSU prior to the general election and made reference to the need to “wind up” the MSU in its policy document “Ic-Cittadin L-Ewwel-Politika Gdida Laburista”::

In these last few years a lot has been said on the need to render the operations of the civil service more efficient and modern. Millions of pounds have been wasted on foreign consultants supposedly to install modern computerized and administrative systems.....Much of what has happened was controlled by a state owned company Management Systems Unit Ltd. Who acts as if it were the real public service. It is strange how a party (Nationalist) when in opposition used to clamour for transparencycreated a monster like MSU purposely to avoid transparency and accountability.

.....We plan to wind down the MSU structure that effectively amounts to privatisation of strategic direction of the civil service. The necessary reforms will be entrusted to a body which forms part of the civil service structures so that it will be publicly accountable for its operations. In the required planning we will involve representatives from the civil service to ensure acceptance and ownership (Malta Labour Party, 1996b, emphasis added).

5.8.8 Theory Building

In sections 5.8.1 to 5.8.7 the researcher presented a pre-structured sequential analysis of this section of the case study which included an analysis of:

- Consultants' reaction to increasing pressure to Internalise Change Programme (5.8.1).
- MSU's evolution into an IT full service agency (5.8.2).
- Reduced involvement and support from the political sponsor (5.8.3) and change in Leadership of the Public Service in 1995 (5.8.4)
- A new agenda for the next wave of IT driven change (5.8.5).
- A benefits realisation review with respect to 1990 ISSP (5.8.5.1).
- Risk mitigation by Consultants against a possible change in Government (5.8.5.2).
- Institutionalising the Role of ICT Service Agency (5.8.5.3) and the development of a new operating model (5.8.5.4).
- The e-Economy as a New Opportunity (5.8.6)
- The Situation prior to the 1996 General Election (5.8.7).

The section follows this case study analysis and undertakes a theoretical analysis of this stage of the case study within the context of existing relevant literature, which has provided the foundations for developing **Theoretical Propositions** associated with the respective theory building themes (Policy Cycle 1-B – Theory Building Focus).

Reproduced Table 5 1 Policy Cycle 1-B Research Questions

Policy Cycle 1-B: The contribution that programme leadership consultants can make to the maintenance of momentum for radical change programmes whilst supporting implementation, and the implications for the client sponsors of the change programme.

#	Theory Building Theme	Focus within Policy Cycle 1-B
CL	Leverage of the Consultants' Relationship with the Client	– How the Consultants' relationship with the organisational leadership contributes to sustaining momentum for the radical change programme during the implementation?
P&P	Power and Political Strategies Deployed by Consultants	– What power dynamics were leveraged by the Consultants to institutionalise, generate commitment and resource the radical change programme and retain the deployment of consultancy services?
AD	Consultants' ability to Adapt over time	– How did Consultants react when a radical change programme was not delivering visible results to contribute to maintaining momentum for the change programme?
R&M	Resistance and Mitigation Strategies by Consultants	– What factors contributed to resistance to the radical change programme involving consultants and what strategies were adopted by Consultants to mitigate the concerns of the resistance group?
NA	Not Anticipated	Emerging Theoretical Propositions which were not covered in the initial Theory focus scope

The section proceeds by proposing Theoretical Propositions which are also categorised against the Theory Building Themes being explored.

5.8.8.1 Lack of benefits realisation and cultural mismatch stifle momentum for change

Beer, Eisenstat and Spector (1990) adopted argued that:

while senior managers understand the necessity of change, they often misunderstand what it takes to bring it about. They assume that corporate renewal is the product of companywide change programs and that in order to transform employee behaviour, they must alter a company's formal structure and systems. Both these assumptions are wrong... Using examples drawn from their four-year study of organizational change at six large corporations, they argue that change programs are, in fact, the greatest obstacle to successful revitalization and that formal structures and systems are the last thing a company should change, not the first.

The most successful change efforts begin at the periphery of a corporation, in a single plant or division. Such efforts are led by general managers, not the CEO or corporate staff people. (1990: 158).

This theoretical perspective is to an extent consistent with the views of the senior public servants who acted as the dominant coalition, who viewed that change should be driven through Departmental initiatives and not driven through the Prime Minister's inner circle with the support from Consultants.

Interestingly during this section of the case study a consensus emerged amongst stakeholders that the management consultancy driven approach to change was not delivering results. The view which was long advocated by the senior public servants that the change programme should be internalised within the Public Service became widely accepted. However the Prime Minister's inner circle decided that it was premature to internalise the programme at that point in time prior to a general election due to binding public commitment. However there was a recognition that the consultancy group's involvement in non-IT driven change was reducing. Moreover the implementation of the 1990 IT plan was nearing completion and the Prime Minister's focus was moving towards accession to the EU.

The Prime Minister had supported the change agenda from its formulation and his support had also withstood significant resistance from the public service, the media and criticism from the Opposition. However towards the end of the Government's term (1995-1996) the Prime Minister became more frustrated about progress of the non-IT aspects of the reform and the lack of visible results. Moreover there was also a view within the Prime Minister's inner circle that too much funds were being allocated to the change process. Other issues such as the ruling of the Employment Commission against the Prime Minister on issues associated with the reform also impacted the change in orientation.

In the context of this study within a policy implementation stage it is being posited that:

Theoretical Proposition R&M-1B-10.0: Consultants may be capable of sustaining the momentum for change over a longitudinal period through the application of various tactics. However in long-term change programmes which face significant resistance will run out of steam unless tangible benefits are realised.

During this period the pro-change Cabinet Secretary and close collaborator of the Prime Minister was appointed Head of the Public Service. This raised the Consultants expectations that momentum for corporate reforms may be reignited after significant resistance which was mounted by the former Head of the Public Service and other senior public servants. However the new appointee's approach to reform was less radical than anticipated and often adopted compromise positions. The appointment did not result in an end to political games between the senior public servants and consultants. It also led to new political games between the new appointee and the Chairman of the MSU. However unlike before the new Head of the Public Service was a key influencer in the Prime Minister's inner circle.

In this respect, one criticism that can be addressed to literature on organisational politics and micro power is that it fails to define the relationship between power and politics and organizational culture. In defining culture, Pettigrew argues that:

in order for people to function within any given setting, they must have a continuing sense of what reality is all about in order to be acted upon. Culture is the system of such publicly and collectively accepted meanings operating for a given group at a given time. (Pettigrew, 1985: 44)

Furthermore, Zucker noted that:

for highly institutionalised acts, it is sufficient for one person simply to tell another that this is how things are done. Each individual is motivated to comply because otherwise his actions and those of others in the system cannot be understood. (1977: 726)

Building on the work by Zucker (1977), Pfeffer (1981) suggested that one affect that:

causes the persistence and institutionalisation of organizational power distributions is the tendency for ways of doing things in the organization, patterns of authority, and standard operating procedures to take on the status of objective social fact. Thus, instead of questioning the distribution of power, the making of certain decisions, or the following of certain rules of operation, these aspects of the organization become defined as part of the organization's culture and are seen and accepted by participants in the organization as a natural part of their membership in that particular social system. Organizational change, including changes in the distribution of power and control, is made more difficult by the tendency to develop shared beliefs, world-views, or organizational cultures which legitimate and institutionalise present practices, structures, and influence distributions. (1981: 298-9)

Hence, Pfeffer is suggesting that an institutionalised organizational culture makes organizational change difficult to attain. Moreover, Pfeffer argues further that:

political actors provide justification and rationalization that justify proposed decisions. These justifications serve to ensure support both inside the organization and from external groups in that they are consistent with social norms, values, and expectations for organizational activity. The task confronting political actors has been described as one of justifying and legitimising choice. (1981: 182)

In this respect, it is evident that whilst MSU justified its actions as compliant to Government's values and expectations, no plausible justification was given to the public service, in that the proposed changes were compliant with the public service culture. To the contrary, MSU's *modus operandi* conflicted with the public service culture and its principles of unity and uniformity. The high level of institutionalisation of the public service culture can be evidenced from the public service's unresponsiveness to environmental pressures (Tolbert and Zucker, 1979). Despite continuous appeal for change addressed to the public service from Government, industry and the general public, the public service seemed to remain complacent to these demands successfully.

As evidenced from policy cycle one, the Maltese Government adopted a deliberate approach to strategy in formulating the strategic thrusts of the public service reform, which was developed by Consultants. During

policy determination, the political processes observed were driven by the policy formulators in their quest for power. Political resistance by the dominant coalition was ineffective. This might indicate that little resistance can be mounted during policy formulation stages and during early stage implementation when new structures can be introduced through coercive means and supported by the senior sponsor. However, policy cycle two clearly demonstrates that severe resistance politics can be mounted during implementation.

It is evident from this policy cycle that MSU's model of implementation clashed with the public service culture. In the profile of the Maltese public service it was emphasized those reformers:

ignore at their peril the tenacity and value of tradition in their governing institutions (Commonwealth Secretariat, 1995: 14)

Of interest is Pfeffer's argument that:

the role of political language in legitimating decisions, obfuscating power relationships and political strategies, and helping to produce shared meanings and definitions of organizational reality which serve to mobilize support, diminish opposition, and assist in the implementation process. (1981:211)

Contrary to its intentions, the political language adopted by MSU) may have enabled support from the senior sponsor but clearly diminished support from the senior public service, increased their opposition and made implementation more difficult. The reform resulted in breaking of certainty in the interaction among social actors, institutionalised over the years and the stability of power. As evidenced earlier, the senior public servants politically resisted changes driven by consultants and also engaged in political behaviour to neutralize MSU's agenda.

In the context of this study within a policy implementation stage it is being posited that:

Theoretical Proposition R&M-1B-11.0: Implementation models advocated by Consultants which are incompatible with an organization's dominant culture (dominant culture defined as the culture pertaining to the dominant coalition) will result in resistance towards any organizational changes premised on the said implementation model, and wide spread political games aimed at suppressing the momentum for planned organisational changes.

5.8.8.2 Leveraging successful opportunities to mitigate risk and develop a new agenda for change

The MSU Consultants recognised that consultancy driven management consultancy change would not deliver results. Moreover the reduction in real support from the senior sponsor and the approaching general election triggered to the consultants to respond with a concerted strategy.

The MSU consultants had been readjusting to focus on IT driven change over a longitudinal period. IT services became the predominant component of the Consultant's propositions. Moreover this was the area

wherein the consultants were perceived as having been successful. In developing a capacity for designing and managing information systems and devising information management policies, the Consultants faced limited resistance in a relatively Greenfield site and secured a dependency relationship with the Public Service.

Moreover through control over information systems development, the consultants secured further power given that knowledge is power and communication systems are power systems (Barber, 1966). In this respect, Pettigrew (1972) also asserts that information control is a source of power. Through the development and information flows MSU secured power over the public service. This was possible, given that at the time the Public Service did not realize the power of information systems and did not oppose an external entity devising policies on this matter. This was a political move that made MSU indispensable to Government, given MSU's monopoly power with respect to the control and management of all information systems resources.

Leverage a strategy formulation opportunity

By 1995 it was recognised that the 1990 Information Systems Strategic Plan had been largely implemented. The Consultants viewed this as an opportunity to define a new information technology strategy which defines the country's needs until the year 2000. This provided the MSU with another opportunity to shape its future structure and institutionalise its role as a permanent service agency.

In the context of this study within a policy implementation stage it is being posited that:

Theoretical Proposition AD-1B-2.0: The end of business planning cycles provides Consultants with an opportunity to influence the future strategy, and potentially embed their role in delivery aspects of the new forward plan.

Consultants seize control benefits review processes

An integral component of the forward planning cycle was a benefits realisation review against the original 1990 Information Systems Strategic Plan. This provided consultants with a possibility to emphasise the benefits which were delivered through the programme. In this respect, the researcher evidenced that the benefits review findings were readjusted to emphasise on successes made, and reduce focus on challenges faced. However it is clear that communications of benefits realisation was an area which was tightly controlled by Consultants.

In the context of this study within a policy implementation stage it is being posited that:

Theoretical Proposition NA-1B-2.0: Consultants who control benefits review processes are more likely to present a snapshot of benefits, which supports their intent for the next stages of the programme.

Consultants mitigate risk against a possible change in client sponsor

Political criticism by the Opposition party intensified before the 1996 election. During the 1995-6 period many consultants and MSU staff members were nervous about a potential change in Government. In redefining the strategy for the evolution of the MSU for 1996 to 2000 the MSU management team recognised the risk of a change in Government with a General Election which was fast approaching. In this respect the transitioning of the MSU into a permanent service agency was a deliberate strategy which reinforced the Public Service's dependency on the MSU for IT services and thus mitigating against a possible change in Government.

In the context of this study within a policy implementation stage it is being posited that:

Theoretical Proposition NA-1B-3.0: Consultants will adopt a structured approach to risk management associated with the potential termination of their engagement and the likelihood of a change in client sponsor. Consultants will seek to mitigate such risks by engineering client dependencies for their services.

Consultants attempt to expand role into new services

The team developing the ISSP adopted a two pronged strategy. The first facet of the strategy ensured that MSU became a facilities management outsourcing organisation for Government. This approach ensured that the MSU became institutionalised as the Government's ICT service agency, and was also intended to ensure the survival of such structures in the event of a change in Administration. The MSU consultants also recommended the devolution of budgets to Ministries which were dependent for their IT services on the MSU.

The second facet of the strategy was to develop the ISSP as a plan which focused on the future and envisaged a growth strategy for the MSU to support the development of Government online and the national e-Economy. In developing the 1995 ISSP, MSU's Consultants were seeking to develop a programme which would impact Malta's broader development as opposed to simply impacting public service operations. However it was evident that in light of the politicisation of the role of Consultants in the public service reform, such a major shift in strategy which would result in MSU becoming Malta's overarching ICT agency was not going to be approved prior to 1996 General elections. Hence the plan made recommendations aimed at expanding the future focus of MSU, which were planned to be considered following the 1996 general elections.

In the context of this study within a policy implementation stage it is being posited that:

Theoretical Proposition AD-1B-2.0: Having mitigated risk against possible change in senior sponsor by creating dependencies (refer to NA-1B-3.0) Consultants will also seek to expand their future client roles into new areas of service provision.

CHAPTER 6

Change of Administration and Senior Client, and the Resultant Strategic Change Programme: Mid 1996 to Mid 1998

Case Analysis of Policy Cycle 2 and Theory Building

6.1 Introduction

This Chapter presents the second policy cycle when a change in the political leadership of the Maltese Government occurs. The year of 1996 witnessed a change in the political leadership of Government with the election of the Labour Party. The new Administration's strategy for the public service was to go down to basics and focus on the core business of Government - serving the citizen. This constituted a fundamental change to the philosophy towards the public service reform, which was re-focused on operational as opposed to corporate initiatives. Organisation theory emphasizes the importance of leadership to the change process given that change requires creating a new system and institutionalising the new approaches (Kotter, 1995). Chakravarthy and Lorange (1991) also emphasised the key roles of leaders in driving organisational change. This context presented the Consultants with a major change given that this was the first time since 1987 wherein the political leadership was not constant.

The Labour Prime Minister adopted a phased and sectoral strategy to change as evidenced in the 1996-1998 legislature, when law and order were the first to be tackled (e.g. Police modernisation programme), followed by Health and Education reviews. Moreover the Labour party, when in opposition had publically pledged to disband the MSU's Consultancy organisation. This presented significant challenges for the Consultant in their quest to sustain momentum for change initiatives.

During this policy cycle a brief review of the previous change agenda (policy cycle one) was undertaken and a new approach to change was developed and implemented. Based on Quinn's (1980) definitions, the new approach was one of strategic rather than radical change. Strategic change may be described as a process of logical incrementalism, involving both planned and evolutionary processes (*ibid.*). This is in contrast with revolutionary change (e.g. Miller, 1976). Moreover, transformational change involves a long period of reappraisal prior to the change effort (Child and Smith, 1987).

The change efforts were driven top-down through a number of Cabinet Committees. Some initiatives from the previous policy cycle were retained and re-oriented within the new portfolio of initiatives forming part of the Strategic Change Programme. In line with the strategic change typology top-down and controlled change was being introduced and phased strategically in a piecemeal fashion. Moreover, change management structures were restructured and internalised within the Public Service. It is also noted that the consultants developed various proposals for a new change programme, and realigned consulting initiatives

and structures to new agenda. Interestingly the consultants also developed new senior contacts within the Office of the Prime Minister.

Unlike most research on consulting that focus on the external consultant who comes from outside the company, enters for a finite duration and exits, this case study provides an opportunity to study the consultants' role in change initiatives over a longitudinal time frame. The longitudinal nature of the case study which in this chapter includes the transition between policy cycle one (1987-1996) and policy cycle 2 (1996 to 1998) enabled the researcher to give due consideration to research themes which were highlighted by Pettigrew et al (2001) in proposing theory. This included an attempt to researching the role of consultants in change as a continuous process, understanding temporal and situational questions associated with change, and a focus on maintaining momentum for change initiatives over time.

In the context of this **policy development and implementation phases** of this Policy Cycle, theory building themes were developed in Chapter 2. These Theory Building Themes were based on the literature gap identified, the analysis of existing theoretical constructs, and the case study context of this policy cycle phase. The Theory Building Focus of this Chapter is outlined below:

Table 6 1 Policy Cycle 2 Research Questions
Policy Cycle 2: The contribution that programme leadership consultants can make to the creation and maintenance of momentum for change programmes during a change in leadership of the host organisation, which adopts a strategic approach to change, and the implications for the client sponsor of the change programmes.

#	Theory Building Theme	Focus within Policy Cycle 2
CL	Leverage of the Consultants' Relationship with the Client	– How did Consultants develop and leverage their relationship with the client during the establishment and implementation of a strategic change programme to contribute to the maintenance of momentum for the change programme?
P&P	Power and Political Strategies Deployed by Consultants	– What power dynamics were leveraged by the Consultants to institutionalise, generate commitment and resource the strategic change programme and retain the deployment of consultancy services?
AD	Consultants' ability to Adapt over time	– How did Consultants adapt and what tactics did they deploy to contribute to the maintenance of momentum for the change programme in the event uncertainty which emanated from a change in leadership?
R&M	Resistance and Mitigation Strategies	Not applicable - The new strategic change programme addressed the key

	by Consultants	criticisms of the previous programme. Hence resistance at early stages was mounted at specific initiative level as opposed to programme level. Later stage resistance could not be researched due to change in Government.
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These Theory Building Themes guided a research process which is more descriptive than prescriptive, and which attempted to analyse a real world phenomenon rather than prescribe normative decision models. This phase of the case study is sub-divided in sections as presented in the table below:

Table 6 2 Chapter Overview

#	Sections	Purpose
6.2	An external review of the change programme commissioned by new client leadership and the resultant tactics by consultants	Case study analysis Theory analysis and building
6.3	Major reorganisation of change structures	Case study analysis Theory analysis and building
6.4	Relationship dynamics between the consultants and the senior sponsor and their implication on the change programme	Case study analysis Theory analysis and building

The researcher proceeded by carrying out a processual analysis of the case study guided by theory building focus 2. Each section of this chapter either provides contextual information which will inform theory building or presents a pre-structured sequential analysis of the case study followed by a theoretical analysis of existing theories wherein Theoretical Propositions are proposed.

It is emphasised that Theoretical Propositions were developed within the context of an analysis the case study and existing relevant literature, which has provided the foundations for theoretical understanding of what has already been achieved in the research domain. These Theoretical Propositions are categorised against the Theory Building Themes being explored and presented in table 6.1. The naming convention for the proposed theoretical propositions is as follows: <Theory Building Theme reference>/<Policy Cycle reference>/<Sequential Proposition Number>. Given the nature of the analysis it is recognised that when using the case study analysis, the above theory building focus will work best where it is tentative thus recognizing that they may be modified in light of issues and events discovered (Hartley, 1994). Hence the researcher anticipated to observe findings and formulate Theoretical Propositions which were not covered in the initial Theory focus scope. Such propositions will be classified as NA (Not Anticipated).

It is also emphasised that that this policy cycle is limited to examining the phenomenon within the research parameters of this policy cycle which have been defined in Chapter 2. Moreover, comparisons across Policy Cycle findings are not presented in this Chapter. This cross-Policy Cycle analysis and discussion is presented in the concluding Chapter 8.

6.2 External review of the change programme commissioned by new client leadership and the resultant tactics by consultants

On the 26th of October 1996 the Malta Labour Party (MLP) won the General Election with an absolute majority replacing the Nationalist Administration who were in power since 1987. Notwithstanding having an absolute majority the Labour Government only held a one seat parliamentary majority due to the structure of the electoral districts. Dr. Alfred Sant was sworn in as Prime Minister and can be described as a politician with extensive technical and managerial skills. The Prime Minister held a Diploma of the Institute International d'Administration Publique in Paris, an MBA from Boston University and a DBA from Harvard Business School. Prior to entering the mainstream politics he was also engaged as a Management Consultant.

During the 1992-1996 legislature the Labour Party then in opposition had strongly criticised the approach adopted by the Nationalist Administration to reforming the Public Service. The Labour Administration at the time claimed that the reform process was driven by expatriate consultants who had failed to deliver and had disenfranchised the senior public service. Alfred Sant argued that the reform lacked strategic orientation and noted that middle management was the "missing link" in the implementation process "dictated" by the "MSU elite" (Interview, Alfred Sant). Moreover as described in the previous chapter the Labour Party had also pledged to internalise the change programme and disband the MSU which was the structure which engaged expatriate consultants.

The new Prime Minister's strategy for the public service was to go down to basics and focus on the core business of Government - serving the citizen. Moreover in light of the Labour party's criticisms of the MSU, the Prime Minister was committed to restructure the operations of MSU. On 1st November 1996, the Prime Minister requested Alfred Mifsud (AM), a Labour leaning financial consultant to carry out a strategic review and assessment of the organization to evaluate the organization's strategies, operations, resource utilization, provision of value for money, top management, and to recommend measures to address effectiveness, transparency, efficiency and accountability in line with the Administration's electoral promises. The Review Consultant carried out the MSU Strategic Review and Assessment during November 1996.

This was the first time in the case study timeline that MSU's strategies, structure and management were assessed by an external agent. This stage of the case study also presented key events associated which will provide key insights in understanding the role of Consultants during a policy re-evaluation commissioned by new client leadership. More specifically this section 6.2 will present:

1. A pre-structured sequential analysis of this stage of the case study which included:
 - Behaviours of Consultants and MSU Senior Executives during review (6.2.1).

- The Findings of the External Review (6.2.2).
 - No Influential Networks, Lack of Political Support and Lost Power (6.2.3).
 - The role of the Consultancy Division in the formulation of proposals to establish a new operating model for reform (6.2.4).
2. Section 6.2.5 proceeds by presenting a theoretical analysis of this stage of the case study within the context of existing relevant literature, which has provided the foundations for developing Theoretical Propositions associated with the respective theory building themes (as per reproduced table below).

Reproduced Table 6 1 Policy Cycle 2 Research Questions

Policy Cycle 2: The contribution that programme leadership consultants can make to the creation and maintenance of momentum for change programmes during a change in leadership of the host organisation, which adopts a strategic approach to change, and the implications for the client sponsor of the change programmes.

#	Theory Building Theme	Focus within Policy Cycle 2
CL	Leverage of the Consultants' Relationship with the Client	– How did Consultants develop and leverage their relationship with the client during the establishment and implementation of a strategic change programme to contribute to the maintenance of momentum for the change programme?
P&P	Power and Political Strategies Deployed by Consultants	– What power dynamics were leveraged by the Consultants to institutionalise, generate commitment and resource the strategic change programme and retain the deployment of consultancy services?
AD	Consultants' ability to Adapt over time	– How did Consultants adapt and what tactics did they deploy to contribute to the maintenance of momentum for the change programme in the event uncertainty which emanated from a change in leadership?
NA	Not Anticipated	Emerging Theoretical Propositions which were not covered in the initial Theory focus scope

The Theoretical Propositions are presented in section 6.2.5. These Theoretical Propositions are categorised against the Theory Building Themes being explored and presented in table 7.1. Theoretical Propositions which were not covered in the initial Theory focus scope will be classified as NA (Not Anticipated).

6.2.1 Behaviours of Consultants and MSU Senior Executives during review

MSU's senior management team was perceived as a united coalition with all coalition members enjoying superior benefits to those enjoyed in the public service. Unlike the senior public servants who were organized as a peer group coalition, MSU could best be described as a leader-empowered coalition with the coalition's power deriving from the leader's influences.

In this respect the Review Consultant emphasised that the Chairman was the dominant player within the MSU and emphasised that this status was derived from his relationships with the Office of the Prime Minister as evidenced below:

Before explaining the unsustainability of such a position I point out the dominant status which Mr. J. V. Tabone carved for himself within the company as its Chairman and Chief Executive. The Board Minutes are inundated with reference to cases where the Board was just being informed of decisions which Mr. Tabone would have taken in consultation with or at the instigation of the Office of the Prime Minister. The fact that the two other directors were themselves, for a long time, emissaries from the OPM rendered the Board of Directors, in the absence of independent non-executive directors, as a processor of decisions taken elsewhere. (Mifsud, 1996: 12, emphasis added).

During this review process, the loyalty of certain senior MSU consultancy executives may be called into question as, many of these executives sensed that blame associated with the reform process was going to be attributed to the Chairman of the MSU. As evidenced below various MSU executives criticised their Chairman during the review process:

Even in the Executive Committee Mr. Tabone is reported to have adopted a dominant role stifling free discussion among his key executives. The *doctoring of Executive Committee Meetings was also hinted at by Group Managers*, rendering these often unrepresentative of the actual proceedings at these meetings. (Mifsud, 1996: 12, emphasis added)

This seems to suggest that during the time of decline when the faith of their leader was known, some subordinate members of this leader-empowered coalition tended to disassociate themselves from their leader, his strategies and practices. This view is confirmed by statements made by certain MSU Group Managers with respect to recruitment of expatriates:

Most Group Managers express dissatisfaction with the performance of expatriates. In particular Technical infrastructure Group Manager maintains that 2 of the 3 expatriates in his department are there against his wishes. (Management Systems Unit, Strategic Review and Evaluation, 1996: 18)

Many group managers recruited with MSU were considered as management professionals and appointed on definite contracts. Notwithstanding that coalition behaviour was often evidenced among MSU's senior management, the lack of stability associated with such positions triggered political behaviour to ensure their survival.

6.2.2 The Findings of the External Review

The strategic review was very critical of MSU and noted that:

MSU is not short on report writing skills. How much what is reported relates to practice is a totally different matter. (Mifsud, 1996: 4)

The review also criticized MSU's high profile orientation and emphasized that this created divisions with the public service:

Right from inception MSU *positioned itself as a high profile organization* expected to bring about much clamoured for efficiency of the public service, an elusive objective of long-standing.

The high profile positioning is clearly evident from the *choice of Villa Portelli as its Head Office* ... the need to high profile the company made it choose Villa Portelli which was restored and refurbished at great expense to the Government's budget.

... But as a Head Office of an organization whose objective to reform the public service depended on it being accepted by Government departments, it was a bad choice. *It immediately created barriers between those who work in the comfort and luxury of rustic villas and the rest of the employees to be reformed who work at much inferior often unsuitable conditions*

... (MSU's annual reports) emphasized Villa Portelli as if it were the 'raison d'être' of the organization. (Mifsud, 1996: 7)

The report suggested that if MSU were doing a good job, it would have been a low profile support provider driving the change from within the public service. Mifsud defined MSU as a case study for excessive waste of resources and noted that a time for pause and reflection to re-think strategies was highly appropriate.

6.2.3 No Influential Networks, Lack of Political Support and Lost Power

Various MSU executives highlighted that the 1996 review by Alfred Mifsud was a whitewash which was meant to please the Prime Minister and address the political criticism levied by the Labour Party while in opposition on the roles and deployment of expatriate consultants, choice of office location and other criticisms. Political commitment had enhanced MSU consultants' power; however, it was also the new Prime Minister's commitment to restructure the public service reform framework that resulted in the MSU's demise. The change in Government resulted in the MSU Chairman losing his influential networks that permitted him to institutionalise the reform. Moreover, the Labour Administration had criticized MSU's operations while in opposition, thus leaving no ground for JVT to establish new coalitions. These factors resulted in the Chairman's loss of power.

Key MSU senior executives highlighted that the MSU Chairman had sold a vision to the previous political masters and was extremely able to leverage his networks to support the MSU's agenda. However in situations wherein he did not have this political support the Chairman floundered (Interview, Henry Alamango). This perspective was also noted by the Review consultant who stated that:

There is little doubt in my mind that most of the current problems facing MSU are the direct result of the inability of the current Chairman and Chief Executive Mr. J. V. Tabone to ground the company on sound commercial framework and instead relied almost exclusively on his influence with the former Prime Minister and his (the former Prime Minister's) Personal Assistant....

By over-using the power of his contacts with the OPM Mr. Tabone reduced MSU's acceptance within the other Ministries who felt often left out in the decision making process....

For this purpose I feel that once Mr. Tabone has lost his main strength (which was at the same time a corporate weakness) of having apparently unreserved support from the OPM I see no scope for the company's future to rely on the continued direction of Mr. Tabone. This would keep the

company based on the present unsustainable set up and will block the re-organization of which the company is in dire need. (Mifsud, 1996: 25-6, emphasis added)

The Chairman of the MSU resigned following the presentation of the Strategic Review and Evaluation of MSU on the 13th of November 1996. Interestingly Joseph R Grima, the Head of the Public Service and former Cabinet Secretary under the former Prime Minister was appointed Chairman on the 13th of November 1996. It is noted that the new Prime Minister adopted a bi-partisan approach to appointments wherein appointments were based on perceived merit. This was certainly a break with political traditions since independence. The rest of the Board of the MSU was also reconstituted and also included the review consultant and the concept of worker director was introduced.

6.2.4 The role of the Consultancy Division in the formulation of proposals to establish a new operating model for reform

The AM review noted the crowding of expatriate consultants in the Consultancy Group and criticised the Group Manager for having a poor grip on his department. However the review noted:

Indeed the Group Manager feels that the experiment to instigate change of mentality through an external organization like MSU is not working and *consultancy should ideally be internalised within the civil service provided it is part of a larger widely based and supported programme of reform of the civil service*. (Management Systems Unit, Strategic Review and Evaluation, 1996: 19)

The Group Manager of the Consultancy Division was David Spiteri Gingell (DSG), an individual involved in the reform from the onset when he was a Research Assistant within the PSRC / OR Secretariat and thus had close ties with JVT. Rather than criticizing the leadership of MSU as some other Group Managers may have done, DSG emphasised the need to internalise the consultancy structures within the structures of the Public Service. This recommendation was already put forward by DSG prior to the General Election and would also provided the review consultant with a clear recommendation which ensured that New Administration was seen as acting on their pre-election pledge whilst ensuring the survival of the Consultancy Group and its Maltese constituents as a whole rather than being split or reorganized (Interview, Henry Alamango). The recommendation of the review echoed DSG's views as evidenced below:

the new role of MSU is to be a base of IT competence to perform the necessary support to Government Departments. MSU should substantially reduce its Consultancy role which should be gradually internalised within the civil service and be integrated within a new wave to re-organize the civil service and render it more efficient. MSU cannot do this. (Management Systems Unit, Strategic Review and Evaluation, 1996: 12)

6.2.5 Theory Building

In sections 6.2.1 to 6.2.5 the researcher presented a pre-structured sequential analysis of this section of the case study which included:

1. Behaviours of Consultants and MSU Senior Executives during review (6.2.1).
2. The Findings of the External Review (6.2.2).
3. No Influential Networks, Lack of Political Support and Lost Power (6.2.3).
4. The role of the Consultancy Division in the formulation of proposals to establish a new operating model for reform (6.2.4).

The section follows this case study analysis and undertakes a theoretical analysis of this stage of the case study within the context of existing relevant literature, which has provided the foundations for developing **Theoretical Propositions** associated with the respective theory building themes (Policy Cycle 2 – Theory Building Focus).

Reproduced Table 6 1 Policy Cycle 2 Research Questions

Policy Cycle 2: The contribution that programme leadership consultants can make to the creation and maintenance of momentum for change programmes during a change in leadership of the host organisation, which adopts a strategic approach to change, and the implications for the client sponsor of the change programmes.

#	Theory Building Theme	Focus within Policy Cycle 2
CL	Leverage of the Consultants' Relationship with the Client	– How did Consultants develop and leverage their relationship with the client during the establishment and implementation of a strategic change programme to contribute to the maintenance of momentum for the change programme?
P&P	Power and Political Strategies Deployed by Consultants	– What power dynamics were leveraged by the Consultants to institutionalise, generate commitment and resource the strategic change programme and retain the deployment of consultancy services?
AD	Consultants' ability to Adapt over time	– How did Consultants adapt and what tactics did they deploy to contribute to the maintenance of momentum for the change programme in the event uncertainty which emanated from a change in leadership?
NA	Not Anticipated	Emerging Theoretical Propositions which were not covered in the initial Theory focus scope

The section proceeds by proposing Theoretical Propositions which are also categorised against the Theory Building Themes being explored.

Consultancy tactics during a policy re-evaluation commissioned by new client leadership

Binding political commitment had enhanced the MSU consultants' power during the policy formulation and implementation stages of policy cycle one. However during policy cycle one the Labour Party then in opposition had publically pledged to wind down the MSU consultancy structures when elected. In this respect, binding commitment proved to be a two edged sword for the Consultants, with the new Labour Government committed to restructure the public service change programme and the role on consultants in the programme.

The change in Government resulted in the leader of the consultancy organisation (MSU Chairman) losing his influential networks that permitted him to institutionalise the reform. Moreover, the Labour Administration had criticized MSU's operations while in opposition, thus leaving no ground for the leader of the consultancy organisation to establish new coalitions. The outcome of the review of the MSU's operation also made the position of the leader untenable.

MSU's leadership team was perceived as a united coalition with all coalition members enjoying superior benefits to those enjoyed in the public service. Unlike the senior public servants who were organized as a peer group coalition, MSU could best be described as a leader-empowered coalition with the coalition's power deriving from the leader's influences (as described during policy cycle one).. From the case study analysis it is evident that different members of the MSU leadership team exhibited different behaviours and political tactics during the early stages of the Labour Administration, when a strategic review of their operations was being undertaken: In this respect:

1. The loyalty of certain senior MSU consultancy executives may be called into question as, many of these executives sensed that blame associated with the reform process was going to be attributed to the Chairman of the MSU. This seems to suggest that during the time of decline when the faith of their leader was known, some senior members of this leader-empowered coalition tended to disassociate themselves from their leader, his strategies and practices.
2. Other executives particularly the expatriates sensed that the political commitment to terminate their engagements was too strong and did not engage in any politics to justify their roles going forward.
3. Some other executives focused on ensuring the survival of their teams and finding ways to shape the restructuring of the consultancy structures with a view to sustain the momentum for change whilst also addressing some weaknesses associated with the previous structure. In this respect the executive head of the consultancy division did not focus on criticizing the leadership of MSU but rather emphasised the need to internalise the consultancy structures within the structures of the Public Service. This recommendation was already put forward prior to the General Election and would also provided the review consultant with a clear recommendation which ensured that New Administration was seen as acting on their pre-election pledge whilst ensuring the survival of the

Consultancy Group. This recommendation was also supported by the senior public service. Moreover this strategy is consistent with Meyer and Rowan (1977) argument that an organisation's chances of survival are higher if they conform to the values of the institutional environment. Conformity to such externally prescribed values gives these organisations legitimacy and is thus less likely to be scrutinised by external bodies (Meyer and Scott. 1983). This also provides stability and predictability (Meyer and Rowan, 1977). Moreover, Amis *et al* concluded that "organisations that contained members who held values congruent with the prescribed changes were able to successfully engage in the transition process" (2002: 436).

In the context of this study within a policy re-evaluation stage it is being posited that:

Theoretical Proposition CL-2-1.0: Criticism directed towards the consultants by the new client sponsor while in a previous role creates an environment where in, the position of the lead consult is untenable.

Theoretical Proposition AD-2-1.0: In a leader-empowered consultancy coalition, when the leader who is the prime power source of the coalition is perceived to be losing power as a result of a change in client leadership, the constituent members of the coalition are likely to adopt a serious of tactics, which may include:

- Politics of disassociation where they disassociate themselves from the leader's strategies, decisions and behaviour, if they sense an opportunity to secure a role going forward.
- No politics if the members sense that it is improbable that they will secure a role going forward.
- Recommend pragmatic proposals to shape their future engagement and sustain the momentum for change whilst also addressing the perceived weaknesses.

6.3 Major reorganisation of change structures

Following the review of the MSU, the restructuring process was initiated to separate the Management Consultancy Group from the Information Technology structures. This was implemented by carving out the Consultancy Division and migrating it as a Unit within the Office of the Prime Minister The remaining IT components of the MSU were retained as a separate legal entity and renamed as Malta Information Technology and Training Services Limited (MITTS). MITTS was repositioned as an IT facilities management provider in line with the Administration's policy. This stage of the case study also presented the Consultancy group with its first test engagement with the Prime Minister and a major test of its capability. More specifically this section 6.3 will present:

1. A pre-structured sequential analysis of this stage of the case study which included:
 - Re-structuring and re-positioning of IT structures into a facilities management provider (6.3.1);
 - Organisational and Management Review of the Police Force: A capability test for the consultancy group (6.3.2).

2. Section 6.3.3 proceeds by presenting a theoretical analysis of this stage of the case study within the context of existing relevant literature, which has provided the foundations for developing Theoretical Propositions associated with the respective theory building themes (as per reproduced table below).

Reproduced Table 6 1 Policy Cycle 2 Research Questions

Policy Cycle 2: The contribution that programme leadership consultants can make to the creation and maintenance of momentum for change programmes during a change in leadership of the host organisation, which adopts a strategic approach to change, and the implications for the client sponsor of the change programmes.

#	Theory Building Theme	Focus within Policy Cycle 2
CL	Leverage of the Consultants' Relationship with the Client	– How did Consultants develop and leverage their relationship with the client during the establishment and implementation of a strategic change programme to contribute to the maintenance of momentum for the change programme?
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AD	Consultants' ability to Adapt over time	– How did Consultants adapt and what tactics did they deploy to contribute to the maintenance of momentum for the change programme in the event uncertainty which emanated from a change in leadership?
NA	Not Anticipated	Emerging Theoretical Propositions which were not covered in the initial Theory focus scope

The Theoretical Propositions are presented in section 6.3.3. These Theoretical Propositions are categorised against the Theory Building Themes being explored and presented in table 6.1. Theoretical Propositions which were not covered in the initial Theory focus scope will be classified as NA (Not Anticipated).

6.3.1 Re-structuring and re-positioning of IT structures into a facilities management provider

Soon after the publication of the Review of MSU, Manwel Micallef was appointed as the new CEO of the new IT organisation, MITTS. This was considered a repertory appointment given that the Employment Commission had ruled that the former Nationalist Prime Minister had discriminated against Mr Micallef in

the process which resulted in the appointment of a new Head of Information Systems for the MSU. Mr Micallef was the Head of the Government Computer Centre when the MSU was established.

The mandate for the new IT organisation was to:

- Provide IT consultancy services to Government;
- Deliver information systems and provide all related services;
- Develop skills through knowledge transfer, as well as through formal and on-the-job training;
- Re-engineer the business of Government through the introduction of Information Technology, where necessary;
- Establish and maintain an Information Technology Infrastructure for the Government of Malta, and
- Promote a culture of IT awareness within the Civil Service.

(Management Systems Unit Limited / Malta Information Technology and Training Services – 1997 Business Plan: 1).

On a positive note MITTS introduced discipline and project controls which many argued were not robust enough within the MSU structures (Interview, Henry Alamango). However over the first year of its existence, the role of the new IT structure was no longer focused on change and reform and was relegated to being an IS service provider that focused on providing a service as requested by the Public Service to quality, budgets, timelines and client requirements (Interview, Ray Navarro). In this respect emerging strategies outlined in the Information Systems Strategic Plan such as Government-Online were no longer priorities (Interview, Philip Micallef). MITTS focused on maintaining existing systems and on service delivery. Moreover the focus during 1997 was on expatriate phase-out, replacement of foreign senior executives by locals and relinquishing the use of its prestigious Head Office to the national investment promotion agency (MSU / MITTS 1997 Business Plan: 5). Moreover key executives which remained loyal to the former Chairman of MSU left MITTS.

The initial intent was to ensure that MITTS provided an adequate service to the Public Service. In this respect, Joseph R. Grima, Permanent Secretary within the Office of the Prime Minister was appointed as Chairman of MITTS. However the relationship between the new CEO and Chairman was not good. The situation was so precarious that in some instances two executive committee meetings were held: one with the CEO and one with the Chairman (Interview, Ray Navarro). Many former Consultants also argued that the separation of IT from Consultancy resulted in the IT side losing the capability for business analysis and change management which reinforced the status of the new IT organisation as a service agency as opposed to a driver for change (Interview, Patrick Vella). Initially it was envisaged that MITTS would continue to work in close collaboration with the Consultancy Group. Some joint coordination was evidenced during the early stages; however this was not followed through during this period (Interview, Ray Navarro).

It is also highlighted that strategic IT initiatives which were considered as enablers for the Public Service reform were not driven by MITTS but rather assigned to the Consultancy Unit. For instance the

commissioning of the Information Systems Strategic Plan was assigned to the Consultancy Unit by Minister Leo Brincat (Interview, Victor Camilleri).

In light of these developments, the various political processes which surrounded MITTS during this policy cycle will not be analysed further given that MITTS did not exert major influence on shaping public service policy. This decision was reinforced by an analysis of the Project Initiation Documents for MITTS projects in 1997 which confirmed that MITTS became a technology focused organisation and its projects were not central to Public Service reform (vide table below):

Table 6 3 MITTS Projects in 1997

Department	Projects
Office of the Prime Minister	Human Resource Information Management System Electronic Mail – corporate wide Common database programme Passport Issuance System Police Incident Reporting Customer Service Improvement Projects
Ministry of Education and National Culture	Schools Information System Libraries Information System
Ministry of Foreign Affairs and the Environment	International Communications Link Project
Ministry for Social Welfare	Management of Social Security Benefits
Ministry for Economic Affairs and Finance	Departmental Accounting System Revenue 2000 – Current Inland Revenue System; Final Settlement System; Taxpayer History; Taxpayer Management; Company Taxation; Infrastructure Implementation; Business Process Reengineering
Ministry of Justice and Local Councils	Law Courts Computerisation Land Registry Archives Public Registry Archives System Notary to Government Archives System
Ministry of Agriculture and Fisheries	Pitkali Point of Sale System
Ministry of Health, Care of the Elderly and Family Affairs	Healthcare Information System – Patient Administration System Blood Transfusion System Government Pharmaceutical Services
Internal	Asynchronous Transfer Mode Backbone Network Disaster Recovery

Only two projects appear in the portfolio of projects above which may be associated with Public Service Reform. However upon closer examination of the documentation it is noted that these initiatives were not major business change initiatives and were:

- the Customer Service Improvement Projects – Non-strategic IT productivity improvement, i.e. “local, self-contained, PC-based applications designed to help public servants improve service to the public” (Customer Service Improvement Project Description Form).

- Revenue 2000 – Business Process Reengineering which focused “to develop and design a replacement Tax Collection System namely the Final Settlement System (FSS) for the Pay As You Earn (PAYE) System” (M258G-Revenue 2000- BPR Project).

The focus of the rest of the analyses is on the role of the Consultancy Unit which was migrated into the Office of the Prime Minister.

6.3.2 Organisational and Management Review of the Police Force: A capability test for the consultancy group

All key stakeholders recognised that the IT structures were a critical resource base for the Public Service. However a lot of anxiety surrounded the management consultancy group within MSU, given the lack of support for consultants from within the senior public service and the Labour party. Various consultants noted that they initially spent three inactive months at Villa Portelli in Kalkara following the September 1997 election (Interview, Ray Navarro) while the Prime Minister was considering options on how to approach the Public Service reform. However it was evident that the new Prime Minister was interested in policy reform (Interview Alfred Fabri, Interview). This view was shared by the Head of the Consultancy Division who at the time believed that although he would not survive the change in Administration, the Unit would survive in some shape or form and noted that Alfred Sant would need the tools and resources to deliver (David Spiteri Gingell, Interview).

Following the strategic review of MSU, the Prime Minister commissioned David Spiteri Gingell, the Group Manager of Consultancy Unit to undertake an organizational review of the Malta Police Force. This was considered by the Consultants as a test of their ability to deliver and the survival of the unit in its entirety depended on the outcome of the engagement (Interview, Helga Pizzuto). The review was commissioned on the 19th of December 1996, when most staff were going on vacation leave through the Permanent Secretary within the Office of the Prime Minister. Moreover the Prime Minister also requested that the review be completed within a ten day timeframe and submit the report directly to the Prime Minister. David Spiteri Gingell identified Robert M Silver who was considered as a leading expatriate Consultant to support him in delivering the engagement.

The Consultants delivered the engagement within a ten working day timeframe wherein:

- Interviews to identify issues and discuss possible recommendations were held with the Commissioner of Police, the Deputy Commissioner of Police and officers in the rank of Assistant Commissioner. In specific instances meetings were also held with Superintendants responsible for the key functions.
- A quick review of a number of police officers was carried out.
- Discussions were also held with the Chief Justice, the Attorney General and the Principal Assistant Registrar at the Law Courts.

- Key reports on the organisation and workings of the Malta Police Force were reviewed as well as official Government Publications where appropriate.
- The Review Team conducted research on the internet and in some instances, contacted police forces in other jurisdictions with a view to learning and obtaining from them approaches which being modified to reflect local circumstances, could be beneficial to Malta.

(Organisational and Management Review of the Malta Police Force, MSU, January 1997.

Notwithstanding the tight timeframes the Consultants also issued a draft of the review to the Commissioner for comments prior to submission to the Prime Minister (Interview, David Spiteri Gingell). The Consultants identified issues on: Legislation; Strategy and Planning; Control and Accountability; and Operational Management. The Consultants also made 78 recommendations which spanned structural changes, legislative changes, management change and IT. In essence it involved a fully fledged change programme. It is noted that the Prime Minister was surprised at how the team had delivered such a quality review within ten working days (David Spiteri Gingell; Alfred Sant, Interviews). Moreover the handling of the project and Police stakeholders proved to be of significant importance for the future role of the Consultancy Division.

Moreover further to “consultations with the General Public, Local Councils and all members of the Police Force and the audit of the Report by an Overseas Development Administration (ODA) police expert, the recommendations were, in the main accepted by Government” and “implementation, under the direction of a Steering Committee, led by the Commissioner of Police was initiated in May 1997” The Consultancy Unit was “tasked, on behalf of the Commissioner and the Office of the Prime Minister to facilitate implementation” (Parliamentary Question 1790/9/1. Management Efficiency Unit Programme of Works, 30 November 1998: 10).

Following, this event, the Consultancy Division was migrated from MSU to the Management and Personnel Office within the Office of the Prime Minister and renamed Management Efficiency Unit (MEU). A key senior public servant who occupied the post of Permanent Secretary at the time noted that the split of MSU into the Consultancy (MEU) and IT (MITTS) was a natural progression (Interview, Alfred Fiorini Lowell). Following the Police Force review the consultancy structures continued to support change for the Labour Administration. Moreover it was noted that the Unit survived because it was important to the change process and the Prime Minister required capable resources to support the Government’s agenda (Alfred Fiorini Lowell, Interview). Soon after, MEU reported directly to the Permanent Secretary OPM and Head of the Public Service. This is compliant with the reporting structures of modernization units established in other Commonwealths countries.

6.3.3 Theory Building

In sections 6.3.1 and 6.3.2 the researcher presented a pre-structured sequential analysis of this section of the case study which included:

- Restructuring of IT Structures (6.3.1);
- Organisational and Management Review of the Police Force: An opportunity for a momentum push (6.3.2).

The section follows this case study analysis and undertakes a theoretical analysis of this stage of the case study within the context of existing relevant literature, which has provided the foundations for developing **Theoretical Propositions** associated with the respective theory building themes (Policy Cycle 2 – Theory Building Focus).

Reproduced Table 6 1 Policy Cycle 2 Research Questions

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NA	Not Anticipated	Emerging Theoretical Propositions which were not covered in the initial Theory focus scope

The section proceeds by proposing Theoretical Propositions which are also categorised against the Theory Building Themes being explored.

Survival of the IT organisation as a facilities management provider

In the context it is evident that the techniques adopted by the Consultants to engineer a Public Service dependency on the IT Consultancy structures were effective and the IT structure survived as a facilities management structure. However in line with the new leadership's vision the new structure did not take the form of a consultancy organisation. This was confirmed by an analysis of its projects portfolio. Hence the IT structures were not examined further within the context of this case study.

Exceeding expectations in their first consultancy engagement for the new senior sponsor

During this section of the case study the consultants carried out the first engagement assigned by the new Prime Minister. The engagement was a ten day strategic review of the Malta Police Force, which was considered by the Consultants as a test of their delivery capability. It is also noted that the Consultants were unfamiliar with the operations of the Police Force. In this respect, Simmel's (1992) argued that when consultants enter an organisation they are not familiar with organisational routines. Hence the actions of consultants will be a disturbance to the organization's routines. However from the case study analysis it was evident that the Consultancy team handled stakeholders effectively and under tight timeframes even issued the draft report for their feedback prior to submission to the Prime Minister. It was also noted that the Consultants understood the importance of the first client engagement and assigned the best resources. The Prime Minister was surprised at how the team had delivered such a quality review within ten working days. The recommendations were, in the main accepted by Government and the Consultants were requested to mobilise a team to facilitate implementation. Moreover the stakeholder engagement with the Police Force stakeholders was also commended. Following the Police Force review the consultancy group continued to support change initiatives for the Labour Administration. Moreover it was noted that the services of the consultancy group were retained because it provided the Prime Minister with a pool of capable resources to support the Government's agenda.

In the context of this study within a policy re-evaluation stage it is being posited that:

Theoretical Proposition CL-2-2.0: Consultancy groups perceive the first engagement commissioned by a new senior client, as a critical enabler to deliver future consultancy services. Hence the Consultants are likely to assign the best resources to the first engagement with the objective to exceed client expectations and increase the likelihood of future engagements.

6.4 Relationship dynamics between the consultants and the senior sponsor and their implication on the change programme

Senior public servants noted that there was a fundamental change to the philosophy of the public service reform adopted by the new Administration. The new Prime Minister provided an impetus to change and adopted a focused approach to reform wherein the emphasis was on Departmental level change as opposed to corporate wide initiatives (Interview, Peter Gatt). This was evidenced throughout this policy cycle (1996-1998 legislature) when law and order were the first to be tackled (e.g. Police modernisation programme), followed by Health and Education reviews. It is also important to note that the Government was also facing a massive budget deficit challenge which was inherited from the Nationalist Administration (Government Estimates, 2007)

Prior to the split of the MSU, senior public servants had little control on the reform process. Subsequently, the Consultancy Group (referred to as the MEU) reported to the Permanent Secretary within the Office of the Prime Minister. However organizational reporting structures may be misleading in analysing power relations and organizational politics as evidenced from the analysis in section 7.4.1 below.

More specifically this section 6.4 will present:

- 1. A pre-structured sequential analysis of this stage of the case study which provides interesting insights into how and why consultants developed a strong relationship with a new senior sponsor (the new Labour Prime Minister) and how this relationship translated into sustained momentum for change initiatives within a strategic change context (section 6.4.1).
- 3. Section 6.4.2 proceeds by presenting a theoretical analysis of this stage of the case study within the context of existing relevant literature, which has provided the foundations for developing Theoretical Propositions associated with the respective theory building themes (as per reproduced table below).

Reproduced Table 6 1 Policy Cycle 2 Research Questions

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NA	Not Anticipated	Emerging Theoretical Propositions which were not covered in the initial Theory focus scope

The Theoretical Propositions are presented in section 6.4.2. These Theoretical Propositions are categorised against the Theory Building Themes being explored and presented in table 6.1. Theoretical Propositions which were not covered in the initial Theory focus scope will be classified as NA (Not Anticipated).

6.4.1 Analysis of Consultancy Relationship Management directed towards the Prime Minister and the Senior Public Service

Soon after the Police Force report was published the Prime Minister requested an additional assignment. The MSU developed a scoping document and estimated 50 working days to deliver it. The Prime Minister called DSG to understand why the Consultants had estimated 50 working days for a project which was less complex than the Police Force Review. The Prime Minister was perplexed and even asked DSG whether “he was mad”. DSG highlighted that the resources who would deliver this project were recent graduates and that the project required to be subjected to a Quality Assurance process. DSG also emphasised that he was responsible for the decision on the scoping and no one else. With the benefit of hindsight DSG claimed that this incident was key in winning the Prime Minister’s confidence who was reassured that DSG could live with his decisions (David Spiteri Gingell, Interview).

At the time DSG was still unsure whether his position was tenable and had been seeking opportunities in the international advisory market and was offered a job to set up an Efficiency Unit in India and requested unpaid leave. The Prime Minister called DSG and asked him what he was doing and why. DSG emphasised that he did not want to stay on sufferance. The Prime Minister emphasised that he was not on sufferance and DSG told him that this was the first time he heard this, since the Strategic Review authored by Alfred Mifsud had labelled him as “incompetent”. The PM asked he to stay and DSG accepted (David Spiteri Gingell, Interview).

Over time DSG became the Prime Minister’s trusted advisor. He also played a role in designing the new infrastructure for the reform of the Public Service and the new agenda for change. In this respect, DSG supported the new Cabinet Secretary, Joseph Zammit and the Prime Minister to establish three Cabinet Sub-Committees to support the change within the Public Service. The Prime Minister was a technocrat and

adopted very hands on approach to Public Administration. He also held the view that the reform programme should be supported by structures from within the Public Service which carried a low profile. During the interviews, the Prime Minister noted that the Ministry of Finance and the Management and Personnel Office, did not have enough clout to undertake unpopular tasks thus requiring Cabinet Structures. Three Cabinet Committees were established relating to: Financial Control; Efficiency; and Recruitment – all of which reflect the main contingency variable, i.e. the adverse financial situation and budget deficit. Moreover, MEU also provided resources to support these structures and enabled the Prime Minister to adopt a portfolio and programmatic approach to delivery.

The Consultancy Group (MEU) was represented in these committees which ensured that the Unit was positioned to major strategic projects (Interview, Peter Gatt). This also enabled more cooperation in developing proposals in collaboration with Public Service departments which wanted to ensure that the departments were portrayed in a good light to Cabinet Committees (Interview, Helga Pizzuto).

It is also noted that DSG and the PM developed an excellent working relationship with the Prime Minister calling DSG as frequently as three times a day and meetings held as frequently as four times a week. Over time it was evident that DSG became the Prime Minister's trusted advisor (Interview, David Spiteri Gingell). In this respect any attempts by Government agencies to recruit DSG were stopped by the Prime Minister (e.g. Chairman of Planning Authority seeking to recruit DSG: Interview, Alfred Fabri).

It was also highlighted that the relationship between the MEU and Permanent Secretaries was also good. There was a clear recognition that the MEU was supporting the PM's agenda and that the PM meant business (Peter Gatt, Interview). This view was also reinforced by former Permanent Secretaries at the time who noted that Alfred Sant was also focused on driving change and that if he had more time in Government, more reform programmes would have been implemented (Interview, Alfred Fiorini Lowell). More importantly the leader of the consultancy group also maintained an excellent working relationship with the Permanent Secretary, OPM who he formally reported to. In this respect MEU also supported various engagements sponsored by the Permanent Secretary. Moreover DSG always copied JRG in all correspondence with the Prime Minister and ensured that he was never portrayed as a threat to the Permanent Secretary (Interview, David Spiteri Gingell).

In this respect the Permanent Secretary, OPM recognised that that MEU which formally reported to him was then doing very useful work but also noted that it had to a certain extent been hijacked by the Administration on Government priority projects (Interview, Joseph R Grima). However the relationship between JRG and DSG was considered as one of mutual respect.

The leader of MSU had repositioned the Constancy Group as supporting both the policy functions of the Office of the Prime Minister as well as providing support to public service change (Interview, DSG).

The Prime Minister knew that within Consultancy Group (MEU) there was a good mix of skills which enabled the Public Service to put in place a team rapidly to carry out specific jobs. This was to an extent efficient and convenient for the Prime Minister (Interview, Helga Pizzuto). MEU's power source and legitimacy as an organization lied in such resource capabilities and skills. Given the absence of these skills in the public service, the Government became resource dependent on MEU for undertaking priority projects. Moreover, these capabilities were recognized as important to the Prime Minister given his business administration and consultancy orientation.

This position enabled the leadership team to the Consultancy Group (MEU) to invest in its best management trainees and Consultants. Many young management trainees were also thrown into the deep end of major business change initiatives and delivered (Interview, Peter Gatt; Helga Pizzuto). Moreover the tempo and momentum of the change initiatives facilitated by the Consultants was also accelerated and this was surprising even to the Head of the Consultancy Group who acknowledged that "we were using kids" (Interview, David Spiteri Gingell). This may be attributed to a highly motivated team wherein young consultants were provided the opportunity to learn from good quality consultants and were rewarded for good performance (Interview, Helga Pizzuto). It is also noted that many of the management trainees were promoted during this period (Interview, Peter Gatt). In this respect while it was Government policy to phase out the deployment of expatriate consultants, the leader of the Unit retained the top expatriates during the 1996-1998 period to enable mentoring and knowledge transfer to the younger cadre (Interview, David Spiteri Gingell).

The clear focus provided by the Prime Minister on key priorities such as Police, Health and Education together with the work emanating from sub-committees and major Government projects enabled the Consultancy Group to position itself as Government's key policy adviser and implementation facilitator (Interview, Helga Pizzuto). This is evident from the table below which highlights the wide ranging projects portfolio delivered by Consultants which ranged included corporate initiatives, operations and strategic reviews, management and HR audits, delivery initiatives, the Police modernisation programme, support to key Government decision making forums and committees.

Table 6 4 MEU's Consultancy Projects Portfolio

Corporate Initiatives	Operations Reviews	Strategic Reviews	Management Audits
<p>Developed a policy paper on transfer procedures for the MPO (Transfers Policy for Public Servants, December 1997);</p> <p>Analysis of industrial, supervisory and technical grades (May 1997);</p> <p>Reengineered human resources processes with respect to probation, selection methods and merit awards (February 1998);</p> <p>Initiated the development of an Information Systems Strategic Plan;</p> <p>Launched the cross-Departmental Service-Quality Charter Initiative at the Lands Registry, Floriana Health Centre and the Department of Licensing and Testing (August 1998) but not in time to launch by Labour Government.</p> <p>Support to the MPO in organising Public Service week (July 1997) and other public service promotion events.</p> <p>Led an Accruals Management Review which was presented to the Cabinet Committee on the Financial Control of the Public Service (August 1998).</p> <p>Supported government in the transfer of staff and functions to Gozo and also supported the migration (May 1998).</p>	<p>Attorney General's Office (September 1997);</p> <p>Foreign Affairs Division (May 1998); Ministry of Housing (April 1997);</p> <p>Operational Review for the Decentralisation of School Management (May 1998); Customs Division (June 1998);</p> <p>Environmental Protection Department (June 1998)</p>	<p>Department of Social Security (July 1998);</p> <p>Development of a Strategic Framework for the Ministry of Education and National Culture (July 1998);</p> <p>Management Structure for National Commission for Information Technology (July 1997);</p> <p>Institute of Tourism Studies (February 1997);</p> <p>Department of Fair Competition (June 1998);</p> <p>Department of Consumer Affairs (June 1998);</p> <p>Department of Trade (July, 1998);</p> <p>National Aquaculture Centre (November 1997);</p> <p>Pitkali Agricultural Market (April 1998);</p> <p>Department of Fisheries and Aquaculture (January 1998).</p>	<p>Malta Council for Science and Technology (February 1998);</p> <p>Programme Evaluation of the Foundation for International Studies (February 1998);</p> <p>National Swimming Pool Complex (May 1998);</p> <p>Mediterranean Conference Centre (February 1997).</p> <p>HR Audits: Civil Aviation, August 1998; Health Division, August 1998; etc</p>

Delivery Initiatives	Police Modernisation Programme	Roles in Key Committees	Support to Key Government Decision Making
<p>Supporting both feasibility stages (March 1997) and subsequently the post-implementation audit (new concept) of Child Care Centres at Kalkara.</p> <p>Implemented a Customer Care Centre for the Ministry of Housing (April 1997) and re-organisation of Customer Care at the Ministry of Education and National Culture; One-stop Shop at the Examinations Centre (September 1998);</p> <p>Schools rehabilitation management contract (July 1997) implemented; organisational development of the Works Efficiency Department (July 1998)</p> <p>Reengineering of Inland Revenue Cash Office; Department of Citizenship and Expatriate Affairs, Review of Residence Permits process (May 1997)</p> <p>Various change management programmes (e.g. Institute for Tourism Studies in 1997/8)</p>	<p>Review of Shifts in Police Districts and endorsed by Commissioner (October 1998).</p> <p>Review of Academy of Criminal Justice (November 1997) and Forensic Science Laboratory (July 1998);</p> <p>Corradino Correctional Facility (February 1998);</p> <p>Review and implementation of Police recruitment selection methods (December 1997)</p> <p>Reengineering of Personnel section (November 1997);</p> <p>Weapons registration office (May 1998);</p> <p>Central Immigration Office (September 1997)</p> <p>MEU also designed the recruitment strategy for Inspector Cadets and assisted with selection and interviewing process (January 1998)</p> <p>Facilitated the change leading to the civilianisation of the Passport Control Office (June 1998);</p> <p>Supported delivery (for instance, constitution of Internal Affairs Unit, July, 1998);</p> <p>Developed draft proposals for a Police Act (January 1998)</p>	<p>Core member of all Cabinet Sub-Committees and played a key role in shaping the agenda of these Committees.</p> <p>Consultant to Inter-Ministerial Committee on Local Council Contracts tasked to look at how the Public Service could become more competitive in winning service contracts with Local Councils.</p> <p>MEU Consultant served as Deputy Chairperson of the Co-ordinating Commission against Drug and Alcohol Abuse.</p> <p>Represented the Ministry of Education and National Culture on the Management Committee of the BOVI Heritage Trust.</p>	<p>Housing policy and planning – submitted a draft policy paper and recommendations relating to a planning process (August 1998) – to late before general election to implement.</p> <p>Feasibility study for a major housing plan in Pembroke (February 1998).</p> <p>An assessment of the MIDI Consortium Proposal submitted by Government with respect to the development of Manual Island and Tigne Point (July 1997). Following 1996 change in Government the negotiations team was reconstituted and the MEU continued to support this Committee.</p> <p>Supported the Department of Citizenship in articulating a draft bill addressing such matters as marriage of convenience and dual citizenship (White Paper was published by Government in August 1998).</p> <p>Investment assessment on options open to the Government on the future role of Malta's New Hospital (August 1998).</p>
Source: Review of MEU's Project Initiation Documents and Terms of Reference for period 1996-1998.			

The above portfolio of projects was delivered within a period of circa 15 months, which demonstrates the momentum for change which existed during this period. It is also noted that the role of Consultants was more related to focused delivery to address Government priorities. The scale of the implementation of change initiatives is more impressive if one compares it against the baseline of management consultancy initiatives which were delivered by MSU prior to the change in Administration. As evidenced from MSU review documentation these initiatives were limited to:

- Continued support to the Management and Personnel Office and Ministries in the implementation of various human resource projects.
- Support to Education Division in the establishment of a Human Resources Branch.
- Operations Reviews – Ministry of Economic Services; Department of Lands; Drainage Department; Aquaculture Department and Ministry for Gozo.
- Change Management Programmes – Libraries; Museums; Education Division; Central Office of Statistics.
- Customer Care Projects – Gzira Health Centre; Birkirkara Police District; Licensing Department.
- Continued support to Local Councils Programme – design and implementation of wardens system; accruals accounting in Local Councils; Local Councils Procedures; Service Contracts.
- Local Environment Embellishment Project including the preparation of Environmental Audits to all Councils.

6.4.2 Theory Building

In policy cycle one the Consultants formulated a radical change programme and set out the agenda for change and sought buy-in from the Prime Minister. From the analysis of this section of the case study a strategic change typology was observed in policy cycle two, rather than a radical change typology evidenced in policy cycle 1. This involved an evolutionary change programme which focused on priorities defined by the Prime Minister on key priorities such as Police, Health and Education together with the initiatives emanating from Cabinet sub-committees. This required a different approach to sustain momentum for change by the Consultants. Strategic change may be described as a process of logical incrementalism, involving both planned and evolutionary processes (Quinn, 1980).

In sections 6.4.1 the researcher presented a pre-structured sequential analysis of this section of the case study which provided interesting insights into how and why consultants developed a strong relationship with a new senior sponsor (the new Labour Prime Minister) and how this relationship translated into sustained momentum for change initiatives within a strategic change context.

The section follows this case study analysis and undertakes a theoretical analysis of this stage of the case study within the context of existing relevant literature, which has provided the foundations for developing **Theoretical Propositions** associated with the respective theory building themes (Policy Cycle 2 – Theory Building Focus).

Reproduced Table 6 1 Policy Cycle 2 Research Questions

Policy Cycle 2: The contribution that programme leadership consultants can make to the creation and maintenance of momentum for change programmes during a change in leadership of the host organisation, which adopts a strategic approach to change, and the implications for the client sponsor of the change programmes.

#	Theory Building Theme	Focus within Policy Cycle 2
CL	Leverage of the Consultants' Relationship with the Client	– How did Consultants develop and leverage their relationship with the client during the establishment and implementation of a strategic change programme to contribute to the maintenance of momentum for the change programme?
P&P	Power and Political Strategies Deployed by Consultants	– What power dynamics were leveraged by the Consultants to institutionalise, generate commitment and resource the strategic change programme and retain the deployment of consultancy services?
AD	Consultants' ability to Adapt over time	– How did Consultants adapt and what tactics did they deploy to contribute to the maintenance of momentum for the change programme in the event uncertainty which emanated from a change in leadership?
NA	Not Anticipated	Emerging Theoretical Propositions which were not covered in the initial Theory focus scope

The section proceeds by proposing Theoretical Propositions which are also categorised against the Theory Building Themes being explored.

Consultants secure client support by demonstrating delivery competence

Harding (1992) described the consulting change engagement in sequential phases involving entering, contracting, diagnosing, intervening, evaluating and sustaining change. Entering an organisation is recognised as one of the most difficult tasks faced by external consultants (Harding, 1992) who come from outside an organisation for the duration of an engagement (Kleiner, 1992). The importance of external consultants managing their entry and exit processes was also emphasised by Kaarst-Brown (1999). Such further work or sell on is essential part of the consulting business (Rassam and Oayes, 1991). Earlier in this section the researcher also posited Theoretical Proposition CL-2-2.0: *Consultancy groups perceive the first engagement commissioned by a new senior client, as a critical enabler to deliver future consultancy services. Hence the Consultants are likely to assign the best resources to the first engagement with the objective to exceed client expectations and increase the likelihood of future engagements.*

In the context of this section of the case study it is evident that the consultants had successfully managed to secure support from the Prime Minister through the competence demonstrated in delivery during early stage engagement. This also provided the Consultants with opportunities for further engagements.

In the context of this study within a strategic change typology, it is posited that:

Theoretical Proposition CL-2-3.0: First consultancy engagements which are perceived by the client as successful will provide an opportunity for the consultants to be re-engaged during implementation stages.

Consultants acquire power by leveraging strategic contingencies to create resource dependence

McLean (1984) suggested that consultants source of power is derived from the relationship with the client. In the context of this case study the Consultants provided the Prime Minister with valuable resources to support his emerging agenda which could not be delivered by the capabilities of the public service. The Prime Minister knew that within Consultancy Group (MEU) there was a good mix of skills which enabled the Public Service to put in place a team rapidly to carry out specific jobs. The Consultants' power source and legitimacy as a group lied in such resource capabilities and skills. Given the absence of these skills in the public service, the Government became resource dependent on consultants for undertaking priority projects.

The Government was facing an unprecedented budget deficit which required focus on financial control, realising efficiencies and controlling recruitment. In this context the Prime Minister was of the opinion that Ministry of Finance and the Management and Personnel Office, did not have enough clout to undertake unpopular tasks thus requiring Cabinet Structures. In its operations, MEU seized advantage from strategic contingencies. Strategic contingencies theory suggests that if an organizational player provides the organization with resources classified as important, the player will seize power. Moreover, it is important that only this social actor can provide this crucial resource. Salancik, Pfeffer and Kelly (1978) argue that the person or organizational subunit that emerges as influential is one that is most capable of dealing with uncertainty. Hence power lies in the hands of the actor that can provide a critical resource to the organization that cannot immediately replace that function. Hickson *et al* (1971) argued that the power of an organizational unit is a function of three variables operating in a multiplicative manner: capability of coping with uncertainty multiplied by substitutability of that capacity multiplied by centrality of unit to organization's workflow. In this respect, the Consultants were in a position to offer the services critical to the Labour Administration's strategy. More importantly, these services could not be offered by any other Government agency or department.

It is also noted that notwithstanding that the change programme had been internalised and the Consultants formally reported to the Head of the Public Service, their source of power was not restricted by the senior

public service due to their power which emanated from the support provided by their new senior sponsor the Prime Minister.

In the context of this study within a strategic change typology, it is posited that:

Theoretical Proposition P&P-2-1.0: Consultants' power source within a strategic change context emanates from their resource capabilities which are scarce within the client's organisation. The effective deployment of these scarce capabilities may create a dependency on the use of consultants which transcends organisational reporting relationships, if the client perceives these capabilities as critical to delivering his strategic intent.

Leveraging resource dependency to exerting influence over the governance of change management and resource allocation

Pfeffer and Salancik (1978) argue that although dependence is important, it is only one element necessary for power. The actor who has a resource dependence advantage requires discretion and control over the allocation and use of the resources so that the potential power exerted results in effective influence. Within an organization those subunits that are able to provide the resources that the organization critically needs attain power (Pfeffer, 1981).

In the case study Consultants also played a key role in designing the new infrastructure for the reform of the Public Service such as establishing three Cabinet Sub-Committees to support the change within the Public Service. The Consultants facilitated the modus operandi of these committees and adopted a portfolio and programmatic approach to delivery. Moreover their role in portfolio planning ensured a steady flow of engagements for the Consultants and an opportunity to sustain momentum for change initiatives. The most emphasized political arena in organizations is resource allocation (Harvey and Mills, 1970; Pettigrew, 1973; Pfeffer, 1981). In case study it is evident that after having created a resource dependency on the client, the consultants also engineered a position wherein they exerted significant influence in the allocation of public service resources, which also ensured that the consultants were privy to sustain momentum for change and engage in further initiatives.

In the context of this study within a strategic change typology, it is posited that:

Theoretical Proposition P&P-2-2.0: Having acquired power through resource dependence over the client, Consultants' will seek to acquire influence over the client organisation's change management and resource allocation governance processes. Such influence will enable consultants to sustain momentum for change for initiatives they are involved in and also facilitate new engagements.

Top-down coercive pressures are complemented by Consultancy Implementation support

During the previous policy cycle it was noted that the previous Prime Minister was supportive of change but did not get involved in detailed reviews and was unwilling to adopt coercive tactics directed towards the senior public service. In this policy cycle the new Prime Minister was driven by strategic contingencies (e.g. budget deficit) to push through change, and was willing to be coercive to instigate change which senior public service would have otherwise resisted. In discussing coercive pressures and the impact they have on dealing with resistance to change, Amis *et al* argued that:

Whether formally or informally exerted, there clearly are times when the powerful nature of the pressuring institution forces an organisation to comply with changes being prescribed, regardless of any resistance that may exist. This is particularly likely to be the case when changes are first proposed. Thus, we suggest that coercive pressures will likely play a vital role in instigating programs of radical transformation when there is widespread opposition to the change with the organisation. (2002: 438).

The senior public servants acknowledged that the Prime Minister's determination provided focus and also better positioned Consultants to support tangible initiatives which were considered priorities. In this context senior public servants were actively seeking to engage with the Prime Minister's consultants with a view to position their recommendations positively before Cabinet Committee reviews and accelerate implementation. An impressive portfolio of projects was delivered within a period of circa 15 months, which demonstrates the accelerated momentum for change which existed during this period.

In the context of this study within a strategic change typology, it is posited that:

Theoretical Proposition P&P-2-3.0: The adoption of top-down coercive tactics by the senior sponsor to accelerate the momentum of the implementation of change may be complemented with the deployment of consultants to support line departments in the implementation.

6.5 The Political Crisis

During 1998 the Labour Administration faced significant turmoil and instability as result of the actions undertaken by former Labour Prime Minister and then back-bencher Dom Mintoff. The said back bencher opposed Government on a major project in Government which hampered the Government's stability based on a one seat majority. The Government was also facing a public backlash associated with rises to utility tariffs. The Prime Minister also had a major confrontation with the Permanent Secretary within the OPM as a result of a disagreement over performance bonuses which were to be paid to senior public servants. This led to Joseph R Grima agreeing to a golden handshake and relinquishing his post as Head of the Public Service.

Subsequently political circumstances involving Dom Mintoff voting against Government in Parliament forced the Labour Administration to call a premature election in 1998 resulting in a change of Government. On the 5th of September 1998 the Nationalist Party led by Edward Fenech Adami's won the general elections with a comfortable margin of 14,000 votes. This occurrence limited the researcher's capacity to observe the role and tactics deployed by Consultants to sustain the momentum for change in an

environment, which was less conducive to resistance and where the Prime Minister also championed the reforms.

CHAPTER 7

Change in Administration, New Priorities and the Resultant Incremental Change Initiatives: Mid 1998 to 2001

Case Analysis of Policy Cycle 3 and Theory Building

7.1 Introduction

This Chapter presents a policy cycle wherein a change in Government occurred after a brief eighteen month Labour Administration. Following a vote of no-confidence in Parliament the Labour Prime Minister called an election which was held on the 5th of September 1998: Edward Fenech Adami led the Nationalist Party to regain power. Joseph R. Grima (JRG) who had relinquished his public service role under the Labour Administration was reappointed as Head of the Public Service and was assigned responsibility for public service change initiatives, and consultancy engagements. The change in Administration brought with it major changes in policies and priorities. The new Administration emphasised European Union accession as its main objective. It was immediately recognised that this required new structures in place to oversee EU screening of legislation and implementation of the *Acquis Communautaire*. In this respect, the new Administration demonstrated little interest in Public Service reform.

This emanated from the attitude of the Prime Minister to centrally driven reforms which developed during the final stages of policy cycle one. The Prime Minister had become increasingly disillusioned with the results attained through the central change programme in his previous term as Prime Minister. Moreover the Prime Minister's inner circle perceived the MEU Consultants as have been closely involved with the Labour Prime Minister, and an element of mistrust developed.

At this stage the Consultancy Group (MEU) did not have a political champion and hence the only legitimate relationship was its official reporting line to the Head of the Public Service (Interview, Peter Gatt; Patrick Vella). Moreover the Head of the Public Service had shifted away from the belief that change could be delivered through central structures and adopted a collaborative approach with Ministries to decentralise change initiatives. This led to the establishment of various loosely coupled change initiatives, which could be described to fit the incremental change typology (Ferlie et al, 1996). In comparing various perspectives to strategic and incremental change Ferlie *et al* stated that:

Incremental change is relatively smaller in scale, producing change outcomes which are focused on one function or unit of an organisation. Strategic change, on the other hand, is seen as affecting major subsystems and producing outcomes which impact many parts of an organisation. The timescale of strategic change is seen to be longer. (1996: 90-1).

However during the course of this policy cycle Consultants attempted to develop proposals for a new change programme and also attempted to realign consulting initiatives to Government's new agenda. Hence

this section of the case study will examine various attempts by MEU consultants to move away from being involved in loosely coupled change initiatives and seek to create momentum for change for formalised change programmes as evidenced in policy cycles one and two. However it is noted that engagements post-2001 were not researched further given that by 2001 the engagement of MEU consultants in major programmes was significantly reduced.

In the context of this policy development and implementation phases of this Policy Cycle, theory building themes were developed in Chapter 2. These Theory Building Themes were based on the literature gap identified, the analysis of existing theoretical constructs, and the case study context of this policy cycle phase. The Theory Building Focus of this Chapter is outlined below:

Table 7 1 Policy Cycle 3 Research Questions

Policy Cycle 3: The contribution that programme leadership consultants can make to the creation and maintenance of momentum for change programmes when priorities change and the organisation adopts an incremental approach to change, and the implications for the client sponsor of the change programme.

#	Theory Building Theme	Focus within Policy Cycle C
CL	Leverage of the Consultants' Relationship with the Client	How do Consultants develop and leverage their relationship with the client(s) when priorities change and client ambition is reduced?
P&P	Power and Political Strategies Deployed by Consultants	What power dynamics were leveraged by the Consultants to institutionalise, generate commitment and resource the change programmes when the ambition of the senior sponsor is limited to incremental change?
AD	Consultants' ability to Adapt over time	How did Consultants adapt and what tactics did they deploy to contribute to maintaining momentum for the change programme, when faced with a change in leadership and Government priorities?
R&M	Resistance and Mitigation Strategies by Consultants	What types of resistance was evidenced when Consultants attempted to propose an acceleration of the momentum for the change programme?

These Theory Building Themes guided a research process which is more descriptive than prescriptive, and which attempted to analyse a real world phenomenon rather than prescribe normative decision models. This phase of the case study is sub-divided in sections as presented in the table below:

Table 7 2 Chapter Overview

#	Sections	Purpose
7.2	Strained Consultancy Relationships and Change of Leadership at the Consultancy Group	Contextual
7.3	The Consultancy Programme Portfolio: 1998-2001	Contextual
7.4	Consultants in Search of Opportunities: The Ministry of Education	Case study analysis Theory analysis and building
7.5	Attempts at Creating Momentum for Change	Case study analysis Theory analysis and building
7.6	The Decline of the Consultancy Group	Contextual closure to the case study

The researcher proceeded by carrying out a processual analysis of the case study guided by theory building focus 3. Each section of this chapter either provides contextual information which will inform theory building or presents a pre-structured sequential analysis of the case study followed by a theoretical analysis of existing theories wherein Theoretical Propositions are proposed.

It is emphasised that Theoretical Propositions were developed within the context of an analysis the case study and existing relevant literature, which has provided the foundations for theoretical understanding of what has already been achieved in the research domain. These Theoretical Propositions are categorised against the Theory Building Themes being explored and presented in table 7.1. The naming convention for the proposed theoretical propositions is as follows: <Theory Building Theme reference>/<Policy Cycle reference>/<Sequential Proposition Number>. Given the nature of the analysis it is recognised that when using the case study analysis, the above theory building focus will work best where it is tentative thus recognizing that they may be modified in light of issues and events discovered (Hartley, 1994). Hence the researcher anticipated to observe findings and formulate Theoretical Propositions which were not covered in the initial Theory focus scope. Such propositions will be classified as NA (Not Anticipated).

It is also emphasised that that this policy cycle is limited to examining the phenomenon within the research parameters of this policy cycle which have been defined in Chapter 2. Moreover, comparisons across Policy Cycle findings are not presented in this Chapter. This cross-Policy Cycle analysis and discussion is presented in the concluding Chapter 8.

7.2 Strained Consultancy Relationships and Change in Government

This section attempts to depict the background to the challenges faced by the Consultants during the first months of the new Administration. An understanding of these settings is essential to understand the political processes and power dynamics operating within these settings. Moreover theoretical hypotheses associated with the change in leadership of Government and guided by Theoretical development focus C is posited.

Soon after the change in Administration the Prime Minister's influential Assistant Richard Cachia Caruana attributed the blame associated with the removal of his personal protection during the Labour Administration to the Head of the Consultancy Group (David Spiteri Gingell) given the latter's role in the Police Force cost reduction programme (Interview, David Spiteri Gingell). This perception strained the relationship between the Consultancy group and the Prime Minister's inner circle. During this period the Head of the Public Service persuaded DSG to support him on special projects until the situation settled down. The first of such initiatives involved supporting the Head of the Public Service to submit the new Information Systems Strategic Plan (1999-2001) to the Cabinet meeting held on the 1st of October 1998. JRG's intent was to hit the Government with a fresh outlook to Government change early on in the Administration (Interview, David Spiteri Gingell). It is noted that the plan was developed prior to the 1998 general election and political turmoil did not stop MEU's efforts to complete the ISSP as evidenced below:

a series of presentations were envisaged to be delivered to Permanent Secretaries Council to enable discussion of fundamental issues and to obtain (re)direction. Only one session was held in early May. It should be noted that as from June, the initiative had no sponsor and no policy direction was attained. Irrespective of this the review team proceeded with the assignment. (Office of the Prime Minister, Malta, 1998: 1, emphasis added).

It is also noted that the ISSP recommended that:

the regulatory and service delivery elements currently provided by Malta Information Technology and Training Services Ltd (MITTS) are separated.

The ISSP proposes the establishment of a small Central Information Management Unit (CIMU) within the Office of the Prime Minister which will assume the functional responsibility for the regulatory and strategic direction of information systems within the Public Service. (Office of the Prime Minister, Malta, 1998:1)

The ISSP was well received and was approved by Cabinet and DSG was subsequently appointed as Head of the new Central Information Management Unit to lead IS strategy initiatives. DSG also supported other initiatives such as the drafting of a White Paper focusing on a New Public Service Act.

However DSG was no longer the Head of the Consultancy Group and Helga Pizzuto (HIP), one of the Managing Consultants was appointed as Manager MEU. The departure of DSG from the Consultancy Group impacted staff morale. Moreover the implementation responsibility of a key programme (IS strategy) moved with DSG and was no longer an area where the MEU consultants could lead.

The Consultants had lost their leader and also the opportunity to influence the new Administration and potentially start a political process aimed at institutionalising MEU's role around the new Information Systems agenda.

7.3 Analysis of the Consultancy Engagement Portfolio: 1998-2001

During this stage of the case study public service reform was not a primary objective of Government. Moreover the agenda for change was not dictated by a top down approach emanating from the Office of the Prime Minister, but rather emerged over time through the leadership of multiple stakeholders. In the absence of a clear policy roadmap (as depicted n policy cycle one) or an articulated strategy (as depicted in policy cycle 2), the researcher attempted to undertake a portfolio review of all engagements which involved MEU Consultants. This review enabled the researcher to focus on Consultancy engagements and episodes which will enable the exploration of Theory Building theme 3.

During this period the MEU was guided by the mission statement “to facilitate the improvement of Government Services”. The definition of Government Services was widened to include not only the Public Service but also Public Sector organisations, including Parastatal Corporations . Moreover its stated primary activities were strategic, operational and financial reviews and the implementation of complex change programmes. Services offered included:

- Strategic planning and review;
- Operations review;
- Information systems planning;
- Organisational design and development;
- Business process re-engineering;
- Management audit;
- Implementation of change;
- Communications strategy;
- Legal review and drafting.

The following table presents the portfolio analysis of various consultancy initiatives undertaken by MEU and an assessment as to whether the initiative led to a change programme and whether the Consultants were involved in post-strategy phase:

Table 7 3 Analysis of MEU Consultancy Projects Portfolio 1998-2001

Strategic Initiatives	Description	Was the initiative incorporated as part of a major change programme	Where Consultants involved during implementation?	Analysis
Information Systems Strategic Plan	Plan setting out the roadmap for IS investment in the Public Service (1999-2001). Cabinet endorsed plan. Central Information Management Unit is currently being established.	Yes	Yes	Initiated under Labour Administration and developed by MEU. However implementation of plan was not led by MEU. New structure was created to maintain momentum
eGovernment and Vision Strategy	Vision and strategy drawn up by an MEU team with input from IT specialists under the direction of the CIMU. White Paper Issued in October 2000.	Yes	Yes	MEU was developing the strategy but not leading its development. Initiative was sponsored by Parliamentary Secretary within the Office of the Prime Minister and implementation driven by his office.
Creation of a Master Database of Projects in Government Ministries	Developed a programme portfolio management and toolset to support the adoption of the EU Accession Acquis	Yes	Yes	Strategic Planning initiative In support of Malta's major project but not directly public service change.
Strategic Business Planning for the Ministry of Education	Supported the Ministry in developing a framework for integrated business planning which facilitates prioritisation and funding. MEU also supported the Ministry in developing a strategy and plan to secure funding for its programmes.	Yes	Yes	Strategic Planning initiative which led to the formulation of a change programme

Strategic Initiatives	Description	Was the initiative incorporated as part of a major change programme	Where Consultants involved during implementation?	Analysis
Establishment of, and support to, the Office of Review in the Ministry of Education	Further to the Strategic Business Planning initiative undertaken in 1999, the first Office of Review was within the Public Service established to support the Permanent Secretary in the management of change across the Ministry. The Office of Review consisted of the following functions: (i) programme planning and audit; (ii) programme implementation; (iii) resource management; (iv) customer care initiatives; (v) European Union initiatives.	Yes	Yes	Capacity Building
Operations Review of the Department of Corporate Services within the Ministry for Transport and Communications	Assessed capacity building requirements of department	No	No	Operational Review initiative
Operations Review of the Law Courts Administration	Extensive and comprehensive review of all strategic and operational aspects of Law Courts Administration. Also processed reengineering of processes and systems.	Yes	No	Operational Review initiative Review commissioned by Minister, who subsequently took ownership of the initiative.

Strategic Initiatives	Description	Was the initiative incorporated as part of a major change programme	Where MEU Consultants involved during implementation?	Analysis
Operational and Organisational Review of Planning Authority	Review was commissioned by Planning Authority and recommendations were subsequently endorsed. Review also entailed an analysis of legislation, existing policies and plans and organisation.	No	No	One-off initiative and not tied to Public Service Change Programme
Enemalta Corporation	Carried out an organisational review of the Utility . The analysis focused on restructuring the organisation in line with Government objectives. Initiative was commenced under Labour Administration.	Yes	No	One-off initiative and not tied to Public Service Change Programme
Development Framework for the Department of Corporate Services	Validation of Corporate Services structures followed by capacity development and training support to Management and Personnel Office and Staff Development Organisation	No	No	Typical Reform initiative
Devolution of Trading Licenses	Cabinet approved an MEU report on the devolution of Trading Licenses. MEU supported legal drafting, change ,management and process definition.	Yes	Limited involvement	Follow on from 1996 Labour Admin

Strategic Initiatives	Description	Was the initiative incorporated as part of a major change programme	Where MEU Consultants involved during implementation?	Analysis
Customer Care System in Local Councils Office	Supported an initiative by the Ministry of Justice and Local Government in order to provide an electronic means of lodging complaints from local council offices and forwarded to the competent ministries, which had a service level response obligation . MEU was responsible for the business aspects of the project.	Yes	Yes	Provided a discreet support role to a Ministerial programme.
Legal Drafting of the Transport Authority Act (2000);Resource Authority Act	Legal drafting	Yes	No	No major strategic input
Information Practices Act	The Information Practices Act was a critical enabler recommended in the Information Systems Strategic Plan endorsed by Cabinet in November 1998. Subsequently the Permanent Secretary OPM tasked the Chief Information Officer to chair an inter-Ministerial working group to draft an Information Practices Act. MEU team supported in the research and legal drafting.	No	No	Led by CIMU and MEU only supported given CIMU's lack of resources
Information Management Training Needs for the Public Service	Central Information Management Unit (CIMU) tasked the MEU to develop a training needs programme in Information Management for senior Public Officers.	No	No	Led by CIMU and MEU only supported given CIMU's lack of resources

Strategic Initiatives	Description	Was the initiative incorporated as part of a major change programme	Where MEU Consultants involved during implementation?	Analysis
Customer Care for Police Force	Developed a customer care training programme.	No	No	Continuation of change initiatives initiated under previous Administration with limited momentum. MEU Programme Manager re-assigned.
Quality Service Initiative	MEU planned the initiative and supported the establishment of the Charter Support Unit. The responsibility for delivery was gradually migrated to this unit.	Yes	Yes	Major PR initiative with limited underlying change
Local Enforcement System	Involved a complex turnkey project involving system design to implementation of streamlined paperless judicial and operational process. Project involved the creation of local tribunals, contracting out of warden services and managing sixty-seven local council stakeholders.	Yes	Limited	Major change initiative involving changes to structures, process, people and technology
Environment Protection Change Management	Initiated in 1998 to support implementation of Operations Review (June 1998).	Yes	Limited	MEU engagement was maintained by leveraging the contacts of the Lead Consultant
Assessment of the Ministry Top Structure – of Ministry of Economic Services	After change in Government, carried out an assessment of the Ministry's management requirements	Yes	No	Prime Minister's Advisor subsequently commissioned an external consultant to complement the MEU review.

The following sections proceed by conducting a case study analysis guided by Theoretical development focus C focusing on engagements where consultants were involved in implementation of public service change and thus had an opportunity to sustain momentum for change.

7.4 Consultants in Search of Opportunities: The Ministry of Education

During the course of the interviews former Consultants highlighted that the change in leadership at the MEU affected the morale of the Consultants Group. In this respect it was highlighted that in the absence of strong leadership from within the Unit and limited support from the Prime Minister for the Public Service change agenda, the consultants were relegated to supporting the Head of the Public Service as their new senior sponsor on loosely coupled change initiatives.

In this context as the demand for their services decreased, various senior consultants attempted to seek engagements with other Departments within the public service (Interview, Johann Zahra).

This section of the case study will examine one such major attempt by senior consultants to secure engagement at the Ministry of Education. More specifically this section 7.3 will present:

- 1. A pre-structured sequential analysis of this stage of the case study which included the engagement of other senior stakeholders by consultants and the launch of a departmental change programme (section 7.3.1);
- 2. Section 7.3.2 proceeds by presenting a theoretical analysis of this stage of the case study within the context of existing relevant literature, which has provided the foundations for developing Theoretical Propositions associated with the respective theory building themes (as per reproduced table below).

Reproduced Table 7 1 Policy Cycle 3 Research Questions

Policy Cycle 3: The contribution that programme leadership consultants can make to the creation and maintenance of momentum for change programmes when priorities change and the organisation adopts an incremental approach to change, and the implications for the client sponsor of the change programme.

#	Theory Building Theme	Focus within Policy Cycle C
CL	Leverage of the Consultants' Relationship with the Client	How do Consultants develop and leverage their relationship with the client(s) when priorities change and client ambition is reduced?
P&P	Power and Political Strategies Deployed by	What power dynamics were leveraged by the Consultants to institutionalise, generate commitment and resource the

	Consultants	change programmes when the ambition of the senior sponsor is limited to incremental change?
AD	Consultants' ability to Adapt over time	How did Consultants adapt and what tactics did they deploy to contribute to maintaining momentum for the change programme, when faced with a change in leadership and Government priorities?
R&M	Resistance and Mitigation Strategies by Consultants	What types of resistance was evidenced when Consultants attempted to propose an acceleration of the momentum for the change programme?
NA	Not Anticipated	Emerging Theoretical Propositions which were not covered in the initial Theory focus scope

The Theoretical Propositions are presented in section 7.4.2. These Theoretical Propositions are categorised against the Theory Building Themes being explored and presented in table 7.1. Theoretical Propositions which were not covered in the initial Theory focus scope will be classified as NA (Not Anticipated).

7.4.1 Engagement of Other Senior Stakeholders by Consultants and Launch of a Departmental Change Programme

At the time the Ministry of Education was facing a severe short-fall in funding for its capital programme, as evidenced below:

The Ministry of Education is faced with a crisis in its ability to fund its programmes to meet the needs of the country in terms of education, youth and sport activities, cultural development, and the protection of its heritage.... In more recent years, investment has been made in education but, since 1995, the level and rate has not been sufficient to meet either today's requirements or challenges that lie ahead....

From discussions held between the Ministry of Education and the Ministry of Finance during the month of July, this Ministry was advised that the budget that it could expect to be allocated for Year 2000 would amount to Lm68,503,000 for recurrent expenditures and Lm9,000,000 for capital expenditures. Against this indicative budget, the Ministry of Education has some Lm76,700,000 of proposed recurrent expenditures and Lm22,000,000 of capital expenditures, representing 280 individual projects and initiatives.

(Cabinet Submission, 20th September 1999, Ministry of Education, Year 2000 Budget Allocation).

The budgetary short-fall at the Ministry of Education was severe. The challenge was heightened by the severe state of Government finances. In this respect the Ministry of Finance instructed major reviews of Departmental budgets (Circular Ministry of Finance n0 5 / 99, dated 22 February 1999, Minister of Finance).

During 1999 a senior Consultant from within the MEU approached the Minister for Education and proposed a three month engagement to support the Ministry to re-prioritise projects by deploying strategic portfolio management tools and recommend a funding model. The timing of this approach enabled the Ministry to review projects before the announcement of the annual Government budget.

Moreover the senior public service team supporting the Minister was not perceived as being able to navigate through such funding challenges.

A team of three consultants were engaged in June 1999 (Interview, Johann Zahra). Over a three month period the Consultants developed a prioritisation model with a view to re-prioritise projects across the Ministry. All projects were mapped against Government and Ministerial priorities (Interview, Johann Zahra). Moreover the Consultants also advised the Minister on an approach to engage with the Ministry of Finance with the objective that any savings and avoidance of Capital projects delivered by the Ministry should be retained to deliver other priorities within the Ministry (Interview, Johann Zahra).

The Minister was supportive of this approach and also championed the formulation and launch of a Ministry wide change programme (Interview, Johann Zahra). It is also noted that at the time the Minister was attempting to improve his Ministry's performance and wanted to be perceived as a lead protagonist in driving change, reducing costs and improving delivery with a view to be well positioned for a future Party leadership contest (*ibid.*).

The Consultants had successfully managed to align the formulation of a large scale programme with the Minister's agenda. The launch of the Change Programme across the Ministry required the establishment of programme and change structures. Subsequently MEU Consultants also established an Office of Review within the Ministry to drive the Ministry's agenda for change. Initially this office was headed by a senior consultant from the MEU and resourced by six additional consultants (Interview, Johann Zahra).

The Office of Review was established in a prominent office within the Ministry with sea-view and new fixtures and fittings were commissioned. In this respect was noted that these tactics may have impacted stakeholder engagement with public servants negatively (*ibid.*) Moreover the focus of the stakeholder engagement initiatives were on the Minister and limited emphasis was placed on engaging with key public servants (*ibid.*).

The team were confident that the Minister was impressed with their efforts. In this respect senior aides to the Minister even noted that the MEU's lead consultant on the initiative was also being considered for a senior role within the Ministry (*ibid.*).

The main focus of the Consultants was on improving project delivery with particular emphasis on schools construction and maintenance works. In this respect various project management malpractices were being identified and recommendations formulated. This situation triggered political tensions with the Minister and some senior political aides within the Ministry and the relationship between the Minister and the team was severed. The Minister was reducing his support for the programme and backtracked on his intent to appoint the lead consultant as Permanent Secretary (Interview, Johann Zahra).

Moreover the Head of the Public Service insisted that the MEU consultants would be relocated to head office and provide advisory as opposed to delivery support (Interview, Peter Gatt). The relationship with the Minister deteriorated further at this point and the Consultants engagement was eventually terminated (Interview, Helga Pizzuto).

7.4.2 Theory Building

In section 7.3.1 the researcher presented a pre-structured sequential analysis of this section of the case study which included the engagement of other senior stakeholders by consultants and the launch of a departmental change programme (section 7.3.1).

The section follows this case study analysis and undertakes a theoretical analysis of this stage of the case study within the context of existing relevant literature, which has provided the foundations for developing Theoretical Propositions associated with the respective theory building themes (Policy Cycle 3 – Theory Building Focus).

Reproduced Table 7 1 Policy Cycle 3 Research Questions

Policy Cycle 3: The contribution that programme leadership consultants can make to the creation and maintenance of momentum for change programmes when priorities change and the organisation adopts an incremental approach to change, and the implications for the client sponsor of the change programme.

#	Theory Building Theme	Focus within Policy Cycle C
CL	Leverage of the Consultants' Relationship with the Client	How do Consultants develop and leverage their relationship with the client(s) when priorities change and client ambition is reduced?
P&P	Power and Political Strategies Deployed by Consultants	What power dynamics were leveraged by the Consultants to institutionalise, generate commitment and resource the change programmes when the ambition of the senior sponsor is limited to incremental change?
AD	Consultants' ability to Adapt over time	How did Consultants adapt and what tactics did they deploy to contribute to maintaining momentum for the change programme, when faced with a change in leadership and Government priorities?
R&M	Resistance and Mitigation Strategies by Consultants	What types of resistance was evidenced when Consultants attempted to propose an acceleration of the momentum for the change programme?
NA	Not Anticipated	Emerging Theoretical Propositions which were not covered in the initial Theory focus scope

The section proceeds by proposing Theoretical Propositions which are also categorised against the Theory Building Themes being explored.

Tactics to mitigate the limited ambition for change from New Senior Sponsor

During this section of the case study it is evident that the public service change agenda advocated by the Consultants was no longer a key priority for the Prime Minister. Hence the Consultants were relegated to supporting the Head of the Public Service as their new senior sponsor on his initiatives. In this context as the demand for their services decreased, various senior consultants attempted to seek engagements with other Departments within the public service and engaged in various political activity to sustain momentum for public service change..

In the context of this study within an unfavourable policy environment it is being posited that:

Theoretical Proposition CL-3-1.0: Change in the senior sponsor of the host organisation confines Consultants to their formal reporting relationship with the organisation. This may result in consultants losing power, if such power emanated from the commitment demonstrated by the previous leadership. This may in turn trigger new political activity aimed at regaining power.

The Ministry of Education was facing severe challenges and the Consultants proposed an initial engagement aimed to help the Ministry navigate through these challenges. The engagement was also timely in that it enabled review projects prior to the announcement of the annual Government budget. The senior sponsor (Minister) was attempting to improve his Ministry's performance and wanted to be perceived as a lead protagonist in driving change, reducing costs and improving delivery with a view to be well positioned for a future Party leadership contest . In this respect the work of Greiner and Schein (1988) and Pettigrew (1975) indicated that there are negative aspects of power and organisational politics involved in consulting engagements. More specifically external consultants may abuse their power or be co-opted by senior members of the organisation for their own goals, which are at conflict with the change initiatives objectives.

In the context of this study within an unfavourable policy environment it is being posited that:

Theoretical Proposition AD-3-1.0: In the event of declining demand for their services Consultants will seek to secure engagement with other clients within the host organisation who are faced with an urgent priority or challenge.

Portfolio prioritisation and programme management offices as a means to create momentum for change

It is also observed that Consultants deployed strategic portfolio analysis to evaluate whether projects and initiatives were aligned with the senior sponsor's objectives. This was necessary to prioritise initiatives in light of a severed funding shortfall. Clear recommendations were formulated and gaps in the portfolio were identified. Such analysis was very well received by the senior sponsor.

In the context of this study within an unfavourable policy environment it is being posited that:

Theoretical Proposition NA-3-1.0: In supporting clients who are facing funding challenges, Consultants may adopt portfolio analysis techniques to demonstrate to the client sponsor, whether the current organisational initiatives are aligned to his strategic intent. Recommendations to optimise an organisational portfolio of initiatives to ensure alignment to the client sponsor's objectives are likely to create the momentum for a change programme.

Moreover the Consultants also recommended and established an Office Review which took the form of a Programme Management Office to create momentum for change. Worren *et al* (1999) described the emergence of change management as a service offered by major consulting firms. In this respect the Consultants also initially resourced the programme office and facilitated change initiatives.

This confirms that **Theoretical Proposition CL-1A-7.0: Part A** which has been proposed in Policy Cycle 1 may also be posited within the context of an unfavourable policy environment: *Effective Consultants ensure that they are the key reference point for senior clients on decisions associated with the creation of new structures. Moreover Consultants will seek to be assigned lead roles in the creation of new structures associated with change programmes.*

Power of the New Senior Sponsor over consultants and the impact on other consultancy opportunities

The early focus of the consultancy stakeholder engagement initiatives was focused on the Minister and limited emphasis was placed on engaging with key public servants. These observations seem consistent with the observations during Policy Formulation stage of Policy cycle one.

However the Head of the Public Service was still the consultant's senior sponsor and insisted that the MEU consultants would be relocated to head office and provide advisory as opposed to delivery support. The relationship with the Minister deteriorated at this point and the Consultants engagement was eventually terminated.

In the context of this study within an unfavourable policy environment it is being posited that:

Theoretical Proposition AD-3-2.0: The relationship of the senior sponsor with consultants may inhibit the ability of consultants to provide services to other clients within the same organisation, notwithstanding the demand for such services.

7.5 Attempts at Creating Momentum for Change

This section carries out a sequential analysis of MEU's consultants' involvement in a number of change initiatives.

During this period consultants provided support to the Head of the Public Service in delivering public service change. Moreover during this section of the case study a new influential political player emerges and assumes the lead of various centralised change initiatives. This section of the case study will examine various attempts by MEU consultants to move away from being involved in loosely coupled change initiatives and seek to create momentum for change for formalised change programmes as evidenced in policy cycles one and two. More specifically this section 7.4 will present:

1. A pre-structured sequential analysis of this stage of the case study which spanned across the following initiatives:
 - Customer Service Improvement Initiatives (7.5.1).
 - The e-Government blueprint (7.5.2).
 - Formulating a New Blueprint for Change: An attempt at adopting a programmatic and consolidated approach to change (7.5.3).
 - Corporate Initiatives Led by the Office of the Prime Minister (7.5.4).
 - e-Government: Rogue behaviour by consultants (7.5.5).
 - EU Accession Programme– A Major Attempt at Institutionalisation through Policy Alignment (7.5.6).
2. Section 7.5.7 proceeds by presenting a theoretical analysis of this stage of the case study within the context of existing relevant literature, which has provided the foundations for developing Theoretical Propositions associated with the respective theory building themes (as per reproduced table below).

Reproduced Table 7 1 Policy Cycle 3 Research Questions

Policy Cycle 3: The contribution that programme leadership consultants can make to the creation and maintenance of momentum for change programmes when priorities change and the organisation adopts an incremental approach to change, and the implications for the client sponsor of the change programme.

#	Theory Building Theme	Focus within Policy Cycle C
CL	Leverage of the Consultants' Relationship with the Client	How do Consultants develop and leverage their relationship with the client(s) when priorities change and client ambition is reduced?
P&P	Power and Political Strategies Deployed by	What power dynamics were leveraged by the Consultants to institutionalise, generate commitment and resource the

	Consultants	change programmes when the ambition of the senior sponsor is limited to incremental change?
AD	Consultants' ability to Adapt over time	How did Consultants adapt and what tactics did they deploy to contribute to maintaining momentum for the change programme, when faced with a change in leadership and Government priorities?
R&M	Resistance and Mitigation Strategies by Consultants	What types of resistance was evidenced when Consultants attempted to propose an acceleration of the momentum for the change programme?
NA	Not Anticipated	Emerging Theoretical Propositions which were not covered in the initial Theory focus scope

The Theoretical Propositions are presented in section 8.4.7. These Theoretical Propositions are categorised against the Theory Building Themes being explored and presented in table 8.1. Theoretical Propositions which were not covered in the initial Theory focus scope will be classified as NA (Not Anticipated).

7.5.1 Customer Service Improvement Initiatives

A key initiative which was previously initiated and facilitated by the Consultants under the Labour Administration which was conducive to a re-launch was the concept of service charters. This initiative had been examined by the Consultants since 1996-7 as evidenced by press clippings found in the MEU archives (e.g. Britain and New Zealand are showing the way, Neal Peirce, The Times of Malta, Wednesday 19, 1997 – article focusing on service charters)..This initiative was perceived as a possible quick win for the Consultants to ignite the momentum for change in the Public Service. Moreover the Head of the Public Service viewed this initiative as an opportunity for the Public Service to better engage with the public. A Quality Service Charter is a written commitment by a service provider to deliver products and services that comply with declared quality standards set in conformity with expectations of its customers. MEU's resources were initially deployed on this initiative. The Consultants had sought to leverage the launch of the Quality Service Charter initiatives to set the scene for a new change programme for the public service.

The launch of the cross-Departmental Service-Quality Charter Initiative spanned a number of departments. During 1999 seventeen Government departments or sections were awarded the Charter with another four were awarded the Charter by April 2000. From within the Public Service this initiative was sponsored by the Permanent Secretaries' Forum as part of a broader strategy to focus on service improvements. This approach was formalised :

At the January 1999 Permanent Secretaries' Forum chaired by the Head of the Public Service, it was agreed that the Public Service Change Programme was to focus on better service delivery to the public. It was therefore decided that during the first year of the programme, each Ministry was to launch two Quality Service Charters. The forum was followed in

February 1999 by a conference for the top public structures of the Public Service during which Government's change programme for the Public Service was presented to senior management. The main theme of the conference was that the Public Service, as an institution, needed to review both its role and scope as a major provider of public services. During the early 1990s, the reform programmes had focused on establishing and consolidating management systems and organisational structures. The aim of the new change agenda was to take Public Service reform into the community where its impact would be more significant.

The three approaches for customer service improvement included one-stop shops, Government on-line and Quality Service Charters.

(The Quality Service Charter Initiative, Office of the Prime Minister, May 2000: 3)

Shortly after the conference the Charter Support Unit was created within the Office of the Prime Minister to support implementation. It is noted that the MEU Consultants were engaged by the Head of the Public Service to support the development of the charters and enable the establishment of the new Charter Support Unit which was modelled on the Service First Unit within the UK Cabinet Office. However the Consultants had little access to the senior politicians and lacked visibility and were limited to providing a capability development engagement.

It is also noted that the new Parliamentary Secretary (Junior Minister) within the Office of the Prime Minister, Austin Gatt (AG) assumed political responsibility for the initiative. AG took the reins of the public service change programme. AG was subsequently appointed as Minister for Justice and Local Government (March 1999) and was still the responsible for Quality Service Charters.

Given that his portfolio included Local Government, AG was increasingly involved in devolution of services from central Government to the local councils and pursued a strategy of devolution to enable service improvement and enhanced customer satisfaction (Interview, Helga Pizzuto). This strategy was also enabled through a new Locality Based IT Systems Project which was sponsored by AG.

At this stage MEU also attempted to seek engagements related to Local Government. One of the initiatives led by AG's team which the Consultants supported was the Complaint and Customer Care Handling system which would enable citizens to engage with Central Government services through Local Councils' offices. The Consultants supported the business aspects of the system however it was highlighted that they were undertaking a support role and were not involved in developing strategies for change which were conceptualised by AG's ministerial team.

7.5.2 The e-Government blueprint:

During the 1998 – 2000 e-Government became a phenomenon which was being adopted by Governments across the globe. Moreover the information systems strategic plan, which was developed by the Consultants, clearly highlighted Government on-line as a major tenet of Government reform. Hence this was clearly an opportunity for the Consultants to drive such a programme. However the creation of the new Central Information Management Unit which was headed by the former head of the consultancy group was mandated to drive this strategy (Interview, Ray Navarro).

The new eGovernment strategy was led by CIMU. However DSG provided the Consultants with an opportunity to support the programme in terms of strategy development and implementation of business change. In 1998-9 MEU supported CIMU in drafting a whitepaper on the Vision and Strategy for the Attainment of e-Government which was subsequently published by Government in October 2000 by the Office of the Prime Minister after being approved by the Public Service Change Programme Steering Committee.

The eGovernment programme was positioned as a major change programme involving change in legislation, structures, processes, supplier management and funding as evidenced in the table below:

Table 7 4 Extracts from e-Government Whitepaper

#	Key Extracts
1	Enactment of essential legislation relative to the facilitation of e-commerce, the protection of privacy and individual freedom and the curtailment of fraud and other misuse of Information and Communication Technology.
2	Setting up of an Information Society and Economy (IS&E) Commission that will be the sole entity mandated with promotion and development of an Information Society. And Information Economy, and the provision of the necessary regulatory infrastructure.
3	The undertaking of a National Capacity Building Exercise.
4	The setting up or review of organisational structures within the Public Service as a result of new roles and functions which are required to support eGovernment.
5	The identification of a major international player to partner the Government in the setting up of the eGovernment Portal.
6	The financing of the e-Government Programme as a corporate Public Service-wide imitative with location of responsibility for funds centrally with the Central Information Management Unit which shall ensure the continuity and co-ordination of the initiative.
7	The adoption of a distinct brand that will characterise eGovernment.
White Paper on the Vision and Strategy for the Attainment of eGovernment, Office of the Prime Minister, October 2000: executive summary.	

In this respect CIMU was positioned to take the lead in driving the e-Government programme with the support of MEU Consultants and other Public Service structures. It was also envisaged that the MEU would build the necessary capacity for long-term sustainability of the programme with a focus on business analysis and reengineering. (White Paper on the Vision and Strategy for the Attainment of eGovernment, Office of the Prime Minister, October 2000). Moreover the strategy also envisaged that the eGovernment Programme will be run centrally and unilaterally by the CIMU so that the strategy is not compromised and that funding would reside within CIMU for the period 2001-2004. It was also envisaged that the Quality Service Charters and Locality IT Supported Systems initiatives would be closely aligned to the e-Government programme.

The draft strategy and whitepaper was presented to AG by the Head of CIMU (David Spiteri Gingell) who provided positive feedback and was very enthusiastic about the initiative (Interview, Patrick Vella). It is also noted that AG's policy team also started to actively engage in the process

7.5.3 Formulating a New Blueprint for Change: An attempt at adopting a programmatic and consolidated approach to change

During 1999 the Consultants were engaged in a number of initiatives ranging from Quality Service Charters to e-Government. However their role was limited to supporting such initiatives and not shaping the strategic direction of these programmes. At this point the Consultants attempted to devise a strategy which would integrate the emerging strategies into one framework for change and position the Consultants in a key programmatic role to drive and sustain the momentum for these strategies.

The MEU consultants compiled Results: A Strategy for Action (Office of the Prime Minister, Malta, 1999). The main key objectives for the Public Service defined in this report were:

1. A Public Service that is prepared for accession into the European Union;
2. A Quality Service Charter for each service delivery point;

3. Access to Government Services at Local Council Level;
4. Government Services Online.

It is noted that these ideas were by no means new or ground-breaking as the proposals developed by Consultants in the previous case study periods. These strategic thrusts can be described as a documentation of emerging strategies which were sponsored by either the Head of the Public Service (thrusts 1 and 2) or Minister Austin Gatt (thrusts 3 and 4).

Moreover the Consultants recommended three major reviews to be undertaken (Office of the Prime Minister, Malta, 1999) to support the implementation of the strategy:

1. A review of Operational Processes involved in the delivery of services.
2. A review of Management Systems required to support and to facilitate the delivery of services.
3. A review of Institutional and Organizational framework of service providers.

Moreover the governance for change recommended by MEU in "Results: A Strategy for Action" and submitted to Cabinet by the Head of the Public Service is as follows:

The first level will consist of a Steering Committee. Ideally with direct ministerial involvement to ensure political direction. The Permanent Secretary, Office of the Prime Minister should also form part of the Committee to ensure that the strategies and initiatives identified are implemented across the Public Service as planned. It is also proposed that MEU is tasked to support the Permanent Secretary OPM in the delivery of this Change Programme. The Manager MEU should therefore also be a member of the committee.

The second level will consist of four Unit responsibility areas for managing and monitoring the implementation of each of the strategic tasks. The Charter Support Unit will maintain a watching brief over Ministries to ensure that they are meeting the requirements for, and are being awarded their Service Charters. The Department of Local Councils will monitor Ministries to ensure that the identified services are being re-structured in such a way as to enable Local Councils to perform effectively in their 'front office' service role. The Central Information Management Unit will perform a similar role with respect to Ministries and the provision of services 'online'. Finally, the EU Directorate, which has access to and has the most complete understanding of EU accession requirements, will monitor Ministries and report on their progress to the Steering Committee. These four Units will in addition be responsible for carrying out relevant corporate initiatives.

The third level will be the Offices of Review that should be established within each Ministry to lead the change programme and to implement the identified initiatives. This function will act as the programme's Project Office at Ministry level. A senior person should be appointed to head the Office of Review as Change Manager on full-time basis. The Office of Review will report directly to the Ministry Permanent Secretary who, in turn will be accountable to the Steering Committee, but who will report progress to each of the four previously identified Units. (Office of the Prime Minister, Malta, 1999: 6)

It is evident from the analysis of the strategy document that the MEU was positioned to support the Head of the Public Service to manage the holistic programmatic aspects of the change programme while the delivery of the various strategic strands was assigned to other organisations. It is noted that the delivery responsibilities had already been assigned by other strategies and the Consultants could not challenge operating arrangements which were already approved. Hence MEU Consultants role was limited to governance and portfolio management with limited involvement in major programmes delivery.

7.5.4 Corporate Initiatives Led by the Office of the Prime Minister

The launch of the new strategy framework led to the creation of momentum for some corporate initiatives. These included the establishment of new change structures, new delegation of authorities and the drafting of a Public Service Act. Notwithstanding that these initiatives were sponsored by the Head of the Public Service to whom the Consultants reported to, the role of Consultants in delivery processes was limited.

A policy decision was made to replicate the Ministry of Education's Office of Review concept. It was decided to roll-out the Office of Review concept across all Ministries to support the following functions: (i) programme planning and audit; (ii) programme implementation; (iii) resource management; (iv) customer care initiatives; (v) European Union initiatives. In this respect the MEU supported the establishment of some of these offices (e.g. Agriculture; Transport etc.). A Director was subsequently appointed as Director Office of Review within each Ministry. This was followed by MEU support in the establishment of new Offices of Reviews in other Ministries. Moreover these capacity building assignments were generally brief and did not generate significant momentum (Interview, Johann Zahra)

Another major corporate initiative which was introduced in 1999/2000 was the new delegated disciplinary procedures. However these procedures were developed by an external advisor and did not involve MEU Consultants. Moreover the most important changes associated with the Public Service were outlined in a draft of the Public Service Act which attempted to:

- Focusing the role of the Public Service on its core business of policy development and formulation, and regulation where appropriate, and migrating execution and operations towards executive agencies;
 - Decentralizing management decisions and authority to Heads as far as possible;
 - Redefining organizations in terms of positions;
 - Establishing tenure based appointments to the Public Service as the norm in order to underpin the Public Service as a career based institution whilst at the same time allowing for task specific based employment;
 - Reinforcing the institutional ethos of the Public Service by identifying the values that it should adhere to;
 - Defining the roles and responsibilities of Ministers, Permanent Secretaries and Heads.
- (EU Acquis Communautaire, 2000).

However the role of MEU Consultants in driving this change was central to the Public Service Change was minimal. Key Consultants highlighted that the Head of the Public Service had shifted away from the belief that change could be delivered through central structures and adopted a collaborative approach with Ministries to decentralise change initiatives. Moreover this also reflected the attitude of the Prime Minister who had become increasingly disillusioned with the results attained through the central change programme in his previous term as Prime Minister.

7.5.5 e-Government: Rogue behaviour by consultants

As described in section 7.4.2, the publication of a whitepaper for e-Government in June 2000 was supported by both the Office of the Prime Minister and Minister Austin Gatt (AG). The programme was initially directed by CIMU and as the project moved into the initial stages of the implementation phase, this was one of the few programmes that the MEU consultants played a key role across many work streams.

Moreover the MEU Consultants played a major role in the process to select and engage an international partner to deliver e-Government services. This led to the selection of HP as the preferred partner and negotiations were initiated. Key consultants involved in the negotiations and due diligence process highlighted that the Lead Consultant had leveraged a strong team of Consultants who collectively impressed HP. Moreover the lead MEU consultant who was leading the negotiations was also positioned to be nominated as the CEO of a joint venture between the Government and HP. It was also envisaged that a group of MEU consultants would be seconded into the Joint Venture entity. This was clearly an opportunity for the Consultants to be a central component of change initiative and possibly support a radical change programme as envisioned in policy cycle one.

The partnership negotiations were terminated following interventions by AG's team who highlighted that the approach to implementation was not optimal. This led to tensions between MEU consultants and AG's ministerial team with the latter taking control of the programme and MEU being relegated to a support role. In this context it is evident that unlike in policy formulation stage of policy cycle one; the consultants did not have access and support of the key political decision makers.

It is also noted that during this period (1999-2000) some personality clashes between Austin Gatt who was the Minister responsible for IS/IT and Joseph R Grima who was the head of the public service and chairman of MITTS (Interview, Victor Camilleri) occurred. This resulted in the responsibility for the e-Government programme delivery moving entirely to AG's ministry.

7.5.6 EU Accession – A Major Attempt at Institutionalisation through Policy Alignment

After the 1998 election the EU accession dominated the agenda. Both reform and political agendas were focused on accession. In Cabinet EU accession became the Holy Grail and other policy agendas such as public service reform were marginalised. (Interview, Cabinet Secretary: Alfred Fiorini Lowell). Throughout this legislature the focus of the Political Class was accession to the European Union. Public service reform was no longer directly sponsored by the Prime Minister. The IT and e-Government components of change were under the direct control of the Minister Austin Gatt and as evidenced in the section 9.4.5 the Consultants involvement was reduced over time. The residual elements of the Public Service Change Programme became a low key programme sponsored by the

senior public servants and resembled as loosely coupled change programme. The latter became the main focus of the MEU Consultants.

However the MEU consultants recognized the importance that EU accession would have on Government priorities. In this respect loose attempts were made at supporting the accession process. On the 11th February 2000 a draft of the National Programme for the Adoption of the Acquis was completed. The main references to the organization and capacity of the public Service were in Chapter 4 of the Programme, Administrative capacity to implement the Acquis. Moreover, the National Plan for the Adoption of the Acquis did not propose any new initiatives with respect to the organization of the public service. The document simply referred to various independent and loosely coupled initiatives that were being undertaken within the Public Service. The focus of accession process was clearly not focused on public service change and the most expedient methods for complying with EU accession were adopted such as the creation of a wide range of non-departmental service agencies, as opposed to delivering the requirements of the Acquis Communautaire via the core public service.

Key MEU Consultants highlighted that the Unit was not proactive in recommending a programmatic framework for EU accession and in repositioning its service offerings and developing the capability requirements to support EU accession (Interview, Peter Gatt). On the main the Consultants kept on producing strategic and operational reviews (Interview, Johann Zahra). However other Consultants also noted that the MEU was focused on servicing the support requests of the Head of the Public Service and did not have the capacity to focus on its future evolution and strategy.

The Consultants attempted to carve a niche associated with EU accession within these adverse contingencies. As the Consultants assessed options it was evident that Ministries had contracted out certain EU consultancy functions, which could have been delivered by the MEU consultants to other service providers (e.g. Engagement of Project Managers for Customs and VAT Departments, September 2000). In the absence of political direction from the centre to deploy MEU Consultants, other Consultants were also brought in to support reviews of major Ministries. For instance an expatriate consultant was engaged by the Ministry for Economic Services to conduct an operations review its operations to enable compliance for EU accession: (Operations Review, Ministry for Economic Services, 2000).

Notwithstanding that Government has established centralised structures and that various consultants had engaged specialist consultants to support EU accession projects, there was clearly a missing link around the programmatic controls to assure delivery at departmental level. One senior Managing Consultant (Robert M Silver) did recognise this opportunity and initiated an initiative to propose the creation of a Master database which builds on the portfolio analysis / questionnaire tool developed for the Ministry of Education. The Consultant advocated that such a tool would provide visibility of progress in delivery of EU and other projects across Government and support the prioritisation and decision making process (Interview, Johann Zahra). Robert M Silver leveraged his past networks and

linked up with the Prime Minister's Personal Assistant (Richard Cachia Caruana) who was clearly interested in the initiative and in ensuring that the Master Database would provide adequate management reporting and controls to enable monitoring of EU accession projects and the National Programme for the Adoption of the Acquis (NPAA) (Interview, Johann Zahra). By July 2000 MEU Consultants had been engaged to support the implementation of a Master EU Accession Programme Controls database and processes. The Master Database evolved to support senior decision making processes and was of interest to three key stakeholders.

Richard Cachia Caruana, Personal Assistant to the Prime Minister with respect to Acquis and NPAA;

Joseph R Grima, Head of Public Service with respect to public service change; Charters; Government on-line;

Alfred Fiorini Lowell as Cabinet Secretary with respect to the Political Imperatives Programme (Interview, Johann Zahra).

Subsequently Richard Cachia Caruana (RCC), the Prime Minister's Personal Assistant was appointed as Chairman of the EU Accession Negotiating Team and a Cabinet Committee was also set up. During its peak, the Master Database also informed the agenda for a Quarterly Cabinet Meeting which focused on assessing progress associated with EU accession (Interview, Johann Zahra). It was noted that while the Master Database was informing the agenda and even strategic discussions at Ministerial level. However once again the MSU Consultants were involved in providing a support service which had limited visibility and were not involved in these strategic policy reviews (*ibid.*). In this respect some Consultants highlighted that the MEU support and work programme was not re-oriented to reflect the projects on the database and hence the Government's agenda (*ibid.*).

However this view was disputed by more senior consultants who had visibility of the politics associated with the Consultants attempts to reposition their services on EU matters. The tensions in the relationship between the Head of the Public Service and the Prime Minister's Personal Assistant also limited the Consultant's ability to shape policy (Interview, Patrick Vella). Given MEU's formal reporting relationship with Head of the Public Service, access to the Chairman of the Negotiating Team was partially inhibited.

In this respect the new Manager of Consultancy Group struggled to develop a working relationship with the Head of the Public Service (Interview, Patrick Vella). The Manager tried to reposition the Unit to seize opportunities associated with the EU accession agenda and the associated change programme. However the Unit got caught up in a power struggle between three key players that all wanted the Consultancy group to simply provide resource support. These were the Head of the Public Service (JRG), the PA to the Prime Minister (RCC) and the Parliamentary Secretary in the Office of the Prime Minister (Austin Gatt) (Interview, Helga Pizzuto).

Attempts by the MEU Consultants to support the Chief Negotiator were resisted by the Head of the Public Service (Interview, Helga Pizzuto). Hence the MEU could not position itself to be central to the EU accession process and associated change programme. Hence the Consultancy Group was sidelined in the process and lost out on the EU programme as new structures were created. Subsequently the Chief Negotiator created new structures and recruited resources from MEU and hence avoided confrontation with the Head of the Public Service (Interview, Helga Pizzuto).

During the subsequent period the Master Database which was previously developed by MEU Consultants was being refocused and its administration was being decentralised with the Directors responsible for EU affairs in the various ministries taking ownership (Interview, Johann Zahra). The appointment of RCC as Chief Negotiator and the establishment of a dedicated team to support him saw the decline of the database with the team developing their own management tools. (Interview, Johann Zahra).

7.5.7 Theory Building

In the sections 7.5.1 to 7.5.5 the researcher observed various attempts by the Consultants to reposition themselves at the strategic apex of Government. In the above sections the researcher presented a pre-structured sequential analysis of this stage of the case study which spanned across the following initiatives:

- Customer Service Improvement Initiatives (7.5.1)
- The e-Government blueprint (7.5.2)
- Formulating a New Blueprint for Change: An attempt at adopting a programmatic and consolidated approach to change (7.5.3)
- Corporate Initiatives Led by the Office of the Prime Minister (7.5.4)
- e-Government: Rogue behaviour by consultants (7.5.5)

The section follows this case study analysis and undertakes a theoretical analysis of this stage of the case study within the context of existing relevant literature, which has provided the foundations for developing **Theoretical Propositions** associated with the respective theory building themes (Policy Cycle 3 – Theory Building Focus).

Reproduced Table 7 1 Policy Cycle 3 Research Questions

Policy Cycle 3: The contribution that programme leadership consultants can make to the creation and maintenance of momentum for change programmes when priorities change and the organisation adopts an incremental approach to change, and the implications for the client sponsor of the change programme.

#	Theory Building Theme	Focus within Policy Cycle C
CL	Leverage of the Consultants' Relationship with the Client	How do Consultants develop and leverage their relationship with the client(s) when priorities change and client ambition is reduced?
P&P	Power and Political Strategies Deployed by Consultants	What power dynamics were leveraged by the Consultants to institutionalise, generate commitment and resource the change programmes when the ambition of the senior sponsor is limited to incremental change?
AD	Consultants' ability to Adapt over time	How did Consultants adapt and what tactics did they deploy to contribute to maintaining momentum for the change programme, when faced with a change in leadership and Government priorities?
R&M	Resistance and Mitigation Strategies by Consultants	What types of resistance was evidenced when Consultants attempted to propose an acceleration of the momentum for the change programme?
NA	Not Anticipated	Emerging Theoretical Propositions which were not covered in the initial Theory focus scope

The section proceeds by proposing Theoretical Propositions which are also categorised against the Theory Building Themes being explored.

Consequences of Role of Consultants being limited to resource provision on momentum for change

The MEU Consultants were engaged by the Head of the Public Service to support the development of the charters and enable the establishment of the new Charter Support Unit. However the consultants had little access to the senior politicians and were limited to supporting capability development. The Consultants also supported the business aspects associated with Local Government devolution. Again in this instance they carried out a support role and where not involved in developing strategies for change. This limited the Consultants ability to accelerate momentum for change.

Based on the analysis of the case study within an unfavourable policy environment and this theoretical analysis, it is being posited that:

Theoretical Proposition NA-3-2.0: Consultants engaged in providing a delivery support role but not involved in formulating the strategy and approach for change will have limited opportunities to accelerate momentum for change.

Reasons for a failed attempt by Consultants at maintaining engagement in major initiative

The creation of the new Central Information Management Unit (CIMU) which was headed by the former head of the consultancy group was assigned responsibility for delivering e-Government strategy. However the relationship with the Head of CIMU provided the Consultants with an opportunity to support the programme in terms of strategy development and implementation of business change. The eGovernment programme was being positioned as a major change programme and was also sponsored by a Cabinet Minister. In this respect it was envisaged that the MEU would build the necessary capacity for long-term sustainability of the programme with a focus on business analysis and reengineering.

In this respect the MEU Consultants also played a major role in the process to select and engage an international partner to deliver e-Government services. This led to the selection of the preferred global IT partner. It was also noted that during the negotiations and due diligence process the Lead Consultant had leveraged a strong team of Consultants who collectively global IT partner. Moreover the lead MEU consultant who was leading the negotiations was also positioned to be nominated as the CEO of a joint venture between the Government and global IT partner. It was also envisaged that a group of MEU consultants would be seconded into the Joint Venture entity. This was clearly an opportunity for the Consultants to be a central component of change initiative and possibly support a radical change programme as envisioned in policy cycle one.

However the partnership negotiations were terminated following interventions by Minister for IT policy team who highlighted that the approach to implementation was not optimal. This led to tensions between MEU consultants and the ministerial team with the latter taking control of the programme and MEU being relegated to a support role. In this context it is evident that unlike in policy formulation stage of policy cycle one; the consultants did not manage political stakeholders effectively.

Based on the analysis of the case study within an unfavourable policy environment and this theoretical analysis, it is being posited that:

Theoretical Proposition R&M-3-1.0: Consultants are unlikely to be able to accelerate momentum for the establishing new approaches and structures for change unless these have been developed in consultation with senior decision makers.

Implications of Consultants limited influence on emerging strategy for change

As evidenced in this section of the case study the Consultants were engaged in a number of initiatives. However their role was limited to supporting such initiatives and not shaping the strategic direction of these programmes. At this point the Consultants attempted to devise a strategy which would integrate

the emerging strategies into one framework for change and position the Consultants in a key programmatic role to drive and sustain the momentum for these strategies. However unlike in policy cycle one where the Consultant had developed an innovative and forward looking blueprint for change, the ideas in this strategy were by no means new. These strategic thrusts can be described as a documentation of emerging strategies which were sponsored by either the Head of the Public Service or Minister Austin Gatt. In this respect key delivery roles associated with the strategy had already been assigned to other organisations. Hence the only opportunity for the Consultants was to support the Head of the Public Service to manage the holistic programmatic aspects of the change programme. This lack of involvement in Departmental change hampered the Consultants ability to sustain momentum for change.

The analysis of the case study within an unfavourable policy environment and this theoretical analysis has also reconfirmed the relevance of **Theoretical Proposition R&M-3-1.0: *Consultants are unlikely to be able to accelerate momentum for the establishing new approaches and structures for change unless these have been developed in consultation with senior decision makers.***

Based on the above analysis the following is posited:

Theoretical Proposition NA-3-3.0: The ability of Consultants to sustain momentum for change is hampered if they have limited involvement in delivery of change at a Departmental level.

Consultants' inability to reposition services to focus on Government's priorities and develop power base

It was evident that the leadership of the MEU Consultants did not succeed in repositioning the group to provide support to Government's key policy theme – the accession to the European Union. In the absence of direct access to the Prime Minister, the leadership team of the consultancy group became embroiled in tensions and political dynamics between various stakeholders, which limited their manoeuvrability to shape policy.

It is noted that the situation was different from what was evidenced in policy cycle one, wherein Consultants acquired power through their strong relationship with the Prime Minister, which enabled them to shape change programmes. In this instance the consultancy relationship with the Head of the Public Service was a “subordinate” relationship wherein the consultants were viewed as a resource to support the public service's intent as opposed to having a key role in shaping the formulation of policy for change. This was clearly a significant limitation given that consultants source of power is derived from the relationship with the client (Mclean, 1984).

Unlike its predecessor (MSU Consultancy Group), MEU Consultancy Group lacked institutional status of an executive agency and reported to the Head of the Public Service. In the previous chapter when analysing MEU's sources of power, it was evident that these were contingent to the organization's resource capabilities that matched Government's priority requirements and the support provided by the Prime Minister. During this policy cycle the Consultants capability was not perceived as being central

to the Government's key priority – EU accession. Moreover the Consultants did not recognise the opportunity to refocus on EU accession early on and when the opportunity was identified their ability to refocus was stifled by the senior public service and their lack of influence or visibility with the Prime Minister.

Crucial to this policy cycle is the work by Hickson *et al* (1971). Hickson *et al* suggested that the power of an organizational unit is a function of three variables operating in a multiplicative manner: capability of coping with uncertainty multiplied by substitutability of that capacity multiplied by centrality of unit to organization's workflow. It is evident that whilst MEU has coped with uncertainty and recognized changing Government priorities, the services that MEU can provide with respect to Government's priorities are intrinsically substitutable and were not institutionalised in the organisation's workflow. Moreover, the perceived capabilities of MEU consultants were not central to Government priorities.

During the interviews, the researcher had the opportunity to discuss the context of policy cycle with the former Chairman of the MSU, who in policy cycle one had established the Consultancy Group and created an environment which was conducive for Consultants to be engaged in change initiatives. In this respect, the former Chairman noted that since the public service reform was launched in the end of the 1980's, the conditions surrounding any attempt at a high-profile or large scale reform have changed and are no longer favourable (Interview, Joseph V Tabone). This is recognized by a political actor whose institutional entrepreneurship capabilities were clearly demonstrated in policy cycle one.

Moreover, in the absence of the Cabinet structures supporting reform (policy cycle one) and *modus operandi* of the Labour Prime Minister (policy cycle two), the MEU Consultancy has been relegated to its formal organizational reporting relationship, i.e. reporting to the Head of Public Service. This clearly inhibited MEU's ability to seize opportunities and create momentum for change. This led to the Consultants to engage in various loosely coupled change initiatives, which could be described to fit the incremental change typology (Ferlie *et al*, 1996). In comparing various perspectives to strategic and incremental change Ferlie *et al* stated that:

Incremental change is relatively smaller in scale, producing change outcomes which are focused on one function or unit of an organisation. Strategic change, on the other hand, is seen as affecting major subsystems and producing outcomes which impact many parts of an organisation. The timescale of strategic change is seen to be longer. (1996: 90-1).

Based on the analysis of the case study within an unfavourable policy environment and this theoretical analysis, it is being posited that:

Theoretical Proposition P&P-3-1.0:

Part A: Consultants ability to sustain momentum is a factor of their power base within the organisation. In line with Hickson *et al* (1971) approach to assess an organisational unit's power base, the power base of Consultants may also be attributed to the function of capability of coping with uncertainty, the substitutability of the consultancy capacity and the centrality of consultants to the organisation's core workflow to client organisation.

Part B: Consultants with a limited power base with an organisation are unlikely to create and sustain the momentum for radical or strategic change, and are more likely to be engaged in loosely coupled incremental change initiatives.

7.6 Case Study End Point

After the 1998 election the EU accession dominated the agenda. Both reform and political agendas were focused on accession. In Cabinet EU accession became the Holy Grail and other policy agendas such as public service reform were marginalised. In this respect the Consultants failed to reposition their services to reflect the new political imperatives (as evidenced in section 9.4.5). Moreover the Public service reform was no longer directly sponsored by the Prime Minister. The IT and e-Government components of change were under the direct control of the Minister Austin Gatt and as evidenced in the section 9.4.5 and the Consultants involvement was reduced over time. The residual elements of the Public Service Change Programme became a low key programme sponsored by the Head of the Public Service and resembled as loosely coupled change programme. The latter became the main focus of the MEU Consultants.

Faced with an unfavourable policy environment and limited political support, it was evident that MEU Consultants were restricted in their capability to sustain momentum for the public service change agenda. In the absence of support at a political level (i.e. the Prime Minister), the Consultants had to expand more effort in targeting other stakeholders with the objective to secure new engagements and roles. This lack of political support also resulted in the Consultants being involved in conflicts between various stakeholders which limited their ability to recommend independent solutions. The Manager of the Consultancy Unit later resigned after a short tenure of less than a year (March 2000) and acknowledged that in the absence of EU related projects which were the Administration's main focus, the number of projects delivered by Consultants was slowing down (Interview, Helga Pizzuto).

Chapter 8

Discussion and Conclusion

8.1 Introduction

This final chapter commences by reviewing the contribution made by the research to theory building and knowledge development in the domain.

This chapter reviews the contribution to knowledge development within the context of the theory building themes and research questions developed in the literature review and theoretical framework chapter, which guided the study of the phenomenon. In this respect expected and unexpected findings are also reviewed.

The Chapter proceeds by examining the implications of the research for practicing programme leadership consultants as well as senior client sponsors of change programmes. Chapter 10 finally concludes by presenting a discussion on generalisability of the thesis, presents the limitations of the research undertaken and pointers for future research.

8.2 Contribution to Theory Building

Political pressure on public services across the globe continues to trigger the formulation of new change programmes to address emergent challenges. The phenomenon of utilising consultants to formulate and implement major change programmes in the public service and the growth of consultancy programme leadership practices impacts managerial practices and society, and requires the attention of academia. As such, the case study of the Maltese public service presented a unique case for theory building in this domain. The research set out to undertake theory building by informing our understanding of the contribution that programme leadership consultants can make to the creation and maintenance of momentum for change programmes whilst supporting the review of the present state, the definition of the future state and implementation, and implications for the senior client sponsors of change programmes. The goal of this doctoral research was concerned with analysing a real world phenomenon, which would inform our current understanding of such consulting engagements with implications for client sponsors of change programmes, and not to prescribe normative decision models or best practice approaches.

The thesis has contributed to knowledge development at two levels. Firstly the thesis proposed and refined a theoretical framework which defines and better informs our understanding the phenomenon. Secondly the thesis has informed our current theoretical understanding of such consulting engagements, with managerial implications on client sponsors of such change programmes by applying the theoretical framework and associated research questions to examine three policy cycles wherein different change archetypes were adopted.

8.2.1 Refinement of Theoretical Framework

The first iteration of the theoretical framework was conceptualised after having reviewed existing literature associated with the phenomenon which included consultancy, power and politics and organisation change theories, and after having observed the phenomenon within the context of the case study outline. During the case analysis some unanticipated findings emerged which were not related or guided by the four original theory building themes. These findings were classified as Not Anticipated (NA) within the context of the theory building chapters.

The theoretical framework is further evolved in this concluding section by adding an additional theory building theme which summarises and groups related sub-themes which emerged and were not related to the other four theory building themes. This theme focuses on the adoption of programme leadership techniques such as programme planning, portfolio analysis, benefits management and risk management in a structured and disciplined way, which is an important consideration for programme leadership consultants in supporting the creation and maintenance of momentum for change.

This emerging theme which will be referred to as Programme Leadership Techniques and Discipline adopted by Consultants. In addition to the other four theory building themes, it has also contributed to informing our understanding of the contribution made by consultants to create and maintain momentum for change programmes and the implications on client sponsors of public service change programmes.

The revised theoretical framework is presented in figure 8.1 below.

Figure 8 1 Emerging Theoretical Framework

(Theoretical Framework developed by building on existing theory and evolved through analysis of Phenomenon within context the case study's three policy cycles)					
The five theory building themes provide a framework to inform our understanding of the contribution made by programme leadership consultants to the creation and maintenance of momentum for public service change programmes and the implications for their client sponsors					
Theoretical Themes:	CL	P&P	AD	R&M	NA (Not Anticipated)
	Leverage of the Consultants' Relationship with the Client	Power and political strategies deployed by consultants	Consultants ability to adapt over time	Resistance and mitigation strategies by consultants.	Programme leadership techniques and discipline adopted by Consultants
	Impact on Momentum for Change Programmes				
	Implications for Client Sponsors of Change Programmes				

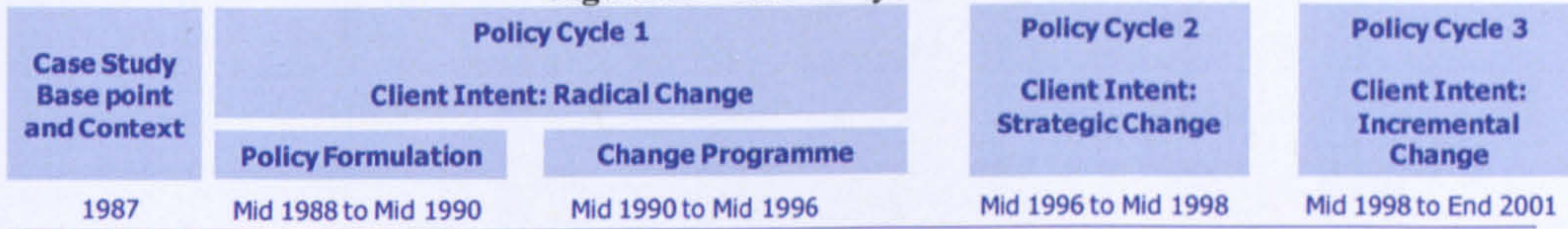
8.2.2 Theoretical understanding of programme leadership consulting engagements

This section proceeds by examining how the thesis has informed our current theoretical understanding of the contribution that programme leadership consultants can make to the creation and maintenance of momentum for change programmes whilst supporting the review of the present state, the definition of the future state and implementation, and implications for the senior client sponsors of public service change programmes.

More specifically this section examines how the thesis has informed our current understanding of such consulting engagements by applying the theoretical framework and associated research questions to examine three policy cycles wherein different change archetypes were adopted.

It is emphasised that this section will not replicate the Case Analysis and Theory Building Chapters 4 to 7 which followed academic guidelines for case research presented by Lewis and Grimes (1999). These theory building chapters have examined the various sections of the case study guided by the respective theory building themes and research questions and studied of the relationship of the case study analysis to existing theory, and also proposed theoretical propositions. More specifically the theory building chapters were structured and bracketed to reflect theoretical considerations as depicted in figure 8.2 below. Please refer for chapter 2 for a detailed overview of the theoretical bracketing process.

Figure 8 2 Case Study Timeline



This section is structured differently from the theory building chapters and is organised around the theory building themes presented in the theoretical framework rather than the sequential case study policy cycles.

This section proceeds by examining the contribution made by each theory building theme to inform our understanding the phenomenon. The section focuses specifically on examining the contribution made in informing our understanding against the research questions set out. Hence the contribution made by the Theoretical Propositions developed is contextualised and given meaning within the context of the case study context, the research questions and the theoretical building themes. This ensures that the findings build on the foundations of theoretical understanding of what has already been achieved in the research domain.

It is noted that practitioner implications for Programme Leadership Consultants and senior client sponsors is presented separately in section 8.3.

Theory Building Theme – Leverage of the Consultants’ Relationship with the Client (CL)

The importance of the relationship between consultants and the client is recognised in literature (e.g. Lundberg, 1997). It has also long been argued that this relationship is a source of power for consultants (Mclean, 1984). Arnold and Nguyen (2006) recognised that it is critical for management consultants to foster long-term relationships and argued that the key relationship is between the individual consultant and the individual manager from the client firm. The need for such long-term relationships with sponsors is also evident throughout the case analysis. This Theory Building Theme enabled the researcher to build on the existing theory to inform a descriptive understanding of how the Consultants developed and leveraged their relationship with the client to support the creation and maintenance of momentum for change across three policy cycles. This section proceeds by examining this contribution to knowledge development across the respective policy cycles of the case study.

This research also makes a distinction between the client within the organisation who sponsors the change and engages the consultants and the other managers within the organisation who have not engaged the consultants but are critical stakeholders of the change programme. This theory building theme focuses on

the client sponsor of change programmes and the supporting consulting engagements. The relationship between consultants and the latter group have been examined in Theory Building Theme P&P.

In line with the primary research focus of this theory building theme the researcher sought to build on existing theory and to explore the various research questions set out within the context of the case study. The specific contribution of this theory building theme within the context of the specific policy cycle research questions is discussed below.

Policy Cycle 1A: How Consultants developed and leveraged their relationship with the client during policy formulation stage to contribute to the creation of momentum for a radical change programme?

The first part of Policy Cycle 1 presented the more traditional view of Consultants who were engaged to review the current state of the operations of the Public Service and formulate recommendations for change. The client-consultant relationship was critical to secure entry into the organisation early on in Policy Cycle 1A, which is consistent with previous literature (Harding, 1992).

At this point it was not envisaged that Consultants would undertake a key role in the programme leadership and delivery of the recommendations developed during this stage of the case study. It is also observed that the consultants have contributed in their efforts to create momentum for change and the change blueprint. Implementation plans and funding were approved. Moreover the Consultants portrayed a turbulent environment which increased the need for consultancy services which is consistent with arguments made by Mckinley and Scherer (2000).

More importantly Theory Building Theme CL within the context of this policy cycle enabled the researcher to gain some understanding of how the consultants developed and leveraged their relationship with the client during policy formulation and how this contributed to the creation of momentum for radical change. Based on an analysis of the case study and building on existing theory, the researcher proposed eight theoretical propositions associated with this theory building theme within the context of Policy Cycle 1A.

To enable clarity in the concluding chapter and to enable a better framework to test such findings in other situations, these propositions can be grouped into four client related factors which the consultants in the case study have adopted to help create momentum for a radical change programme. These factors include the importance to:

- Engage with the client group in a structured and staged approach (refer to CL-1A-1.0, CL-1A-2.0 Part A, 1A-2.0 Part A, 1A-2.0 Part B).
- Develop influence over governance and decision making processes (refer to CL-1A-4.0 Part A, CL-1A-4.0 Part B, CL-1A-4.0 Part B, CL-1A-7.0 Part A).

- Support buy-in by sensitising style, approach and case studies to client group preferences (CL-1A-3.0, CL-1A-5.0, CL-1A-6.0 Part B, CL-1A-8.0, CL-1A-6.0 Part A).
- Seek to obtain tangible and visible client commitment (CL-1A-7.0 Part B).

Detail of the tactics deployed to establish the above factors are presented in the theoretical propositions (refer to Appendix C for summary). This research served to build on existing knowledge of the client-consultancy relationship to sell-on consultancy services (Rassam and Gates, 1991) and also better informed our understanding of how the Consultants leveraged this relationship to support the creation of momentum for a radical change programme through detailed processual analysis. It is however acknowledged that the researcher cannot ascertain that these factors can be considered as critical success factors or prescribe models for consultants within the context of a single case. However these findings and the factors described in this section improved theoretical understanding and provide a good foundation for further testing in other contexts.

Policy Cycle 1B: How the Consultants' relationship with the organisational leadership contributes to sustaining momentum for the radical change programme during the implementation?

The second part of Policy Cycle 1 presents a less traditional view of Consultants, wherein they are engaged in programme leadership roles in the implementation of a radical change programme. The context provides the consultants with continuity emanating from the policy formulation phase enabling the researcher to examine the critical client-consultant relationship over a longitudinal timeframe. Theory Building Theme CL within the context of this policy cycle enabled the researcher to gain some understanding of how the consultants' relationship with the organisational leadership contributes to sustaining momentum for radical change programme during the implementation. Based on an analysis of the case study and building on existing theory, the researcher proposed four theoretical propositions associated with this theory building theme within the context of Policy Cycle 1A. These propositions described specific tactics deployed by Consultants to reassure their client when faced with increased resistance (refer to CL-1B-1.0 Part A).

Consultants were also observed to attempt to convince the client sponsor to exert coercive tactics and even to replace managers who are a source of resistance (CL-1B-1.0 Part B). Interestingly within the context of the case study the momentum for change programmes was more likely to be sustained when organisational leaders were willing to apply coercive pressures during early stages of the change programme to stifle resistance, abolish old structures, and provide programme leadership consultants with resources, funding and an effective governance framework (CL-1B-2.0). This understanding of consulting engagements builds on organisation change literature and in particular Amis *et al* (2002) who argued that there are times when powerful institutional forces ensure that an organisation complies even in the event of resistance particularly during the early stages of the change programmes.

It is also worth noting that the consultants also attempted to develop further binding commitment by the senior sponsor to the change programme by engineering visible public commitments throughout the lifetime of a change programme. (CL-1B-3.0 Part B). This is consistent with tactics deployed earlier during policy definition stage and also builds on institutional theory concepts. Moreover the consultants also sought to recommend new structures, which were aligned to the client's perception of best practice and also sought legitimacy for their actions through external recognition (CL-1B-4.0). This seems to confirm the application of Reihlen, Smets and Veit's (2010) strategies of consulting firms for creating and sustaining institutional capital (practice level) to consulting teams operating within change programmes (programme / account level). Processual and descriptive detail of these insights have been presented in the theory building sections.

Policy Cycle 2: How did Consultants develop and leverage their relationship with the client during the establishment and implementation of a strategic change programme to contribute to the maintenance of momentum for the change programme?

Policy Cycle 2 provides a very interesting context for examining the Client-Consultancy relationship. More specifically a change in Government triggers the new Prime Minister who has accountability for the public service to review the radical change programme. The Prime Minister was committed to public service change but preferred a strategic approach to change with top-down and controlled change being introduced and phased strategically in a piecemeal fashion. Hence the Consultants were faced with a review of their *modus operandi* and a challenge to ensure the survival of the change programme and develop a relationship with the new senior sponsor. Theory Building Theme CL within the context of this policy cycle enabled the researcher to gain some understanding of how the Consultants developed and leveraged their relationship with the client in such circumstances. Policy Cycle 2 provides interesting insights given that the Consultants were successful in securing retained roles when confronted with a change in leadership. Based on an analysis of the case study and building on existing theory, the researcher proposed three theoretical propositions associated with this theory building theme within the context of Policy Cycle 2.

In the longitudinal context of the case study it was possible to observe that criticism directed towards the consultants by the new client sponsor while in a previous role (Leader of the Opposition) creates an environment wherein, the position of the lead consult is untenable. (CL-2-1.0). Binding political commitment had enhanced the consultants' power during the policy formulation and implementation stages of policy cycle one. Interestingly during policy cycle one the Leader of the Opposition had publically pledged to disengage consultants from the change programme when elected. In this respect, binding commitment proved to be a two edged sword for the Consultants, with the new senior sponsor of the change programme committed to restructure the public service change programme and the role of consultants in the programme.

However this did not result in the disengagement of all consultants supporting the change programme. In this respect the researcher developed insightful propositions around how consultants survived a change in leadership and demonstrated capability when given the opportunity (refer to CL-2-2.0 for processual detail). However the researcher's ability to observe the new client-consultancy relationship was limited due to a constitutional crisis which led to change in Government.

Policy Cycle 3: How did Consultants develop and leverage their relationship with the client(s) when priorities changed and client ambition was reduced?

Policy Cycle 3 provides a second test for examining the Client-Consultancy relationship in a situation where the senior sponsor of the change programme changes again. A general election resulted in the return of the former Prime Minister who had previously championed the change programme in policy cycle one. However Public Service Change Programmes did not retain a high priority on Government's Agenda due to changing priorities (EU Accession) and disillusionment associated with previous attempts to change. This restricted the Consultants access to the Prime Minister and their relationship was relegated to interface with the Head of the Public Service who supported an incremental approach to change led by Departments. This led to some loosely coupled change initiatives being implemented. However attempts by Consultants to exert more influence and promote more ambitious change with other potential clients did not succeed. Theory Building Theme CL within the context of this policy cycle enabled the researcher to gain some understanding of how the Consultants developed and leveraged their relationship with the client(s) when priorities changed and client ambition was reduced.

In the context of policy cycle 3, the key consideration associated with the client-consultant relationship is that a change in senior sponsor of the host organisation has confined consultants to their formal contractual relationship. This in turn triggered political activity aimed at regaining power which will be re-examined later under Theory Building Theme P&P – Power and Politics deployed by consultants.

Theory Building Theme – Power and Political Strategies Deployed by Consultants (P&P)

Power and political strategies deployed by consultants is the second theory building theme or dimension which seeks to inform our understanding of the contribution that consultants can make to the creation and maintenance of momentum for change programmes whilst supporting the review of the present state, the definition of the future state and implementation, and the implications for the client sponsor. In line with the primary research focus of this theory building theme the researcher sought to build on existing theory and to explore the various research questions set out within the context of the case study. Existing consulting literature describes strategies adopted by Consulting firms to create institutional capital, which are particularly relevant to the Public Sector (Reihlen, Smets and Veit, 2010). This theory building theme

examines such institutional capital strategies and tactics which can be deployed by Consultants for specific change programmes, as opposed to practice level strategies. In the context of this theory building theme the research sought to build on existing theory and provided an understanding of how Consultants can institutionalise (DiMaggio and Powell, 1983; Meyer and Rowan, 1977; Scott, 1995), generate commitment (Glendon, 1992; Staw, 1981) and resource (Harvey and Mills, 1970; Pfeffer, 1981) the change programmes. The specific contribution of this theory building theme within the context of the specific policy cycle research questions is discussed below.

Policy Cycle 1a: What political and power strategies were used by consultants and how were they deployed to influence policy determination and contribute to the creation of momentum for the radical change programme?

It was evident from the earlier discussion that the relationship between Consultants and their Client is extremely important and may also be a source of power for consultants. However an analysis of Policy Cycle 1a suggests that notwithstanding that Consultants may possess good senior client relationships, Consultants entering an organisation during a policy definition stage of a change programme often have limited access to organizational resources which are a key enabler of power and institutional entrepreneurship.(P&P-1A-1.0 Part A).

In this context the Consultants entered the organisation at the onset of a change programme where uncertainty was high. The conditions of uncertainty are known to trigger political processes (Tushman, 1977). Moreover Salancik, Pfeffer and Kelly (1978) argued that the person or organizational subunit that emerges as influential is one that is most capable of dealing with uncertainty. Hence power lies in the hands of the actor that can provide a critical resource to the organization that cannot immediately replace that function. In the context of the research of this Policy Cycle the actor who provided the critical resource to the organisation was the Consultant. The researcher proposed four theoretical propositions which were focused on describing political and power strategies deployed by Consultants during policy determination for a radical change programme (P&P-1A- 1 to 4). It is also noted that the Consultants were observed to undertake political tactics to generate support for the resources allocation required for the change programme in line with existing theoretical concepts of resource allocation (Harvey and Mills, 1970; Pettigrew, 1973; Pfeffer, 1981).

The thesis contributed to knowledge in the domain and highlighted that unlike Management, Consultants possess little or no resources within the Client organization and hence need to be more focused on resourcing processes early on (P&P-1A-1). The researcher also explained how consultants have made the case for additional resourcing (P&P-1A-1) and that being positioned to undertake strategic resourcing tasks

provided Consultants with an opportunity to exert greater influence and control over change programmes (P&P-1A-2.0). The Consultants also sought to increase their influence on change programme policy by advocating resource and budgetary centralisation early on during policy formulation (P&P-1A-4.0). It is also worth pointing out that during policy formulation when the change programme intent was not yet formulated Consultants sought to launch pilot projects to create momentum for change in a climate where limited resistance was observed because of the stakeholder perception that such pilots can be easily terminated.

Policy Cycle 1b: What power dynamics were leveraged by the Consultants to institutionalise, generate commitment and resource the radical change programme and retain the deployment of consultancy services?

During implementation of the radical change programme Consultants demonstrated similar traits as observed during policy formulation of the programme (Policy Cycle 1A). The programme leadership consultants sought to generate support for the resources required for delivering their proposed change initiatives in line with the concepts on resource allocation and related political processes (Harvey and Mills, 1970; Pettigrew, 1973; Pfeffer, 1981).

More specifically they demonstrated competence in securing access to budgets from the highest levels of the organisation and also maintaining control over governance and decision making forums where funding decisions are made (refer to P&P-1B-1.0). Moreover within the context of this radical change programme the Consultants who secured control over significant budgets and resources were positioned with an additional source of power to enable them to continue to set the agenda for change and contribute to sustaining momentum for change programmes. However such control over resources may translate into a lack of ownership for the change initiatives by line management who are not the Client Sponsors of the change programme, which may result in resistance to change (P&P-1B-1.0 Part B). Theoretical concepts associated with resistance to change and mitigation strategies are explored in another Theory Build Theme (R&M).

Policy Cycle 2: What power dynamics were leveraged by the Consultants to institutionalise, generate commitment and resource the strategic change programme and retain the deployment of consultancy services?

Unlike Policy Cycle 1 wherein the Consultants possessed some client relationships, during this policy cycle the Consultants were faced with a change in leadership and no personal relationships with the new organisational leader. Hence the consultants were faced with a scenario where they had to build relationships. This context provides a different context to the conventional consultants organisational entry

process depicted in existing literature (e.g. Cummings and Worley, 1997) given that the organisation was already a client but the client sponsor changed.

In this context the Consultants' power source within a strategic change context emanated from their resource capabilities which were scarce within the client's organisation. Hence P&P-2-1.0 suggests that the effective deployment of these scarce capabilities may create a dependency on the use of consultants which transcends organisational reporting relationships, if the client perceives these capabilities as critical to delivering his strategic intent.

However once the Consultants acquired power through resource dependence they deployed similar tactics to what was observed in the previous policy cycles to institutionalise, generate commitment and resource the strategic change programme and retain the deployment of consultancy services (P&P-2-2.0).

Policy Cycle 3: What power dynamics were leveraged by the Consultants to institutionalise, generate commitment and resource the change programmes when the ambition of the senior sponsor is limited to incremental change?

During the final policy cycle the consultants have encountered a change in Administration with changing priorities. The public service change programme was no longer a strategic priority and there was no binding commitment associated with the change programme. In this context Consultants were observed to attempt various political tactics to seek to sustain momentum for change programmes. However these tactics were unsuccessful and this may be explained by Hickson *et al* (1971) approach to assess an organisational unit's power base. This approach may also be adapted for assessing Consultants power base which may be attributed to the function of capability of coping with uncertainty, the substitutability of the consultancy capacity and the centrality of consultants to the organisation's core workflow to client organisation. The researcher suggested that the Consultants ability to support the process to sustain momentum for change programmes is a factor of their power base within the client organisation (P&P-3-1.0 Part A). Moreover the researcher also suggested that Consultants with a limited power base within an organisation are unlikely to contribute to the creation and maintenance of momentum for radical or strategic change programmes, and are more likely to be engaged in loosely coupled incremental change initiatives if supported by the Client (P&P-3-1.0 Part B). This requires theory testing in other settings.

Theory Building Theme – Consultants' ability to Adapt over time (AD)

The ability of consultants to adapt over time is the focus of the third theory building theme which has been explored to inform our understanding of the contribution that consultants can make to the creation and

maintenance of momentum for change whilst supporting the review of the present state, the definition of the future state and implementation, and implications for the client sponsor.

Beer, Eisenstat and Spector (1990) suggested that senior sponsors of change often misunderstand the how to bring about change and often assume that organisation wide programmes will enable change. They go on to argue that change programmes are the greatest obstacle to successful revitalisation. Moreover it is generally perceived that major change programmes often fail to realise intended benefits (e.g. Burke, 2008). In light of these arguments the researcher envisaged that client sponsors of major change programmes and consulting engagements will at some point during the change process realise that organisation-wide change is not delivering intended results. In this context of this theory building theme, the research sought to inform current theoretical understanding on how Consultants adapt and contribute to sustain momentum for the change programme when the programme is not delivering visible results.

Moreover a change in Government is often considered to be a key environmental factor which has major impact on Government programmes. In embarking on this research project the researcher anticipated that such change in Administration will also be a major test for Consultants to adapt and convince the new administration of the merits of their engagement in supporting the change programme and seek to contribute to sustaining the momentum for such programmes. The importance of this theme is emphasised given that major organisational change stems more from the environmental impact than from any other factor (Burke and Litwin, 1992). Hence this theory building theme sought to inform our understanding on how the Consultants adapted and what tactics they deployed to contribute to sustaining momentum for the change programmes in the event uncertainty which emanated from a change in leadership.

The contribution of this theory building theme within the context of the specific policy cycle research questions is discussed below. It is noted that this theme is not examined in context of Policy Cycle 1A given that this stage of the case study represents the onset of the case and is not conducive to examine the Consultants' ability to adapt over time.

Policy Cycle 1b: How did Consultants react when a radical change programme was not delivering visible results to contribute to maintaining momentum for the change programme?

During the implementation of the radical change programme examined in Policy Cycle 1b the change programme was subjected to increasing resistance by both internal as well as external stakeholders. Moreover new structures and processes encountered significant implementation challenges and lacked visible results. This resulted in significant pressure being mounted on the Consultancy led programme team. In the context of this policy cycle the researcher formulated two theoretical propositions which

described how the Consultants contributed to sustaining momentum for the change programme when confronted with these challenges.

More specifically the Consultants have evolved their offerings and capabilities, and channelled their resources to areas wherein they can deliver quick wins (AD-1B-1.0 Part A) and focused on new emerging opportunities in Greenfield sites within the host organisation. Most of these responses were formalised through the annual programme planning cycles.

Policy Cycle 2: How did Consultants adapt and what tactics did they deploy to contribute to the maintenance of momentum, for the change programme in the event uncertainty which emanated from a change in leadership?

Policy Cycle 2 presented the Consultants with a new challenge to adapt when faced with a change in Government and hence leadership of the client organisation. It is also noted that the new Prime Minister was very critical of the consultancy led programme and the senior consultants prior to assuming the leadership role and commissioned a review of the change programme structures. In this context the research provided significant insights into consultancy adaptability tactics in such circumstances. In this context, the tactics of the consultants varied depending on whether they perceived potential for new opportunity or whether they considered that it was unlikely that their role would be retained (AD-2-1.0). The resultant tactics varied from disengagement to politics of disassociation from the lead consultant to recommending pragmatic proposals which re-aligned change initiatives with the leader's objectives. It is noted that these tactics cannot be viewed in isolation from the Power dynamics and Politics Strategies deployed and examined under Theory Building Theme P&P.

Policy Cycle 3: How did Consultants adapt and what tactics did they deploy to contribute to maintaining momentum for the change programme, when faced with a change in leadership and Government priorities?

The final Policy Cycle 3 also presented the Consultants with a change in leadership. However changing Government priorities meant that the change programme was no longer a strategic enabler for Government priorities. In this context the Consultants sought to secure engagement with other clients within the host organisation who are faced with an urgent priority or challenge (AD-3-1.0). However the relationship between the new contractual principal and the consultants inhibited the ability of consultants to provide services to other clients within the same organisation, notwithstanding the demand for such services (AS-3-2.0).

The researcher cannot attribute the lack of success in Consultants adaptability to these tactics given that these tactics cannot be viewed in isolation from the power dynamics of this policy cycle (refer to Theory

Building Theme P&P) given that power dynamics are situational and need to be understood within their contextual factors (Pettigrew and McNulty, 1995).

Theory Building Theme - Resistance and Mitigation Strategies by Consultants (R&M)

It is recognised that when consultants enter an organisation they are not familiar with organisational routines (Simmel, 1992) and their actions will be a disturbance to the organisation's routines. Resistance and mitigation strategies deployed by consultants is the fourth theory building theme which seeks to inform our understanding of the contribution that consultants can make to the creation and maintenance of momentum for change programmes whilst supporting the review of the present state, the definition of the future state and implementation, and implications for the client sponsor. This theory building theme sought to build on the existing literature associated with resistance to change involving consultants as well as the wider resistance to change literature base. The researcher sought to build on this theoretical base and test the application of concepts to understand the dynamics and sources of tensions between consultants and management during the formulation of a picture of the current state and the formulation of a vision for change and their implications on the change programme. During these early stages of change less visible resistance is expected given that often the powerful force of the pressuring institution forces compliance (Amis *et al*, 2002). The researcher also sought to better understand what factors contributed to resistance to change programmes (during implementation) involving consultants by line management who possess considerable power (Boonstra and Bennebroek Gravemhorst, 1998)) and what strategies were adopted by Consultants to mitigate the concerns of the resistance group. The specific contribution of this theory building theme within the context of each policy cycle's research questions is discussed below.

Policy Cycle 1A: What were the dynamics and sources of tensions between consultants and management during the formulation of a picture of the current state and the formulation of a vision for change and their implications for the change programme?

In undertaking the research it was anticipated that during the early stages of change when new proposals are formulated the powerful force of the pressuring institution forces compliance notwithstanding resistance (Amis *et al*, 2002). It is highlighted that during Policy Cycle 1A a new Nationalist Administration had taken over after sixteen years in opposition. The Prime Minister had a clear mandate to deliver change and senior public servants were also positively inclined to improve the public service. In the context of this policy cycle resistance from managerial groups was mitigated through effective stakeholder management and through the power of the new leader.

However it is noted that as recommendations were formed it became more difficult for the Consultants to mitigate against the creation of resistance groups who were less overtly resistant early on. (R&M-1A-1.0):.

Of more significance to the research is that resistance was less focused on strategy but more on approach to change. The recommendations by Consultants to create new change management structures which have different governance arrangements from the rest of the organization resulted in resistance and hostility (R&M-1A-2.0 Part A). This is consistent with O'Toole (1995) who argued that successful change where changes are made to the power structure of an organisation is not imposed and builds in the unique strengths and values of an organisation.

It is also noted that the whilst the Consultants intense focus on their senior client sponsoring group (refer to Theory Building Theme CL) may have enabled consultants to contribute to building momentum for the change programme, this focus may have also distracted attention and possibly even triggered resistance from the Group which will be critical to deliver these benefits during implementation (R&M-1A-2.0 Part B). It is also observed that resistance is increased when Consultants deploy a highly critical style in portraying the existing organisation structures as part of reviews (R&M-1A-4.0).

Policy Cycle 1B: What factors contributed to resistance to the radical change programme involving consultants and what strategies were adopted by Consultants to mitigate the concerns of the resistance group?

During this Policy Cycle Consultants were deployed in implementation roles within the organisation for prolonged periods of time and engaged with a wide cross-section of stakeholders.

This Consultants were engaged in the implementation of a radical change programme which sought to make changes to structures and also redistribute managerial influence. As was anticipated, the undertaking such interventions resulted in a strong form of resistance from those stakeholder groups who would perceive the changes to result in a reduction of their managerial influence (Greiner and Schein, 1988). This theory building theme within the context of Policy Cycle 1b provided insights into various aspects of resistance and mitigation strategies by Consultants which build on existing theory.

Interestingly, the sudden surge in the number of consultants present on client site during implementation was a contributory factor to such resistance (R&M-1B-2.0). However of more significance, the researcher observed that engagement of consultants to undertake change programme leadership may result in resistance from departmental heads even if they are supportive of the change agenda. Such resistance may be mitigated if Consultants provide subject matter expertise to support departmental heads deliver change as opposed to undertaking programme leadership roles (R&M-1B-1.0 Part A).

Boonstra and Bennebroek Gravemhorst argued that “management usually possesses a considerable amount of position and personal power” (1998: 106). This is accentuated by “surface-structural power” where the power processes are embedded in the structure and systems of an organisation (Bradshaw, 1998). When consultants enter an organisation they are not familiar with organisational routines (Simmel, 1992) and their actions will be a disturbance to the organisation’s routines. Hence unless power is redistributed and if the deep structure of an organisation remains intact, the organisation will prevent the system from generating alternatives and will pull any deviations outside its boundaries back in line (Gersick, 1991).

These considerations presented significant resistance challenges for consultants during implementation. More specifically the researcher suggested that implementation models advocated by Consultants which are incompatible with an organisation’s dominant culture (dominant culture defined as the culture pertaining to the dominant coalition) resulted in resistance towards any organizational changes premised on the said implementation model, and wide spread political games aimed at suppressing the momentum for planned organisational changes (R&M-1B-11.0).

The case study examined the impact of resistance to change and strategies adopted by Consultants to mitigate such resistance. Moreover the differences or clashes between differing organisational cultures (Fitzgerald, 1988; Gould, 1996) and values (Amis *et al*, 2002) between the Senior Public Service and Consultants was also apparent. This is an interesting consideration which requires further investigation and may be conducive to quantitative research.

The researcher also suggested that the Consultants struggle to help maintain momentum for change programmes, which are driven by from the centre and not supported by Line Departments, and which involve significant legacy challenges. However it was also observed that Consultants may maintain momentum for change programmes which are driven by from the centre, if they develop strong relationships with departmental management and if the objectives of the centre are aligned to departmental management objectives (R&M-1B-6.0).

However it is important to re-emphasise that despite Consultant’s support from the senior sponsor, line management have the ability to neutralize attempts at change within their territory, which they do not support (R&M-1B-4.0). This reinforces the power position of line management (Boonstra and Bennebroek Gravemhorst, 1998) against Consultants’ influence.

Notwithstanding this power base associated with line management, Consultants attempted to mitigate this resistance and sustain momentum for the change programme. Examples of mitigating strategies deployed by Consultants which better inform our understanding of the phenomenon include:

- New structures and governance mechanisms for the change programme to enable better engagement with the resistance group (R&M-1B-5.0).
- Introduce client relationship managers assigned to work in collaboration with key members of the resistance coalition (R&M-1B-8.0).
- Devise knowledge transfer plans and frameworks to demonstrate commitment to effectively transition change initiatives into business as usual model (R&M-1B-9.0).

The researcher also argued that Consultants may be capable of contributing to sustaining the momentum for the change programme over a longitudinal period through the application of various tactics. However in long-term change programmes which face significant resistance will run out of steam unless tangible benefits are realised (R&M-1B-10.0).

Policy Cycle 2 – Limited Contribution

In Policy Cycle 2 the new Prime Minister's strategic steer and influence ensured compliance during the formulation stage of a strategic change programme. However Policy Cycle 2 was terminated due a constitutional crisis which triggered a general election. Hence the time frame was too short to observe resistance during change programme implementation.

Policy Cycle 3: What types of resistance was evidenced when Consultants attempted to propose an acceleration of the momentum for the change programme?

Policy Cycle 3 presented a very different challenge to Consultants given that they were constrained by a change in strategic priorities of the Government, limited engagement by the Prime Minister and a contractual reporting relationship to Public Service. In this context the Consultants attempted to contribute to creating momentum for new change programmes and initiatives across other areas of opportunity. However these attempts were resisted and blocked by their new senior sponsor. It was observed that the Consultants were unlikely to be able to accelerate momentum for establishing new approaches and structures for change unless these have been developed in consultation with senior decision makers (R&M-3-1.0).

Emergent Theory Building Theme – Programme Leadership Techniques and Discipline adopted by Consultants (NA)

In undertaking this qualitative research the researcher developed a theory building framework which guided this research. This framework was developed after having reviewed existing literature and the case study outline. During the case analysis some unanticipated themes emerged which were not related or guided by

the four original theory building themes discussed above. This section examines the contribution of this emergent theory building theme.

This emerging theme can be grouped under the heading of programme leadership techniques and discipline adopted by programme leadership consultants which in addition to the other four theory building themes has also contributed to informing our understanding of the contribution made by consultants to create and maintain momentum for change programmes and the implications on client sponsors of public service change programmes.

During the early stages of policy formulation of a radical change programme in Policy Cycle 1A Consultants were successful in supporting the creation of momentum for change programmes. In this context the researcher observed various programme leadership traits which contributed to this which could not be explained by the other theory building themes. More specifically the Consultants strived to maintain high standards of delivery and ensure that the standard of deliverables is perceived as being of a higher standard than those produced by the client organisation (NA-1A-1.0). They also sought to maintain control of the situation by always having a clearly articulated and robust forward plan or roadmap, and often were ahead of management in defining a forward plan. (NA-1A-2.0). They also emphasized the interdependencies between various organisational initiatives to justify the implementation of a holistic programme (NA-1A-4.0). Moreover they also maintained a focus on, and skilfully depicted the outcomes and benefits associated with the successful implementation of their proposals (NA-1A-3.0).

During the implementation stages of the radical change programme in Policy Cycle 1b the Consultants positioned themselves to address a gap in managerial time availability. Managers are often focused on business as usual and do not have sufficient time and capacity to deliver change programmes. This lack of time and capacity translated into a programme leadership engagement opportunity for Consultants (NA-1B-1.0). The Consultants were observed in deploying the use of programme leadership techniques and discipline to contribute to sustaining momentum for the change programme. For instance the Consultants maintained control of the benefits review processes and were more likely to present a snapshot of benefits, which supports their intent for the next stages of the programme. (NA-1B-2.0). Moreover the Consultants also adopted a structured approach to risk management associated with the potential termination of their engagement and the likelihood of a change in client sponsor. Consultants sought to mitigate such risks by engineering client dependencies for their services (NA-1B-3.0).

Interestingly the adoption of programme leadership techniques and discipline was also observed to contribute to sustaining momentum for change programmes in Policy Cycle 2 wherein a strategic approach to change was adopted which focused less on corporate initiatives but more on departmental initiatives championed by the organisational leadership. More specifically the adoption of top-down coercive tactics by the senior sponsor to accelerate the momentum of the implementation of change were complemented

with the deployment of consultants to support line departments in the implementation and project management aspects.(NA-2-1.0).

The deployment of programme leadership techniques and discipline was once again observed in **Policy Cycle 3** wherein the Consultants were facing changing priorities, an adoption of an incremental approach to change by the senior client and significant challenges to sustain momentum for change programmes. In this context the Consultants adopted portfolio analysis techniques to seek to align organisational initiatives to the client sponsor's objectives and funding constraints (NA-3-1.0). Moreover it is noted that whilst consultants were involved in various piecemeal initiatives, their involvement was not continuous. In this respect it was observed that Consultants engaged in providing a delivery support role but not involved in formulating the strategy and approach for change had limited opportunities to accelerate momentum for change programmes (NA-3-2.0). On the other hand the ability of Consultants to sustain momentum for change was hampered if they had limited involvement in delivery of change at a Departmental level (NA-3-3.0).

The adoption of programme leadership techniques such as programme planning, portfolio analysis, benefits management and risk management in a structured and disciplined way emerged as an important consideration for programme leadership consultants in supporting the creation and maintenance of momentum for change. The application of these techniques also enabled the consultants to be a step ahead of line management.

However these set of observations also pose more questions which remain to be answered. Burke (2008) examined leadership self-examination literature and summarised the key traits of leadership, which included tolerance for ambiguity and need for control. In reviewing leadership literature (Stodgill, 1974| Bass, 1990), Burke (2008) argued that effective leaders require "an above-average level of energy and capable of (1) working long hours when needed, (2) interacting with lots of people, and (3) energising others" (2008: 250). These traits seem to be characteristics deployed by programme leadership consultants throughout the case time line. This poses the question on whether leadership traits possessed by consultants has a relationship to the momentum for change programmes.

8.3 Implications for Practitioners

In addition to the theoretical building focus of this thesis, the research also provides insights to both consultancy practitioners as well as their clients. The case study examined the ongoing role of consultants throughout the various stages of change programmes and how consultants contributed to sustaining the momentum for change programmes over a longitudinal period. This provides a perspective which is not addressed in practitioner publications, which often focus on consultancy case studies depicting detached change episodes. Hence the research has the potential to serve as a useful information and case reference

resource for programme leadership consultancy practitioners and practising client sponsors of change programmes. However the case study does not provide insights to Line Managers who may have not participated in the decision to engage Consultants but who would be directly affected by such decisions given that the analysis was undertaken from the perspective of the strategic apex of the organisation.

It is emphasised that this study is more descriptive than prescriptive and does not make claims to prescribe decision models on the consulting resourcing mix. Moreover the section will not re-examine and present the detailed case study analysis and theory building sections but rather present a review of the respective theory building themes contribution to practice and how the thesis can be used to this end.

Figure 8 3 Practitioner Implications of Theory Building Themes
(Theoretical Framework developed by building on existing theory and evolved through analysis of Phenomenon within context the case study’s three policy cycles)

<p>The five theory building themes provide a framework to inform our understanding of the contribution made by programme leadership consultants to the creation and maintenance of momentum for public service change programmes and the implications for their client sponsors</p>					
Theoretical Themes:	CL	P&P	AD	R&M	NA (Not Anticipated)
	Leverage of the Consultants' Relationship with the Client	Power and political strategies deployed by consultants	Consultants ability to adapt over time	Resistance and mitigation strategies by consultants.	Programme leadership techniques and discipline adopted by consultants
Implications on practising:	Client Sponsor of Change Programme		Programme Leadership Consultants		

Practitioner Implications of Theory Building Theme - Leverage of the Consultants' relationship with the Client (CL)

This section examines the contribution to practice made by Theory building Theme CL which focused on the leverage of the Consultants' relationship with the client across the various policy cycles examined in the case study.

During Policy Cycle 1a in the context of this theory building theme the research sought to understand how programme leadership consultants developed and leveraged their relationship with the client during policy

formulation stage to contribute to the creation of momentum for change. This focus provided useful practitioner insights particularly for practising consultants given that the Consultant within the context of this Policy Cycle was successful in contributing to the creation of momentum for a radical change programme. In this respect the Consultants focused on upward stakeholder engagement (CL-1A-1.0). Moreover the research also provides insights to practicing consultants on ways to engage with their senior sponsor, and sensitise their audience early on in their engagement during policy determination (CL-1A-2.0; CL-1A-3.0). The importance of Consultants securing continuous access to the senior decision makers was also emphasised (CL-1A-4.0). The Consultants sought to contribute to the creation of momentum for change programmes by adopting various tactics which included adopting first mover strategies in floating new ideas (CL-1A-6.0:Part A), and ensuring that such ideas are legitimated by external forums (CL-1A-6.0 Part B). The importance of Consultants being able to sense that a new client priority is emerging, and attempt to demonstrate the complimentary link between the change initiative being proposed and the new client priority was also highlighted within the context of the case study (CL-1A-8.0).

This theme also provides insightful insights for Senior Client Sponsors of change. In this respect the Consultants' relationships with, and influence over senior clients resulted in tangible and visible top-down support for the Consultant's change initiatives which may also lead to binding commitment for the proposed initiatives. From a practitioner perspective, Client Sponsors should exercise caution in providing binding commitment early on in the process which may take the form of written and public expressions of support, a commitment to current and future funding, or appointment of Consultant(s) to key decision making bodies (CL-1A-7.0 Part B).

During Policy Cycle 1b this theory building theme provides practitioners insights into how the Consultants' relationship with the organisational leadership can contribute to sustaining momentum for radical change programme during the implementation. More specifically the research provides useful insights for practicing consultants seeking to sustain the momentum for a radical change programme during implementation when faced with increasing resistance by reassuring their sponsoring group (CL-1B-1.0 Part A). Typical tactics include delivering positive quick wins; focusing communications on benefits and demonstrating alignment of programme to client's objectives. Other tactics which were effective in reassuring senior sponsors included seeking external recognition for the work undertaken and also recommending approaches which were also adopted by organisations considered as best practice by the client (CL-1B-4.0). Moreover Consultants may also seek the support of their sponsor to sustain momentum for change programmes by exerting visible support and possibly even attempting to convince the senior sponsor to adopt coercive tactics to curb resistance (CL-1B-1.0 Part B). Evidence from the case study suggests that Consultants were more likely to help sustain momentum for change programmes when organisational leaders are willing to apply coercive pressures to stifle resistance, abolish old structures, and provide Consultants with resources, funding and an effective governance framework (CL-1B-2.0).

However clients of consultants should be cautious in adopting such approaches given that whilst such tactics may temporally sustain the momentum of the change programme, this will not necessarily translate in effective change. From the analysis of the case study it was also suggested that Consultants will seek reaffirmation of commitment to the plan and will also seek to develop a binding commitment by the senior sponsor to the change programme by engineering visible public commitments, which are undertaken by the senior sponsor throughout the lifetime of a change programme (CL-1B-3.0). In this respect, the client sponsor practitioners should consider the extent of commitment to be provided to sustain radical change programmes which are facing significant resistance and where benefits have not yet materialised.

In Policy Cycle 2 the Consultants were faced with a change in leadership and had to develop a relationship with the new senior client. Criticism directed towards the consultants by the new client sponsor while in a previous role created an environment wherein, the position of the lead consult became untenable (CL-2-1.0). From a Consultancy Practitioner perspective this may point to consider revisiting client facing consulting roles when changes in the leadership of the host organisation occur. Moreover first consultancy engagements which were perceived by the client as successful provided an opportunity for the consultants to be re-engaged during implementation stages. (CL-2-3.0). However client sponsor practitioners should be aware that Consultants may seek to exceed expectations of their first engagement and assign the best resources to such engagements (CL-2-2.0).

Policy Cycle 3 provided the Consultants with a very different client relationship challenge because organisational priorities changed and client side ambition for the public service change was also reduced. A change in the senior sponsor of the host organisation confined the Consultants to their formal relationship with the organisation, which resulted in losing power (CL-3-1.0). This triggered new political activity aimed at regaining power (as in Policy Cycle 2). From a client-side practitioner perspective it is noted that a change in leadership may be considered as an opportunity to reassess the need for Consultants as well as the approach for change, given that new leadership may have less binding commitment to the approach adopted by predecessors.

Practitioner Implications of Theory Building Theme - Power and political strategies deployed by consultants (P&P)

This section examines the contribution to practice made by Theory building Theme P&P which focused on the power and political strategies deployed by consultants across the various policy cycles examined in the case study.

During Policy Cycle 1a in the context of this theory building theme the research sought to understand what political and power strategies were used by consultants and how they were deployed to influence policy determination and contribute to the creation of momentum for the radical change programme. The most significant practitioner implication of this theory building theme relates to the political tactics deployed by Consultants to generate support for the resources required for delivering their proposed change initiatives (P&P-1A-1.0). In this respect, the assigned responsibility to undertake strategic resourcing tasks to Consultants may provide an opportunity window for the Consultants to increase their influence and sustain control over the change programmes (P&P-1A-2.0). This is an aspect which has significant practitioner implications for client sponsors who should understand the implications of assigning strategic resourcing tasks to consultants which may result in their line management losing control over change initiatives. In this context consultants sought to centralise resources and budgets while strategic options were being considered to retain control over the change programme (P&P-1A-4.0). Moreover consultants attempted to position themselves as the key reference point for the creation of new structures. From a consultancy practitioner perspective, this may provide significant opportunities for further consultancy engagements in the host organisation. Interestingly Consultants also sought to push pilot initiatives resourced by consultants while the longer-term strategic options were being considered ((P&P-1A-3.0), Such tactics were successful in generating momentum for the change programme in the case study and should be considered by practising programme leadership consultants.

Policy Cycle 1b also provides interesting pointers to practitioners based on the power dynamics which were leveraged by the Consultants to institutionalise, generate commitment and resource the radical change programme and retain the deployment of consultancy services in the context of the case study. It was observed that Consultants were competent in securing access to budgets and resources by being proactive in developing funding proposals, securing support from the highest levels of the organisation and thus reducing the influence of lower level decision makers, and maintaining control over funding decision making forums (P&P-1B-1.0). However such control over resources may translate into a lack of ownership for the change initiatives by line management who are not the client sponsors, which may result in resistance to change. This is an important consideration for client side practitioners who act as client sponsors for change programmes. More specifically to avoid resistance and the challenges evidenced in the case study, client sponsors should consider making decisions on consultancy funding proposals through the organisations governance mechanisms to ensure that the key players involved in the implementation are also supportive of such proposals.

During Policy Cycle 2 power dynamics were leveraged by the Consultants to institutionalise, generate commitment and resource the strategic change programme and retain the deployment of consultancy services after a change in leadership. In this context it was suggested that Consultants' power source within a strategic change context emanates from their resource capabilities, if these resource capabilities are scarce

within the client's organisation (P&P-2-1.0). From a client sponsor practitioner perspective the deployment of consultants to support line departments implement centrally sponsored change programmes helped sustain momentum for change and complemented senior management direction (P&P-2-3.0). More specifically programme leadership consultants can provide an opportunity for Practitioners who are Senior Sponsors of Change to deliver initiatives in the short-term when the host organisation does not have the required resource capabilities. However caution is advised on the extent of dependency which may be created given that the analysis of policy cycle 2 observed that having acquired power through resource dependence over the client, Consultants sought to acquire influence over the client organisation's change management and resource allocation governance processes which enable consultants to contribute to sustaining momentum for change initiatives (P&P-2-2.0).

Policy Cycle 3 presented a scenario when power and politics strategies deployed by Consultants were less effective in institutionalising, generating commitment and resourcing the change programmes. In this context the ambition of the senior sponsor is limited to incremental change. The study suggested that the Consultants ability to contribute to sustaining momentum is a factor of their power base within the organisation which based on previous literature may be attributed to the function of capability of coping with uncertainty, the substitutability of the consultancy capacity and the centrality of consultants to the organisation's core workflow to client organisation (P&P-3-1.0 Part A). The study also argued that Consultants with a limited power base within an organisation are unlikely to create and sustain the momentum for radical or strategic change, and are more likely to be engaged in loosely coupled incremental change initiatives (P&P-3-1.0 Part B). These considerations may enable practising consultants to assess their potential power base within an organisation and on this basis determine whether to focus on attempting to contribute to creating momentum for more ambitious change (radical change or strategic change) or limit their involvement to supporting loosely coupled incremental change initiatives.

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Practitioner Implications of Theory Building Theme - Consultants ability to adapt over time (AD)

This section examines the contribution to practice made by Theory building Theme AD which focused on the Consultants ability to adapt over time across the various policy cycles examined in the case study. This theory building theme is not applicable to Policy Cycle 1a given that this stage focused on the onset of change. Policy Cycle 1b provides interesting practitioner implications on techniques adopted by Consultants to sustain momentum for the change programme when the programme was not delivering visible results. It was suggested that Consultants who were facing challenging resistance and lack of visible benefits sought to evolve their offerings and capabilities, and channelled their resources to areas wherein they can deliver quick wins and be more successful (AD-1B-1.0 Part A) and focused on supporting new Greenfield sites (AD-1B-1.0 Part B). Such opportunities often arose at the end of business planning cycles (AD-1B-2.0). In this respect, client sponsor practitioners should exercise control over the sprouting of new consulting engagements until benefits have been realised on current engagements.

Policy Cycle 2 provides practitioners with an understanding of how the Consultants adapted and what tactics did they deploy to sustain momentum for change programmes, in the event uncertainty which emanated from a change in leadership, which is a common occurrence in organisations. In this respect we have already discussed the approach adopted by Consultants to change their Lead Consultant given his association with the previous client sponsor and change initiatives (CL-2-1.0). The Consultants subsequently attempted to recommend pragmatic proposals to shape their future engagement and sustain the momentum for change programmes whilst also addressing the perceived weaknesses (AD-2-1.0). From a Consulting Practitioner perspective is important that the Consultants assess the implications of their relationship with the previous client and determine whether an appealing alternative approach may be formulated which reflects the objectives of the new client sponsor.

Policy Cycle 3 provides a different scenario wherein Consultants attempted to adapt and respond when confronted with unfavourable policy conditions wherein the change programmes they are supporting are no longer a key priority within the host organisation, and the ambition for change is reduced to incremental change. In the context of the case study it has been suggested that the client sponsor may inhibit the ability of consultants to provide services to other clients within the same organisation, notwithstanding the demand for such services (AD-3-1.0 and AD-3-2.0). Moreover Consultants are unlikely to contribute to the generation of momentum for change through strategy formulation, unless the senior sponsor is supportive of new ideas and strategies. From a consultancy practitioner perspective it important for the Consultants to develop the relationship with the new senior sponsor even if the demand for services is in decline. Failure to do so may inhibit the Consultants ability to get engaged in other parts of the host organisation.

Practitioner Implications of Theory Building Theme- Resistance and mitigation strategies by consultants (R&M)

This section examines the contribution to practice made by Theory building Theme R&M which focused on the Resistance and mitigation strategies by consultants across the various policy cycles examined in the case study. **Policy Cycle 1a** provides practitioners with lessons which may be learned from the dynamics and sources of tensions between consultants and line management during the formulation of a picture of the current state and the formulation of a vision for change. Early on during a consultancy engagement, resistance from internal groups was mitigated by effective stakeholder engagement and communications, and by portraying a better end-state for the various groups (R&M-1A-1.0). However as recommendations were formed which may not be supported by managerial stakeholder groups it was more difficult for Consultants to mitigate the creation of resistance groups by political tactics. It was suggested that the focus by Consultants early on during the policy formulation stages on the key decision making group may have distracted attention and possibly even triggered resistance from the Group which will be critical to deliver

these benefits during implementation (R&M-1A-2.0 Part B)..This certainly provides guidance for practising Consultants to extend stakeholder engagement to Groups which do not represent the client sponsor but which are critical to implementation.

While some level of resistance to change may be inevitable based on observations within the case study, resistance was heightened when:

- Attempts by Consultants to establish new change management structures which have different governance arrangements from the rest of the organisation, and the exclusion of existing management from being engaged in these new change management structures (R&M-1A-2.0: Part A).
- In portraying the existing organisation structures as part of reviews, Consultants adopt a highly critical style of the current state (R&M-1A-3.0).

From a consultancy practitioner perspective awareness of these issues may enable appropriate mitigation. For instance the use of existing governance forums and organisational terminology for new initiatives may reduce the likelihood of widespread resistance.

Policy Cycle 1b provides practitioners with insights into what factors contributed to resistance to the radical change programme involving consultants and what strategies were adopted by Consultants to mitigate the concerns of the resistance group and help sustain momentum for the change programme. More specifically client sponsors for Change programmes should have an awareness of the following key considerations emanating from the case study:

- The sudden surge in the number of consultants present on client site during implementation triggered resistance to proposals advocated by the consultants (R&M-1B-2.0).
- The engagement of consultants to undertake change programme leadership resulted in resistance from departmental heads even if they are supportive of the change agenda (R&M-1B-1.0 Part A). Resistance may be mitigated if Consultants provide subject matter expertise to support departmental heads deliver change as opposed to undertaking programme leadership roles.
- Negative criticism of the current state made by Consultants during policy formulation may lead to significant resistance during implementation by management if the Consultants are also involved in implementation (R&M-1B-3.0).

On the other hand, Consultancy practitioners should have an awareness of the following considerations emanating from the case study in the context of the implementation of a radical change programme:

- Despite Consultant's support from the senior sponsor, line management had the ability to neutralize attempts at change, which they did not support (R&M-1B-4.0).

- Consultants struggle to maintain momentum for change programmes, which are driven from the centre and not supported by Departments, and which involve significant legacy challenges (R&M-1B-6.0 Part A).
- Consultants contributed to the maintenance of momentum for change programmes which were driven from the centre, when they developed strong relationships with departmental management and where the objectives of the centre were aligned to departmental management objectives (R&M-1B-6.0 Part B).
- Implementation models advocated by Consultants which are incompatible with an organisation's dominant culture (dominant culture defined as the culture pertaining to the dominant coalition) resulted in resistance towards any organizational changes premised on the said implementation model, and wide spread political games aimed at suppressing the momentum for planned organisational changes (R&M-1B-11.0).

The awareness of these considerations may enable Consultants to improve their approach to engaging with line management who are not part of the Client's Sponsoring Group, and contribute to improved buy-in. Moreover engagement with the resistance group through improved governance mechanisms for the change programme, (R&M-1B-5.0 Part A), the introduction of consultancy relationship managers (R&M-1B-8.0) and the implementation of knowledge transfer plans are resistance mitigation strategies may be considered by Practising Consultants. It is noted that the above mitigations were implemented after top-down tactics to counter significant resistance were attempted. However from a consultancy practitioner perspective, such practices may be more relevant if implemented prior to the establishment of major resistance to change. The case study evidenced that Consultants may be capable of contributing to sustaining the momentum for change over a longitudinal period through the application of various tactics. However Practicing Consultants should be aware that in the long-term change programmes in the case study faced significant resistance and ran out of steam unless tangible benefits were realised (R&M-1B-10.0).

Policy Cycle 2 does not provide practitioner insights on this theme due to its nature and short-term duration. Policy Cycle 3 presents a scenario where the Consultants faced unfavourable policy conditions for ambitious change programmes given that the Senior Sponsor favoured an incremental approach to change. This provides practising consultants with valuable insights. More specifically Consultants were unlikely to be able to help accelerate momentum for the establishing new approaches and structures change unless these have been developed in consultation with senior decision makers (R&M-3-1.0). This emphasises the importance for Consultants to gain an effective reading of the Senior Sponsor's intent.

Practitioner Implications of Theory Building Theme - Programme leadership techniques and discipline adopted by Consultants (NA)

This section examines the contribution to practice made by Theory building Theme NA which provided insights into the programme leadership techniques and discipline adopted by Consultants across the various policy cycles examined in the case study.

During the early stages of policy formulation for a radical change programme in Policy Cycle 1a the Consultants maintained high standards of delivery and ensured that their deliverables are of a higher quality than those of the host organisation. Moreover they were often ahead of management in their thinking given that they were entirely focused on policy formulation whereas line management were engaged in day to day operations. In this respect Consultants activities were driven by a clear forward plan (NA-1A-2.0) and a focus on benefits realisation (NA-1A-3.0). These observations will inform practising programme leadership consultants on the importance of these tactics to gain influence and control over the change programme. Equally these insights may also be relevant to newly appointed client sponsors. Consultants also sought to reinforce the alignment of recommended strategies to emerging Government Policies and recommended that change was managed as a holistic programme due to interdependencies between change initiatives (NA-1A-4.0). In this context it is important for the client sponsor practitioner to assess the extent of such dependencies to determine whether a programmatic approach to change is appropriate rather than delivering change through existing structures.

During the implementation stages of the radical change programme presented in Policy Cycle 1b line management was often focused on business as usual and did not have sufficient time and capacity to deliver change programmes. This lack of time and capacity presented engagement opportunities for consultants (NA-1B-1.0). This should inform practising client sponsors of Change Programmes to focus on resourcing of such programmes to ensure control is retained within the host organisation. Otherwise Consultants may be provided with an opportunity engineer client dependencies for their services (NA-1B-3.0). Evidence from case study suggests that client control is better to be retained on core programme management processes such as benefits management to ensure that benefits attributed to the programme are assessed objectively (NA-1B-2.0). Policy Cycle 2 did not provide further insights into this theme due to research focus and duration.

Policy Cycle 3 also provided interesting insights to practising Programme Leadership Consultants who encounter unfavourable policy conditions for change. For instance small portfolio analysis consulting engagements supported clients who faced funding challenges to demonstrate to the client sponsor, whether the current organisational initiatives were aligned to his strategic intent. Moreover the recommendations to optimise an organisational portfolio may create the momentum for a change programme (NA-3-1.0).

However the policy cycle seems to indicate that for programme leadership consultants may be less effective in helping create and sustain momentum for a change programme unless they are involved in both strategic programme formulation (NA-3-2.0) and delivery (NA-3-3.0).

8.4 Generalisability and the Limitations of Research Undertaken

The researcher sought to explain the phenomenon by developing a Theoretical Framework which guided the research process. This theoretical framework was based on five relevant theory building themes which guided the research to better understand the phenomenon. It is acknowledged that the focus on explaining the phenomenon was limited to the researcher's definition of the phenomenon based on these five theory building themes, namely: the impact of the Consultants' relationship with the client; power and political strategies deployed by Consultants; the Consultants' ability to adapt over time; resistance and mitigation strategies by Consultants and programme leadership techniques and discipline adopted by Consultants (emerged during research and was not a theory building theme at the onset). In this respect Section 8.2 has evaluated the contribution made by this thesis towards knowledge development and also presented a critical examination of the research associated with the specific components of the emerging theoretical framework,

This section discusses issues around the generalisability of the findings of the thesis. Subsequently the researcher also presents research limitations associated with: the selected case study; the case study bracketing approach adopted; the programmatic approach to change adopted; and the focus on sustaining focus on change programmes as opposed to realised change.

Generalisability

The research set out to undertake theory building by informing our understanding of the contribution that programme leadership consultants can make to the creation and maintenance of momentum for public service change programmes whilst supporting the review of the present state, the definition of the future state and implementation, and implications for their client sponsors. It is emphasised that the goal of this doctoral research was concerned with analysing a real world phenomena and not prescribing normative decision models or best practice approaches. This goal is aligned to the case research methodology adopted.

Lundberg (1997) attempted to outline the foundations of a general model of consultancy pointing to the need of an integrative theory on the phenomenon. The proposed domain for such a theory comprised the client perspective, consultant systems of all sizes and known types, and be about change. In this respect, the thesis did not intend to, and did not develop an integrative theory on consultancy and the focus is on one particular segment of the broad consultancy market landscape.

The intent of this thesis was to describe a real-world phenomenon where consultants are increasingly engaged in mixed advisory-delivery engagements to support both policy formulation as well as implementation of change programmes. The thesis sought to focus on this type of programme leadership consulting engagements within the public service, which are different from the traditional advisory engagements often associated with consultants.

Hence whilst the study provides a foundation to examine the phenomenon in wider settings, the findings of the study are confined to this focus. Hence the researcher makes no claims to generalise theory building findings across other types of consultancy engagements, which may involve different types of consulting organisations of different sizes (e.g. big four accounting firms, boutiques), with different service offerings (e.g. pure advisory; specialist firms) and operating in different parts of Government (e.g. Non-Departmental Government Bodies) or different industries (private sector).

It is also emphasised that the research focused on consultants' involvement within the context of change programmes. Hence the findings of the theory building study should not be generalised to consultancy practice wide or industry wide levels but should be constrained to a change programme level of analysis.

Moreover the thesis examined the phenomenon from the perspective of the senior client sponsors of the change programmes and the consultancy engagements. Hence the findings cannot be transportable from the perspective of line management.

Limitations of Maltese case study

The case study was conducted within the context of the Maltese Public Service. It is noted that whilst Malta's civil service traditions and governance approximate the Whitehall model, Malta is still a micro state with specific considerations. Hence findings will benefit from similar studies in a larger setting. For instance considerations on extent of access by Consultants to the most senior levels of Government would need to be assessed in a larger country. However the Maltese case study provided a manageable setting and unparalleled access, which was important for theory building. The findings can now be tested through quantitative research within larger countries to enable wider generalisation.

Limitations of the case study research bracketing principles adopted

In Chapter 2 the researcher presented the approach to the case study timeline bracketing process undertaken to facilitate analysis and theory building. This process enabled the bracketing of the case study from the perspective of the strategic apex of the public service into three policy cycles, during which different change archetypes (e.g. radical change; strategic change and incremental change) were pursued by the

organisational leadership. It is emphasised that the findings made within the context of each Policy cycle are limited to the conditions set out within the policy cycle. Hence, knowledge development claims made in Policy Cycle 1A wherein the policy for a radical change programme was formulated cannot be generalised to Policy Cycle 3 where incremental change was preferred by the client sponsor, Hence the research does not attempt to claim validity for theory building findings under other contexts than intended and set out in the research questions in Chapter 2.

Moreover the researcher also acknowledged that the aggregation process of temporal periods is similar to a bracketing process and this process has inevitably impacted meaning. George and Jones (2000) argued that such aggregations should be linked to the way in which the actors of the study bracket their own experiences and make sense of it. Hence, the researcher bracketed the case timeline from the perspective of the key actors at the most senior levels of Government and the Public Service. In this respect, line managers may perceive the time brackets as being significantly different from the study's perspective. Hence, the thesis limits its knowledge development claims to an understanding of the phenomenon from the perspective of the most senior levels of the host organisation and the programme leadership consultants.

Limitations associated with the Programmatic approach to change

It is also noted that a key parameter in bracketing the case study was the segmentation of the case study based on different Policy Cycles (Hogwood and Gunn, 1984). In the context of the case study, policy is defined as a programme which is a specific sphere of government activity involving legislation, organisation and resourcing (Hogwood and Gunn, 1984). Hence, policy cycles were bracketed from a programme based definition of policy. In this context, change was examined within a programmatic domain wherein change initiatives were organised as change programmes. This approach was conducive to the Maltese Government's deliberate intent to deliver public service change through a programme. Hence the findings cannot be generalised to contexts wherein other organisations engage Consultants to support change, which is not formally organised as a programme.

Limitation associated with the focus on Change Programme as opposed to Realised Change

The research provided an understanding of various techniques deployed by Consultants to sustain momentum for change programmes under different conditions. While acknowledging that this provided insights into which techniques may be effective in sustaining momentum for change programmes under specific conditions, the research does not examine whether the interventions of consultants under these conditions lead to sustaining momentum for change rather than the momentum of change programme and hence the realisation of intended benefits. This is a very important consideration for researchers which may better inform our understanding as to whether and when Consultants should be deployed in programme leadership roles.

8.5 Pointers for future research

The use of consultants for programme leadership roles in change programmes by Governments is an important development which deserves academic focus given the impact of such change programmes on society. This research conducted in this thesis is a step in the right direction and set out to undertake theory building by informing our understanding of the contribution that programme leadership consultants can make to the creation and maintenance of momentum for change programmes whilst supporting the review of the present state, the definition of the future state and implementation, and implications for the client sponsors. This section concludes the thesis by presenting pointers for future research.

The thesis has informed our understanding of the phenomenon by developing various theory building themes which were guided by previous research. The knowledge contributions made for each theory building theme should be tested in other settings in future research. In section 8.2, contribution to theory building the researcher also examined specific aspects of theory building which require further focus. For instance which leadership traits possessed by programme leadership consultants will have an impact on the momentum for change programmes? These pointers for future research which are specific to the individual theory building themes will not be repeated in this section.

It would also be interesting for future research to examine how other types of Consultants and Consultancy organisations and other types of consultancy engagements, which may involve different types of consulting organisations of different sizes with different service offerings and operating in different parts of Government or different industries can also contribute to creating and sustaining momentum for change programmes.

The researcher also acknowledged that the thesis informed our understanding of the phenomenon from the perspective of the most senior levels of the host organisation and the consultancy structures. In this respect it is also recommended that future research should also examine the phenomenon at other levels of the organisation, in particular from the perspective of line managers.

It is also noted that this thesis also examined the phenomenon within the case study of a change programme. In this context change was examined within a programmatic domain wherein change initiatives were organised as change programmes. Future research should also examine the other organisations which engage Consultants to support change, which is not formally organised as a programme.

The research provided an understanding of various techniques deployed by Consultants to sustain momentum for change programmes under different conditions. However it is important to acknowledge

that sustaining momentum for change programmes may ensure the survival of formal change programmes but does not necessarily maintain momentum for real change and the realisation of benefits. Hence future research will benefit from examining whether the interventions of programme leadership consultants leads to sustaining momentum for change rather than the change programme, and hence the realisation of intended benefits. This may inform our understanding as to whether and when Consultants should be deployed in programme leadership roles.

In concluding Public Services are increasingly facing challenging times with pressure to deliver more with less financial resources. This pressure may trigger the formulation of new change programmes to address emergent challenges, which will require Senior Sponsors to make informed choices on resourcing both programme definition and implementation stages. It is hence more important to better understand which mix of resources can be best deployed to improve delivery of intended change initiatives.

Appendices

Appendix A – Schedule of Interviews

The following table presents the semi-structured interviews with senior public servants, senior politicians and consultants, which informed the case study analysis, and their respective roles in the three Policy Cycles examined.

Table A 1 Schedule of Interviews

Interviewee:	Roles Held:		
	Policy Cycle 1	Policy Cycle 2	Policy Cycle 3
Joseph Sammut	Administrative Secretary / Head of Public Service Ambassador to the Kingdom of Saudi Arabia	Ombudsman	N/A
Joseph R Grima	Cabinet Secretary Permanent Secretary, Office of the Prime Minister and Head of Public Service	Permanent Secretary, Office of the Prime Minister and Head of Public Service	Permanent Secretary, Office of the Prime Minister and Head of Public Service
Joseph Zammit	Senior Public Officer	Cabinet Secretary	N/A
Dr Alfred Sant	Leader of the Opposition and the Malta Labour Party	Prime Minister	Leader of the Opposition and the Malta Labour Party
Joseph V Tabone	Operations Review Consultant Projects Director, Management Systems Unit (MSU) Executive Chairman of MSU	N/A	N/A
Joseph Scicluna	Senior Public Officer	Director General, Management and Personnel Office	Permanent Secretary, Ministry of Finance
Paul Mifsud Cremona	Management Consultant, Management Systems Unit	Managing Consultant (Policy), Management Efficiency Unit	Managing Consultant (Policy), Management Efficiency Unit
Mario Cutajar	N/A	Secretary, General Workers Union	Secretary, General Workers Union
Gejtu Vella	N/A	Secretary General, Union Haddiema Maghqudin	Secretary General, Union Haddiema Maghqudin

Interviewee:	Roles Held:		
	Policy Cycle 1	Policy Cycle 2	Policy Cycle 3
Johann Zahra	N/A	Management Consultant, , Management Efficiency Unit	Management Consultant, , Management Efficiency Unit
Patrick Vella	Research Analyst, Public Service Reform Commission	Group Manager, Management Systems Unit	Management Consultant, Management Efficiency Unit
Helga Pizzuto	Consultant / Programme Manager, Management Systems Unit	Managing Consultant, Management Efficiency Unit	Manager, Management Efficiency Unit
Noel Borg	Management Consultant, Management Systems Unit	Managing Consultant, Management Efficiency Unit	Managing Consultant, Management Efficiency Unit
Robert M Silver	Programme Manager / Managing Consultant, Management Systems Unit	Managing Consultant, Management Efficiency Unit	Managing Consultant, Management Efficiency Unit
Celia Falzon	Executive Assistant to the Chairman, Management Systems Unit	Management Consultant, Management Efficiency Unit	Management Consultant, Management Efficiency Unit
Peter Gatt	Management Consultancy Trainee, Management Systems Unit	Management Consultant, Management Efficiency Unit	Management Consultant, Management Efficiency Unit
Sergio Galea	N/A	Management Consultant, Management Efficiency Unit	Management Consultant, Management Efficiency Unit
Alfred Fabri	Senior Member, Public Service Reform Commission Board Member, Management Systems Unit	Chairman, Planning Authority	N/A
Dr. Edward Warrington	Executive Secretary, Public Service Reform Commission	Public Policy Academic, University of Malta	Public Policy Academic, University of Malta

Interviewee:	Roles Held:		
	Policy Cycle 1	Policy Cycle 2	Policy Cycle 3
David Spiteri Gingell	<p>Research Analyst, Public Service Reform Commission</p> <p>Executive Assistant to the Chairman of the Management Systems Unit</p> <p>HR Group Manager, Management Systems Unit</p> <p>Head of Consultancy Group, Management Systems Unit</p>	Manager, Management Efficiency Unit	<p>Manager, Management Efficiency Unit</p> <p>Chief Information Management Officer, Office of the Prime Minister</p>
Philip Micallef	Group Manager, Management Systems Unit	N/A	N/A
Henry Alamango	Group Manager, Management Systems Unit	Director, COMNET-IT	Director, COMNET-IT
Ray Navarro	Manager, Management Systems Unit	Divisional Manager, Management Systems Unit / MITTS	Divisional Manager, MITTS
Victor Camilleri	Manager, Management Systems Unit	Group Manager, Management Systems Unit / MITTS	Group Manager, MITTS
Alfred Fiorini Lowell	<p>Director General, Management and Personnel Office</p> <p>Cabinet Secretary</p>	Permanent Secretary	Permanent Secretary
Chris Falzon	Managing Consultant, Management Systems Unit	N/A	N/A

B.1 Introduction

This appendix presents a brief background to the Maltese Islands, its post-independence governance, and salient political developments. Contextual information about the public service prior to May 1987, when the Nationalist Party was elected to power after sixteen years of Labour administrations is also presented. The appendix simply provides the reader with contextual information to the case study base point prior to the launch of various public service change initiatives, which will be studied in the subsequent Chapters.

B.2 The Maltese Islands

The Republic of Malta consists of three islands Malta, Gozo and Comino with an area of 316 kilometers² located in the middle of the Mediterranean Sea, 93 kilometres south of Sicily and 288 kilometres from Tunisia in the North African mainland. The total population of the Maltese islands in 1985 which is the year of the Population Census closest to the 1987 base point of the case study was 345,418¹.

Malta has a Coastline of 140 kilometres and its strategic location is also complemented with harbours which enabled Malta to develop as an important trading post. The islands also enjoy a warm climate with an average winter temperature of 12°C (54°F.). Valletta is Malta's capital and is its administrative centre which hosts most of the institutions described in the case study. Maltese and English are both official languages.

B.3 Overview of the Maltese Public Service prior to the Case Study Timeline

Malta's system of public administration approximates the Westminster / Whitehall model of Government and many of its characteristics have been inherited from the colonial administration.

Interestingly:

alone among the civil services established in Britain's dependent territories, the Maltese civil service was localised before the nineteenth century had run half its course. It developed as part of the imperial enterprise, but not under imperial tutelage, to meet local concerns and aspirations...the self-serving experiment in localisation sanctioned by the British in the middle decades of the nineteenth century can be considered a precursor of Indirect Rule, the grand – if somewhat illusory – design conceived by Britain's imperial administrators which was adopted in other British dependent territories (Warrington, 1996: xii – in Pirota).

¹ National Statistics Office: http://www.nso.gov.mt/docs/chapter5_table1.pdf, 1995 Census Report, Population Growth Table.

Pirotta (1996) has highlighted a number of interesting developments that are distinctive of the Maltese Civil Service during British rule between 1800 and 1940. These developments enable a better understanding of the Maltese Civil Service and its traditions, and include that:

- in 140 out of 164 years of British rule in Malta, the civil government administration was entrusted to the Maltese Civil Service;
- it was one of the first civil services in a British non-resident colony which was nearly fully indigenized by the middle of the nineteenth century;
- it was one of the first civil services in the British empire where civil servants recruits were subjected to a competitive examination process.

It is noted that the historical colonial focus on developing and maintaining a military base meant that government employment accounted to a large proportion of the working population. Hence in the pre-industrialisation era “the islands peculiar circumstances favoured a commanding economic role for government” (Current Good Practice and New Developments in Public Service Management; A Profile of the Public Service of Malta: 2).

Up to the 1964 independence, senior public servants interviewed described public servants as “administrators” charged with implementing policies devised by “colonial masters”. This class of “administrators” did not require policy formulation and planning skills. Senior public servants interviewed emphasized the “silent reform” that took place in Government operations across two different administrations between 1964 and 1979 when Malta was transformed from a military based economy to an economy focused on industry, commerce and tourism (Interview, Joseph Zammit). This “silent reform” required the public service to adopt a planning orientation.

Unity and Uniformity in Post-Independence Public Service

A key principle of the Maltese Public Service that is similar to the Westminster / Whitehall model is that the service should abide by the principle of political neutrality and anonymity. However the strongest principles of the public service cited by senior public servants were unity and uniformity. Entry through the public service was by examinations ensuring that the “cream” of school leavers entered the service (Interview, Joseph Zammit). In most respects, the public service approximated an internal labour market model where career public servants are appointed, disciplined and removed by the Prime Minister based on a recommendation by the independent Public Service Commission which was established as a constitutional safeguard for an impartial and merit based service. In this respect the Public Service Commission is an independent body established the Constitution of Malta. Its primary role is to give advice and to make recommendations to the Prime Minister in the making of appointments to public offices, in the removal of persons from such offices and in the exercise of disciplinary control over public officers. The Commission interprets its role to mean that:

it has a duty to ensure that recruitment into and all promotions or appointments within the public service are made in an equitable and impartial manner; are free from patronage and discrimination and are based on the principle of merit. It is also the duty of the Commission to

ensure that disciplinary action against public officers is fair, prompt and effective (Functions of Public Service Commission in accordance with Public Service Commission Regulations, 1960).

In the past any attempt to alter unity and uniformity were resisted, as was the case in the early 1960s when the then Prime Minister, Dr. George Borg Olivier (Nationalist party) attempted changes to the public service examinations system.

Unlike the Nationalist Administration in the 1960s, the Labour Administration between 1971 and 1979 did not encourage immigration. This decision had economic, social, and political impact and required the Labour Administration to deal with the departure of British forces. Hence, the Government absorbed British service employees and integrated their grades within the public service grade structure. This process resulted in an inflow of individuals with a different organisational culture. Moreover, the public service experienced a freeze on recruitment, which stopped the inflow of top performing school leavers. This had long-term repercussions including challenges with senior appointments.

Moreover the emergence of parastatal enterprises in the 1970s in the telecommunications, aviation, banking, tourism and other sectors which supported the country's economic development goals, also resulted in a partial departure from the principles of unity and uniformity. This has created an opportunity for Politicians to extend patronage in structures which do not benefit from the protection of Constitutional safeguards such as the Public Service Commission. However, the impact was contained given the limited interface between the public service and these entities. Notwithstanding these various contingencies, the core principles of unity and uniformity were retained within the core public service.

1981-1987 Political Turmoil

In the 1981 elections, the opposition Nationalist Party led by Edward Fenech Adami won a majority of the popular vote but failed to obtain a parliamentary majority and constitutionally the Malta Labour Party led by Dom Mintoff was returned to power. This led to intense political tensions and rivalries through the 1980s. In 1984 Mintoff resigned from both the posts of Leader of the Malta Labour Party and Prime Minister and was succeeded by Karmenu Mifsud Bonnici. In 1986 prior to the 1987 Elections constitutional amendments were introduced for allowing additional parliamentary seats for the Party which obtained an absolute majority of first-preference votes but not a parliamentary majority. This avoided a repeat of 1981 general election and the Nationalist Party was elected to power in 1987 after sixteen years in opposition with a small majority.

Edward Fenech Adami was sworn in as Prime Minister of Malta in May 1987. He was elected on a manifesto which promised radical change to Malta's infrastructure, business structures, legal and regulatory framework. The Nationalist Party also proposed a redefinition of the extent to which the public sector would be involved in the economy. The change in Administration also impacted the

public service, which changed its focus from an economic plan orientation to political plan orientation driven by the Nationalist party's electoral manifesto.

B.4 Governance as at the Case Study Baseline Point (1987)

The Republic of Malta is a parliamentary representative democracy with the President acting as the constitutional head of state that is elected by a simple majority in the House of Representatives and holds a single term of five years. The executive powers lie with the Prime Minister who is the head of government and the cabinet of Ministers. The Executive was mainly managed and directed through a Central Government System until 1993 when the Local Councils Act was enacted. It is noted that local councils were not established at the start of the case study time line which has been studied. The only exceptions to this were some devolved area and district offices of the Departments of Health, Works, Social Security and a limited experiment to establish the Gozo Civic Council which survived independence by less than ten years (Current Good Practice and New Developments in Public Service Management; A Profile of the Public Service of Malta, 1995). In most instances Secretaries / Heads of Departments reported directly to the responsible Cabinet Minister. Moreover the role of Permanent Secretary, which was defined in the Constitution, was not implemented at the time.

The legislative responsibilities rest with both government and the parliament which is Malta's single chamber legislative body presided by a Speaker of the House. Members of Parliament are elected to the House of Representatives by the single transferable vote system which is an electoral system based on the proportional representative system. The Parliamentary term lasts for a maximum of five years.

The House of Representatives consist of 65 members who are elected from 13 constituencies each electing five representatives. Additional Members of Parliament are only elected if certain provisions of the Constitution are triggered, which include addressing a democratic deficit when a party achieves 50% +1 of first preference votes but does not secure a Parliamentary majority or when in an election contested by more than two parties only two parties are elected to Parliament and the seat allocation is not proportionate to the first preference votes obtained. These constitutional triggers were enacted in 1986 to avoid democratic anomalies.

The independent Judiciary and its associated powers rest with the Chief Justice and the Judiciary of Malta who are appointed by the President of the Republic.

A number of authorities have also been established to supervise and scrutinize areas of public policy interest by virtue of the Constitution such as the Electoral Commission, the Employment Commission and the Public Service Commission. It is also noted that the Maltese Constitution also recognises the role of a loyal Opposition and that of the Leader of the Opposition, who has a consultative role on the appointment of certain independent authorities established by virtue of the Constitution.

Appendix C –Synthesis of Emerging Theoretical Understanding of Programme Leadership Consulting Engagements

A summarised presentation of the emerging theoretical understanding of the phenomenon within the context of the three policy cycles is presented in this Appendix. The theory building themes, research questions and theoretical propositions in response to these questions are collated for ease of reference.

Policy Cycle 1-A: The contribution that programme leadership consultants can make to the creation of momentum for change programmes whilst supporting the review of the present state and the defining a radical change programme, and the implications for the client sponsors of change programme.

#	Theory Building Theme	Focus within Policy Cycle 1-A	Theoretical Propositions
CL	Impact of the Consultants' Relationship with the Client	How can Consultants develop and leverage their relationship with the client during policy formulation stage to contribute to the creation of momentum for a change programme?	<p>CL-1A-1.0: Early on during the policy formulation stages, Consultants gather a reading of who are the key decision makers with respect to policy formulation and target their energy and focus on stakeholder engagement, network development and communications towards the identified group. A-1.1</p> <p>CL-1A-2.0: <u>Part A:</u> Consultants often present a consensus picture of the current state which is in line with the perception and challenges being faced by the key client group. Whilst doing so, Consultants demonstrate an ability to agree key parameters for the evaluation of strategy options with the client group to undertake a reading of the client's preferred direction. <u>Part B:</u> Having agreed the high level parameters for options generation, Consultants progress the development of recommendations through a process of structured engagement with the client group.</p> <p>CL-1A-3.0: Effective Consultants often tailor the style they adopt to present their findings to their client group's preferences to ensure that their audience is sensitized by their findings and recommendations.</p> <p>CL-1A-4.0</p>

		<p><u>Part A:</u> Effective Consultants ensure ongoing access to the Senior Client Group to have the opportunity to influence, and seek support from the Client Group for proposals. This need for ongoing senior client interaction may be justified on the basis of the importance of decisions, the need for expediency, and ensuring that the Client's intent is not diluted.</p> <p><u>Part B:</u> Effective Consultants also recommend and leverage the creation of initiative specific decision making forums, in which the senior clients and the Consultants are represented to formalize ongoing client interaction and legitimize the initiative in anticipation of the implementation phase. It is also common for Consultants to take control of the agenda of these forums</p> <p>CL-1A-5.0: Consultants often utilise best practice case studies of other organizations which are recognized by clients as successful initiatives, as well as case studies which depict the consequences of failure to change, to support the buy-in process of their recommendations by Client Groups.</p> <p>CL-1A-6.0:</p> <p><u>Part A:</u> Effective Consultants are often first movers to floating ideas and securing the buy-in of the senior clients.</p> <p><u>Part B:</u> Effective Consultants recognise the importance of ensuring that their recommendations are legitimated by endorsement from forums/bodies which are highly regarded by the host organisation and will engage closely with such forums/bodies to seek their endorsement.</p> <p>CL-1A-7.0:</p> <p><u>Part A:</u> Effective Consultants ensure that they are the key reference point for senior clients on decisions associated with the creation of new structures. Moreover Consultants will seek to be assigned lead roles in the creation of new structures associated with change programmes.</p> <p><u>Part B:</u> Consultants' relationships with, and influence over senior clients may result in tangible and visible top-down support for the Consultant's change initiatives which may also lead to binding commitment for the proposed initiatives. Such binding commitment may take the form of written and public expressions of support, a commitment to current and future funding, or appointment of Consultant(s) to key decision making bodies.</p> <p>CL-1A-8.0: If Consultants sense that a new client priority is emerging, they may attempt to demonstrate the complementarity and link between the change initiative being proposed and the new client priority.</p>
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P&P	Power and Political Strategies Deployed by Consultants	<p>What political and power strategies were used by consultants and how were they deployed to influence policy determination and contribute to the creation of momentum for the radical change programme?</p>	<p>P&P-1A-1.0</p> <p><u>Part A:</u> Consultants entering an organisation often have limited access to organizational resources which are a key enabler of power and institutional entrepreneurship.</p> <p><u>Part B:</u> Effective Consultants are more likely to plan and undertake focused political tactics to generate support for the resources required for delivering their proposed change initiatives in line with the concepts on resource allocation and related political processes (Harvey and Mills, 1970; Pettigrew, 1973; Pfeffer, 1981). This may be attributed to the reality that unlike Management, Consultants possess little or no resources within the Client organization.</p> <p><u>Part C:</u> Effective Consultants may develop a strong case for additional resourcing requirements by highlighting that line managers clearly perceive that the initiative will not be implemented due to a lack of resources, emphasising the large number of requests to facilitate a change received from within the organisation, and emphasising that the absence of a strong team may result in failed implementation.</p> <p>P&P-1A-2.0</p> <p><u>Part A:</u> Effective Consultants who initially often lack any control over resources and the power associated with possessing such resources, consistently demonstrate first-mover and pro-active traits to convince Client Groups that they are the right individual(s) to undertake strategic resourcing tasks.</p> <p><u>Part B:</u> The assigned responsibility to undertake strategic resourcing tasks may provide an opportunity window for Consultants to increase their influence and sustain control over the change programmes.</p> <p>P&P-1A-3.0</p> <p><u>Part A:</u> Consultants emphasise the need to implement short-term measures and pilot projects while the longer-term strategic options are being considered, if they can justify that these initiatives are aligned to the longer-term vision.</p> <p><u>Part B:</u> Consultants may deploy the implementation of short-term initiatives or pilot projects to create momentum for change, given that less resistance is mounted against pilot projects, because of the perception that such pilots can be easily terminated.</p> <p>P&P-1A-4.0: In attempting to exert control over change initiatives, Consultants advocate the need to centralise scarce resources, avoid piecemeal initiatives while strategic options are being considered, create new coordinating mechanisms wherein the Consultants are represented and secure centralised budgets for change initiatives.</p>
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R&M	Resistance and Mitigation Strategies by Consultants	What were the dynamics and sources of tensions between consultants and management during the formulation of a picture of the current state and the formulation of a vision for change and their implications for the change programme?	<p>R&M-1A-1.0: During the early stages of a consultancy engagement, resistance from internal groups may be mitigated by effective stakeholder engagement and communications, and by portraying a better end-state for the various groups. However as recommendations are formed which may not be supported by managerial stakeholder groups it is more difficult for Consultants to mitigate the creation of resistance groups by political tactics.</p> <p>R&M-1A-2.0: <u>Part A:</u> Attempts made by Consultants to establish new change management structures which have different governance arrangements from the rest of the organization, and the exclusion of existing management from being engaged in these new change management structures will result in resistance and hostility. <u>Part B:</u> The focus by Consultants early on during the policy formulation stages on the key decision making group for policy development may distract attention and possibly even trigger resistance from the Group which will be critical to deliver these benefits during implementation.</p> <p>R&M-1A-3.0: In portraying the existing organisation structures as part of reviews, Consultants often adopt a highly critical style emphasising issues concerning a lack of expertise, capability, legitimacy, role definition and focus on client needs, which may trigger resistance from Groups which are critical to the implementation stage.</p>
NA	Programme Leadership Techniques and Discipline Adopted by Consultants	Emerging Theoretical Propositions which were not covered in the initial Theory focus scope	<p>NA-1A-1.0: Effective Consultants strive to maintain high standards of delivery and ensure that the standard of deliverables is perceived as being of a higher standard than those produced by the client organisation.</p> <p>NA-1A-2.0: Effective Consultants demonstrate that they are in control of the situation by always having a clearly articulated and robust forward plan or roadmap, which sets out the activities and timeframes which have to be undertaken. In this context effective Consultants are often ahead of management in defining a forward plan.</p> <p>NA-1A-3.0: Consultants focus on, and skilfully depict the outcomes and benefits associated with successful implementation of their proposals.</p> <p>NA-1A-4.0: Effective Consultants may emphasize the interdependencies between various organisational initiatives to justify the implementation of a holistic programme.</p>

Policy Cycle 1-B: The contribution that programme leadership consultants can make to the maintenance of momentum for radical change programmes whilst supporting implementation, and the implications for the client sponsors of the change programme.

#	Theory Building Theme	Focus within Policy Cycle 1-B	Theoretical Propositions
CL	Impact of the Consultants' Relationship with the Client	How the Consultants' relationship with the organisational leadership contributes to sustaining momentum for the radical change programme during the implementation?	<p>CL-1B-1.0: <u>Part A:</u> In the event of adverse criticism and resistance Consultants will attempt to maintain momentum for change by providing reassurance to their sponsoring group and deploying a wide range of tactics which may include:</p> <ul style="list-style-type: none"> - Sustaining momentum for the change programme by delivering positive quick wins and visible results. - Improving communications directed at the sponsoring group and associates and emphasising the benefits of implementation. - Taking action to ensure that the change programme is aligned to the Sponsoring Group's priorities. <p><u>Part B:</u></p> <ul style="list-style-type: none"> - Consultants will seek to ensure that their Sponsor exerts visible top-down support for radical change with the objective to curb resistance. - Consultants may attempt to convince their sponsor to adopt coercive tactics and even replace key sources of resistance to mitigate resistance to radical change. <p>CL-1B-2.0: Consultants are more likely to sustain momentum for change when organisational leaders are willing to apply coercive pressures to stifle resistance, abolish old structures, and provide Consultants with resources, funding and an effective governance framework.</p> <p>CL-1B-3.0: <u>Part A:</u> Consultants reassure the sponsoring group through planned stakeholder interventions at critical junctures of the change programme to sustain momentum. <u>Part B:</u> Consultants will also seek to develop a binding commitment by the senior sponsor to the change programme but engineering visible public commitments which are undertaken the senior sponsor throughout the lifetime of a change programme.</p> <p>CL-1B-4.0: <u>Part A:</u> Consultants seeking to maintain commitment from their senior sponsor will seek to</p>

			attain legitimacy to their initiatives through external recognition. <u>Part B:</u> Consultants seeking to facilitate the implementation of a new order will seek to recommend the adoption of structures which are similar to the sponsoring group's understanding of best practice.
P&P	Power and Political Strategies Deployed by Consultants	What power dynamics were leveraged by the Consultants to institutionalise, generate the commitment and resource the radical change programme and retain the deployment of consultancy services?	<p>P&P-1B-1.0:</p> <p><u>Part A:</u> Consultants are competent in securing access to budgets and resources by being proactive in developing funding proposals, securing support from the highest levels of the organisation and thus reducing the influence of lower level decision makers, and maintaining control over funding decision making forums.</p> <p><u>Part B:</u> Consultants who secure control over significant budgets and resources are positioned with an additional source of power to enable them to continue to set the agenda for change and sustain momentum for change programmes. However such control over resources may translate into a lack of ownership for the change initiatives by Management who are not the Senior Sponsors, which may result in resistance to change.</p>
AD	Consultants' ability to Adapt over time	How did Consultants react when a radical change programme was not delivering visible results to maintain momentum for the change programme?	<p>AD-1B-1.0:</p> <p><u>Part A:</u> Consultants who are facing persistent resistance and lack of visible benefits will seek to evolve their offerings and capabilities, and channel their resources to areas wherein they can deliver quick wins and be more successful.</p> <p><u>Part B:</u> The deployment of new emerging concepts in Greenfield sites enable Consultants to take control of emerging change initiatives and develop and position themselves as a Centre of Excellence for such new concepts.</p> <p>AD-1B-2.0: The end of business planning cycles provides Consultants with an opportunity to influence the future strategy, and potentially embed their role in delivery aspects of the new forward plan.</p> <p>AD-1B-2.0: Having mitigated risk against possible change in senior sponsor by creating dependencies (refer to NA-1B-3.0) Consultants will also seek to expand their future client roles into new areas of service provision.</p>
R&M	Resistance and Mitigation Strategies by Consultants	What factors contributed to resistance to the radical change programme involving consultants and what strategies were adopted by Consultants to mitigate the concerns	<p>R&M-1B-1.0:</p> <p><u>Part A:</u> The engagement of consultants to undertake change programme leadership may result in resistance from departmental heads even if they are supportive of the change agenda. Resistance may be mitigated if Consultants provide subject matter expertise to support departmental heads deliver change as opposed undertaking programme leadership roles.</p>

		<p><u>Part B:</u> The perception that consultants undertaking implementation roles are engaged on superior conditions, without being accountable for long-term delivery may also contribute to further resistance.</p> <p>R&M-1B-2.0: The sudden surge in the number of consultants present on client site during implementation will instil a new dimension to the change programme, wherein the widespread use of different language may trigger resistance to proposals advocated by the consultants.</p> <p>R&M-1B-3.0: Negative criticism of the current state made be Consultants during policy formulation may lead to significant resistance during implementation by management if the Consultants are also involved in implementation.</p> <p>R&M-1B-4.0: Despite Consultant's support from the senior sponsor, line management have the ability to neutralize attempts at change within their territory, which they do not support.</p> <p>R&M-1B-5.0:</p> <p><u>Part A:</u> Consultants will attempt to mitigate resistance to change by adopting a wide range of tactics such as introducing new structures and governance mechanisms for the change programme to enable better engagement with the resistance group.</p> <p>R&M-1B-6.0:</p> <p><u>Part A:</u> Consultants struggle to maintain momentum for change programmes, which are driven by from the centre and not supported by Line Departments, and which involve significant legacy challenges.</p> <p><u>Part B:</u> Consultants may maintain momentum for change programmes which are driven by from the centre, if they develop strong relationships with departmental management and if the objectives of the centre are aligned to departmental management objectives.</p> <p>R&M-1B-7.0: Consultants facing criticism from sources which are external to their client organisation will adopt structured stakeholder engagement techniques and communications planning to improve the perception of disenfranchised external audiences, which would otherwise impact the commitment provided by the senior sponsor.</p> <p>R&M-1B-8.0: In an attempt to seek buy-in from the dominant resistance coalition, Consultants may introduce client relationship managers assigned to work in collaboration with key members of the resistance coalition.</p> <p>R&M-1B-9.0: After having exhausted top-down coercive pressures to address resistance and</p>
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			criticism targeted at a change programme, Consultants are also likely to devise knowledge transfer plans and frameworks to demonstrate commitment to effectively transition change initiatives into business as usual mode.
			<p>R&M-1B-10.0: Consultants may be capable of sustaining the momentum for change over a longitudinal period through the application of various tactics. However in long-term change programmes which face significant resistance will run out of steam unless tangible benefits are realised.</p> <p>R&M-1B-11.0: Implementation models advocated by Consultants which are incompatible with an organization's dominant culture (dominant culture defined as the culture pertaining to the dominant coalition) will result in resistance towards any organizational changes premised on the said implementation model, and wide spread political games aimed at suppressing the momentum for planned organisational changes.</p>
NA	Programme Leadership Techniques and Discipline Adopted by Consultants	Emerging Theoretical Propositions which were not covered in the initial Theory focus scope	<p>NA-1B-1.0: Managers are often focused on business as usual and do not have sufficient time and capacity to deliver change programmes. This lack of time and capacity translates into an engagement opportunity for Consultants.</p> <p>NA-1B-2.0: Consultants who control benefits review processes are more likely to present a snapshot of benefits, which supports their intent for the next stages of the programme.</p> <p>NA-1B-3.0: Consultants will adopt a structured approach to risk management associated with the potential termination of their engagement and the likelihood of a change in client sponsor. Consultants will seek to mitigate such risks by engineering client dependencies for their services.</p>

Policy Cycle 2: The contribution that programme leadership consultants can make to the creation and maintenance of momentum for change programmes during a change in leadership of the host organisation, which adopts a strategic approach to change, and the implications for the client sponsor of the change programmes.

#	Theory Building Theme	Focus within Policy Cycle 2	Theoretical Propositions
CL	Impact of the Consultants' Relationship with the Client	How did Consultants develop and leverage their relationship with the client during the establishment and implementation of a strategic change programme to contribute to the maintenance of momentum for the change programme?	<p>CL-2-1.0: Criticism directed towards the consultants by the new client sponsor while in a previous role creates an environment where in, the position of the lead consult is untenable.</p> <p>CL-2-2.0: Consultancy groups perceive the first engagement commissioned by a new senior client, as a critical enabler to deliver future consultancy services. Hence the Consultants are likely to assign the best resources to the first engagement with the objective to exceed client expectations and increase the likelihood of future engagements.</p> <p>CL-2-3.0: First consultancy engagements which are perceived by the client as successful will provide an opportunity for the consultants to be re-engaged during implementation stages.</p>
P&P	Power and Political Strategies Deployed by Consultants	What power dynamics were leveraged by the Consultants to institutionalise, generate commitment and resource the strategic change programme and retain the deployment of consultancy services?	<p>P&P-2-1.0: Consultants' power source within a strategic change context emanates from their resource capabilities which are scarce within the client's organisation. The effective deployment of these scarce capabilities may create a dependency on the use of consultants which transcends organisational reporting relationships, if the client perceives these capabilities as critical to delivering his strategic intent.</p> <p>P&P-2-2.0: Having acquired power through resource dependence over the client, Consultants' will seek to acquire influence over the client organisation's change management and resource allocation governance processes. Such influence will enable consultants to sustain momentum for change for initiatives they are involved in and also facilitate new engagements.</p> <p>P&P-2-3.0: The adoption of top-down coercive tactics by the senior sponsor to accelerate the momentum of the implementation of change may be complemented with the deployment of consultants to support line departments in the implementation.</p>
AD	Consultants' ability to Adapt	How did Consultants adapt and what tactics did they deploy to	AD-2-1.0: In a leader-empowered consultancy coalition, when the leader who is the prime power source of the coalition is perceived to be losing power as a result of a change in client

	over time	contribute to the maintenance of momentum for the change programme in the event uncertainty which emanated from a change in leadership?	leadership, the constituent members of the coalition are likely to adopt a serious of tactics, which may include: <ul style="list-style-type: none">- Politics of disassociation where they disassociate themselves from the leader's strategies, decisions and behaviour, if they sense an opportunity to secure a role going forward.- No politics if the members sense that it is improbable that they will secure a role going forward.- Recommend pragmatic proposals to shape their future engagement and sustain the momentum for change whilst also addressing the perceived weaknesses.
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Policy Cycle 3: The contribution that programme leadership consultants can make to the creation and maintenance of momentum for change programmes when priorities change and the organisation adopts an incremental approach to change, and the implications for the client sponsor of the change programme.

#	Theory Building Theme	Focus within Policy Cycle 3	Theoretical Propositions
CL	Impact of the Consultants' Relationship with the Client	How do Consultants develop and leverage their relationship with the client(s) when priorities change and client ambition is reduced?	<p>CL-3-1.0: Change in the senior sponsor of the host organisation confines Consultants to their formal reporting relationship with the organisation. This may result in consultants losing power, if such power emanated from the commitment demonstrated by the previous leadership. This may in turn trigger new political activity aimed at regaining power.</p> <p>C-1.1</p> <p>CL-1A-7.0: Part A: Effective Consultants ensure that they are the key reference point for senior clients on decisions associated with the creation of new structures. Moreover Consultants will seek to be assigned lead roles in the creation of new structures associated with change programmes. (also applicable).</p>
P&P	Power and Political Strategies Deployed by Consultants	What power dynamics were leveraged by the Consultants to institutionalise, generate the commitment and resource the change programmes when the ambition of the senior sponsor is limited to incremental change?	<p>P&P-3-1.0:</p> <p>Part A: Consultants ability to sustain momentum is a factor of their power base within the organisation. In line with Hickson <i>et al</i> (1971) approach to assess an organisational unit's power base, the power base of Consultants may also be attributed to the function of capability of coping with uncertainty, the substitutability of the consultancy capacity and the centrality of consultants to the organisation's core workflow to client organisation.</p> <p>Part B: Consultants with a limited power base with an organisation are unlikely to create and sustain the momentum for radical or strategic change, and are more likely to be engaged in loosely coupled incremental change initiatives.</p>
AD	Consultants' ability to Adapt over time	How did Consultants adapt and what tactics did they deploy to contribute to maintaining momentum for the change programme, when faced with a change in leadership and Government priorities?	<p>AD-3-1.0: In the event of declining demand for their services Consultants will seek to secure engagement with other clients within the host organisation who are faced with an urgent priority or challenge.</p> <p>AD-3-2.0: The relationship of the senior sponsor with consultants may inhibit the ability of consultants to provide services to other clients within the same organisation, notwithstanding the demand for such services.</p>

R&M	Resistance and Mitigation Strategies by Consultants	What types of resistance was evidenced when Consultants attempted to propose an acceleration of the momentum for the change programme?	R&M-3-1.0: Consultants are unlikely to be able to accelerate momentum for the establishing new approaches and structures for change unless these have been developed in consultation with senior decision makers.:
NA	Programme Leadership Techniques and Discipline Adopted by Consultants	Emerging Theoretical Propositions which were not covered in the initial Theory focus scope	<p>NA-3-1.0: In supporting clients who are facing funding challenges, Consultants may adopt portfolio analysis techniques to demonstrate to the client sponsor, whether the current organisational initiatives are aligned to his strategic intent. Recommendations to optimise an organisational portfolio of initiatives to ensure alignment to the client sponsor's objectives are likely to create the momentum for a change programme.</p> <p>NA-3-2.0: Consultants engaged in providing a delivery support role but not involved in formulating the strategy and approach for change will have limited opportunities to accelerate momentum for change.</p> <p>NA-3-3.0: The ability of Consultants to sustain momentum for change is hampered if they have limited involvement in delivery of change at a Departmental level.</p>

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