THE ROLE OF TRANSFORMATIONAL LEADERSHIP IN REENGINEERING THE PUBLIC ORGANIZATION OF THE FUTURE 1

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Abstract


1) Some parts of this article are adapted from the article: "Succeeding at Business Process Reengineering: the Role of Transformational Leadership and Organizational Learning Mix" Published in the Gadzih Mada International Journal of Business, 3(1), 121-126 May 2000. All references, however, are appropriately and accordingly quoted.

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Introduction.

The public organizations have to reckon with the call of new times. New times call for new management practices—both in the private and in the public institutions, organizations and professions. In a time of rapidly changing technologies, the public organizations services will be addressed not by the old job designs, work flows, control mechanisms, and rigid organizational structures but by practices that are geared towards speed and innovation, service and quality. Instead, public organizations are being urged to "reengineer": using the power of modern information technology to radically redesign the public organizations processes in order to achieve dramatic improvements in their performance (Hammer 1993).

Supak (1996) posits that until recently, there were loud protestations that strategic planning, total quality, and reengineering were not compatible with management in the public sector—yet fiscal constraints, taxpayers revolts, and the demise of public sector monopolies have lead to the demands for paradigmatic redefinitions, in terms of fiscal discipline, managerial skills, leadership capabilities, performance measurements, strategic designing, employee empowerment and competitive techniques required to make public organizations more effective and productive in the current scarcity, market-driven framework of the future.

A conceptual redefinition effort must be undertaken to galvanize the leadership in the public sector to reject the deadly viruses of reactive fear, intellectual rigidity and professional isolation in their embryonic stages and replace them with healthy, proactive, action alternatives. It is the triggering of the creative abilities of leaders in the public sector that will be critical in this moment of truth and decision regarding the future of government. This is based on the premise that the leadership of the public organization of the future must grasp the initiative to shape an organizational context that will ensure a competitive, vibrant, healthy, fiscally rigorous and humane decision making environment for the public sector (Supak 1996). This is where reengineering effort could be invaluable.

Business Process Reengineering (hereafter BPR or reengineering) is the fundamental thinking and radical redesign of an organization’s business process that leads the organization to achieve dramatic improvements in business performance (Hammer & Champy, 1993). Many private firms have successfully embraced this new innovation paradigm to achieve orders of magnitude improvements in cost, efficiency, quality, and value. Even more firms are seeking opportunities to apply reengineering and the methodologies to assist them in doing so. The notion of starting from scratch is misleadingly attractive but for a business built on teamwork, a BPR effort needs a plan, a shared vision, and a methodology (Manganeli 1995). For private corporations, BPR is fundamental in that it first determines what a public organization must do, then how to do it. It is radical, about business reinvention—not business improvement, business enhancement, or business modification. Reengineering is dramatic in that it is not about making marginal or incremental improvements but about achieving quantum leaps in performance (Muchiiri 2000; Muchiiri & Darokah 2000).
BPR is not viewed as downsizing, nor is it just another quality programs or reorganization effort, but rather a balanced approach that may contain elements of all these traditional improvement programs with which it is often confused. BPR is a creative use of information technology as an enabler that allows an organization to do work in radically different ways (process orientation). It is inventing new approaches to process areas, reversing the industrial revolution in the search of new models of organizing work.

Business process engineering (BPE) is recognized as first but most critical stage in developing information systems as well as in launching business improvement and innovation projects. However, more often, there exist great gaps and inconsistencies between the results of BPE and the business itself which turn into huge maintenance overhead during an information system lifecycle. Through BPE, a public organization can design its business according to specific goals, defines a public organization as an assembly of business parts (processes), viewing the construction of a public organization as an engineering activity.

Once an organization embarks on a BPE project, the business model can be inspected, or even executed, to point out business inefficiencies for correction or elimination. This is the thrust of BPR. Organizations still have not learned how to manage BPR. In the private sector, the examples of successful BPR recorded either tends to be short-run adaptive learning-or, if they are genuine innovations, tend to be isolated and eventually subverted. This is why transformational leadership is needed.

The contention point is that boundaries between the public and private sectors are becoming permeable, thus creating fluid organizational hybrids, yet while the private sector has eliminated middle management positions as computer technology removes the need for this layer of coordination, the government has been slow to act. Reengineering is also implied in the public organizations new era. As governments focus on reducing the budget deficit, along with the demands of a market-driven environment, public organizations must flatten out as well-eliminating deputy, associate, and other similar positions that encumber communications and fast turn-around (Slupak 1996). The manager or worker interacting with the leaders/executives in the public organization of the future must become more capable, enabled, and empowered.

The public organization operates according to many unarticulated rules: credit departments make credit decisions; local inventory is needed for good public service; and forms must be filled in completely and in ordered (Hammertime 1993). Reengineering will strive to break away from the old rules about how we organize and conduct organizational services. This has implications on recognition and rejection of some of them as well as finding imaginative new ways to accomplish the work. From the redesigned processes, new rules will emerge that fit the times. Only then can the public organization hope to achieve quantum leaps in performance (Hammertime 1993).

For the public organization, reengineering cannot be planned meticulously and accomplished in small and cautious steps. As they have degenerated to such low ebb, reengineering will be the hope for
breaking away from antiquated processes that threaten to drag them down. This will lessen the annual governments budgets for it will eliminate many positions and layers of management that sit all day long and takes a paycheck come end month. But those left be empowered so that they process entire application, and this will ultimately cut down on delays and processing time.

**WHY THE PUBLIC ORGANIZATIONS MUST REENGINEER.**

- The Public Organization and the Public Interest

The governmental obligation to promote the public interest distinguishes public administration from private management. In a moral and basic sense, it must serve a ‘higher purpose,’ responding to the needs of the citizenry so that democracy may prevail. While economic interests egg on the private firms, while striving for efficiency and competitiveness in the changing environment is a norm and while targeting profits as a positive social and economic good, public administration has been dubbed a form of moral endeavor. Yet in recent years, the ‘public choice’ movement has held that government agencies can be more responsive to and efficient if they are co-opted to react to marketlike forces (Rosenbloom & Goldsman 1998).

The remoteness of market forces in the public sector have been for the difficulties that befall the assessment or evaluation of the worth and efficiency of public administrative operations. The value of any given public administrator’s contribution to the worth of a government good or service becomes even harder making performance and efficiency measurements extremely difficult in the public sector. The government has tried to get round this problem through contracting out some of their functions to private organizations in the attempt, the private companies will compete against one another to obtain the public sector’s business.

- The New Public Management (NPM)

The new managerial approach to public administration that began to take hold in the United States in the early 1990s is reform oriented seeking to improve the deplorable nature of services offered by the public sector performance. NPM starts from the premise that traditional, bureaucratically organized public administration is ‘broken’ and ‘broken,’ and consequently the public has lost faith in the government (Rosenbloom & Goldsman 1998). Rosenbloom and Goldsman (1998) report a 1993 U.S. public opinion polls on the public administration capability; only 20 percent of the public trusted the federal government to do the right thing most of the time, as compared to 76 percent in 1963. Americans felt the federal government wasted 48 cents of every tax dollar collected. It was thus imperative that the government needed drastic reforms, even reinvention (Osborne & Gaebler 1992).

The reformists advocated for the public administration to:
1. Focus on achieving results rather than primarily on conforming to processes.
2. Making better use of marketlike competition in the provision of goods and services through privatization; reorganizing public agencies to more closely resemble private corporations that obtain revenues

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through the sale of goods and services; making public agencies compete against each other and/or nongovernmental organizations.

3. Making the public administration more market-like by being customer-driven. The public and agency clients are thus viewed as customers to whom the government should be responsive. An agency would sell a product or service in competition with private firms and even where the public organization provided service and regulation on a monopoly basis or without charging fees, treating the public as customers like customers was presumed to enhance public administration's service ethic and efficiency. These customer service initiatives would be expected to produce changes that emulated best practices in the private sector; providing satellite offices is shopping centers for renewing drivers' licenses and vehicle registrations; mobile services like library bookmobiles; 'one-stop shopping' for social services such as welfare, food stamps, and public housing; quicker responses to telephone inquiries; and case management changes that reduce the number of government employees an individual has to deal with to obtain what he/she is seeking. The point was to make agencies use their resources to create valued services for customers (Rosenbaum & Goldman 1998:21-22).

4. The government's role would be that of steering, not rowing (Osborne & Gaebler 1992), whereby the government could appropriately rely on third parties, such as other governments, not-for-profit organizations, and corporations to implement their policies and enforce some of their regulations.

5. The government ought to be deregulated. The traditional bureaucracy's emphasis on centralized control of staffing, personnel administration, budgeting, auditing, procurement, and allocation of agency resources was inappropriate to result-oriented public administration. Thus, competition, customers, and accountability for the results would drive government agency managers so that they make the best use of their employees and budgets.

6. Deregulation would mean that employees be empowered to use their creativity in serving customers and doing their jobs more so taken in the light of today's public sector workers who were educated and because computerization makes a great more information available to them. This kind of information was previously held mostly by managers in their bid to determine what employees should do. In any case, empowerment as opposed to hierarchy would promote teamwork.

7. The public administrative culture would have to change to be flexible, innovative, problem solving, entrepreneurial, and enterprising as opposed to rule-bound, process-oriented, focused on inputs rather than results.

The United States of America Vice President Al Gore (1993) is quoted as saying that the public expected a new customer service contract with a guarantee of effective, efficient, and responsive government which put customers first, made services organizations compete, created market dynamics, used market mechanisms to solve problems, empowered employees to get results, decentralized decision making power, and streamlined procurement.
Table 1. Perspectives on Public Administration.
Adapted from: Rosenbloom & Goldman 1998: 39.

<table>
<thead>
<tr>
<th>Characteristics</th>
<th>Traditional Management</th>
<th>NPM</th>
</tr>
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<tbody>
<tr>
<td>Values:</td>
<td>Economy, efficiency,</td>
<td>Cost-effectiveness,</td>
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<td></td>
<td>effectiveness</td>
<td>Responsiveness to</td>
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<tr>
<td></td>
<td></td>
<td>customers</td>
</tr>
<tr>
<td>Structure:</td>
<td>Ideal-typical</td>
<td>Competitive, firmlike</td>
</tr>
<tr>
<td></td>
<td>bureaucracy</td>
<td>Customer</td>
</tr>
<tr>
<td>View of Individual:</td>
<td>Impersonal case, rational actor</td>
<td>Performance-based, market-driven</td>
</tr>
<tr>
<td>Budgeting:</td>
<td>Rational (Cost-benefit)</td>
<td>Decentralized, Cost-minimizing</td>
</tr>
<tr>
<td>Decision Making:</td>
<td>Rational-comprehensive</td>
<td></td>
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<tr>
<td>Government Function</td>
<td>Execution</td>
<td>Execution</td>
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This article, fully aware of the criticisms that it may elicit, still feels that the NPMs perspective is more in sync with modern times. It is on this premise that the article proposes that public organizations embracing transformational leadership concepts can be transformed from the dissatisfying and sometimes laughable stock white elephant, ogre to fully respected and functioning reengineered organizations.

The responsiveness dilemma of the Public Personnel Administration.

The public personnel administration finds itself between a rock and a hard place: responsiveness to political leadership to a democracy who are mainly political appointees and who in turn are usually incompatible with sustained commitment to organizational improvement. The remedy should be 'vesting careerists with personnel administration authority' but it calls for 'a rapprochement with political leaders, one that establishes a normative orientation to personnel administration in which responsiveness to policy leadership is asserted along with other essential values' associated with the public service (Klay 1992:949).

There is no doubting that frequent turnover in state and local governments is a contributing factor to instability in the governments and the public organization administration. Decision criteria become dominated by short range political considerations, evaluations of performance are neglected, planning for the future is impaired, and leaders are often abrupt and fail to follow through in the introduction of change—hence political turnover impedes on the maintenance of...
sustained productivity improvement efforts. It is thus not possible to implement meaningful management improvement in an environment characterized by persistent changes in management (Clay 1993).

The public organization ought to embrace reengineering because altering organizational cultures to achieve greater congruence between social processes and organizational performance is not something that can be accomplished quickly or easily. Fundamental changes in public organizations require much time and sustained effort—even when they are going down the drain and costing the government dearly. Studies of the time required to make strategic decisions suggest that a gestational period is required and a year or more is typically needed to make such decisions, much less implement them; where strategic change includes efforts to alter the culture of organizations, estimates of the time required in private businesses range from 3-5 years to 5-7 years; and, two years might be required for changes of the recommended to penetrate the various ranks of managers in large organizations, and that more than a decade might be required to reach every employee. Again, organizational structural (like shifting from hierarch- ical to networks or modular) may require a full eight years—and this coming from careerists who were enjoying some form of insulation from transitions in political leadership (Clay 1993)! This is why public organizations ought to reengineer.

The Essence of Reengineering.

Reengineering is based on the premise of discontinuous thinking—

recognizing and breaking away from the outdated rules and fundamental assumptions that underlie operations since unless these rules are changed, it will be akin to rescheduling a catastrophe for the future. Achieving breakthroughs in performance can only be as a result of challenging old-assumptions and shedding the old rules that made the business underperform in the first place. Most work design rules that oscillate in public organizations are based on assumptions about technology, people and organizational goals that no longer hold (Hammer 1993).

Again the public organizations processes and structures are outmoded and obsolete, more so for not keeping pace with the changes in technology, demographics, and organizational objectives. The public organization cannot continue to organize work as a sequence of separate tasks or employ complex mechanisms to track its progress. Specialization of labor and economies of scale only ended up disaggregating work into narrowly defined tasks, reaggregated the people performing these tasks into departments, and installed managers in the form of head of departments for the administration.

Today, most civil servants are well-educated professionals work best without the control systems of funneled information up the hierarchy since they too can responsibly handle it. The conventional process structures are fragmented and piecemeal, and they lack the integration necessary to maintain quality and service. They are breeding ground for tunnel vision, as people tend to substitute the narrow goals of their particular departments for the larger goals of the process.
whole. When work is handed off from person to person and unit to unit, delays and errors are inevitable. Accountability blurs, and critical issues fall between the cracks” (Hammer 1993:22).

Managers that are in a reengineering organization will try to break loose from outmoded business processes and the design principles underlying them and create new ones. It will call for a reexamination of the basic processes of the organization from the cross-functional perspective such that it will not be one department doing a task but the effort of various departments and this works when the public organization realize the vitality of teams that represents the functional units involved in the process being reengineered and all the units that depend on it. Hammer says that the team must analyze and scrutinize the existing process until it is crystal-clear. Rather than looking for opportunities to improve the current process, the team should determine which of its steps really add value and search for new ways to achieve the results.

It is only when the public organizations employs reengineering that it will achieve greater performances. The reengineering teams in the field must work on the spot; how many times have reports sent from the field piled and laid in dusty cabinets while the field officers thought that the headquarters was taking action? This is the only way that the public organizations can strive for dramatic levels of improvements—by breaking away from the conventional wisdom and the constraints of organizational boundaries and being broad and cross-functional in scope.

Private sector-style management initiatives like BPR to ensure that public services managers’ learning from private sector management practice will be examined. The IT implications for managerial initiatives in the public services will be examined. Although such innovations can be incompatible with the values of those managing in the public service, who frequently fail to recognize the advantages of late innovation, incrementalism and circumspection. BPR is still very valuable. In public services particularly, many managerial activities are the province of ‘non managerial’ staff. Though frequently considered, the values of these de facto managers may be central to the progress of such innovations (Harrow & Willcocks 1990).

The debate on the extent to which public services managers can and should learn from private sector managers’ principles and practices is gathering pace, more so spurred by the most central governments: sponsorship of private sector advice; governments promotion of the ‘Five E:excess, efficiency, excellence, enterprise and effectiveness’; new forms of ‘managerialism’, structure, performance indicators and financial management; and the widespread use of management consultants throughout the public sector (Harrow & Willcocks 1990: 282).

This ‘businessization’ of public organizations can borrow a leaf from BPR in that it has proved very successful in turning round loss-making companies. Though the public organizations may be taken to mean those services provided and managed by the public domain (that is, undod predominantly by the government—raised income and subject to direct and indirect control of elected politicians)

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whose business is in some sense processing people rather than materials. These organizations include personal and environmental health services, the probation and after-care services, the police services, the prison service, social security, employment and training services; and housing, recreation, transport and education authorities. Thus their multiple managements involve making, implementing and monitoring plans to achieve organizational objectives. In this article public services management connote tasks in public organizations that have their base the service rationale-in the sense of conduct tending to the welfare or advantage of another.

In the 21st century, public organization services management will be under pressure to deliver like their private sector counterparts. Despite the glaring differences that they have been enjoying for a long time now, the public organizations services management will no longer be shielded from private sector developments and modes of operation; more so now that the public organization is experiencing changing contexts and pressures that require a reassessment of how management is best accomplished (Harrow & Willcocks 1990: 286).

Table 2. Differences in public and private sector-contexts and pressures.

<table>
<thead>
<tr>
<th>Public</th>
<th>Private</th>
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<tbody>
<tr>
<td>1. Statutory and parliamentary regulations; codes of conduct</td>
<td>Board of directors; company planning frameworks</td>
</tr>
<tr>
<td>2. Needs of national economic management</td>
<td>Marketplace signals, e.g., business lending rate</td>
</tr>
<tr>
<td>3. Relative openness of government and decision-making; stress on representatives</td>
<td>Relative secrecy; stress on business confidentiality</td>
</tr>
<tr>
<td>4. Attitude to public; wide stakeholder base; impact of statutory regulatory bodies</td>
<td>Primary focus on shareholders and management</td>
</tr>
<tr>
<td>5. Multiple values and goals: Service, Public interest, Equity, Professionalism, Consumer participation, Complex trade-offs</td>
<td>Relatively restricted</td>
</tr>
<tr>
<td>6. Primary resources base from public taxes</td>
<td>Primary resource base from operational returns and management</td>
</tr>
<tr>
<td>7. Extensive accountability</td>
<td>Accountability restricted</td>
</tr>
<tr>
<td>8. Responsiveness to political matters and short political time-horizons</td>
<td>No real national/local politician overlay; less artificial time constraints</td>
</tr>
<tr>
<td>9. Primary social goals, e.g., safe streets, health, no user charge</td>
<td>Primary profit goals</td>
</tr>
<tr>
<td>10. Complex and debated performance indicators</td>
<td>Mainly quantitative financial measures</td>
</tr>
<tr>
<td>11. More ill-defined policy directives, complexity of policy implementation</td>
<td>Relatively less ambiguous policy</td>
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There is no doubting that there exist essential dissimilarities especially in the areas of: environmental factors, in organizational and environmental transactions and in internal structures and procedures. Public sector managers face less market exposure of their work and more formal constraints on it than their private counterparts, a greater diversity and intensity of informal influences, greater public expectations of probity of actions and scrutiny of those actions, and greater public vagueness and intangibility of objectives. Their behavior tends to show greater caution and rigidity, their workforce showing lower organizational commitment than their private sector counterparts. Besides, public services tend to be distinguished by both high labor intensity and high professionalization with specific implications for what management is and how it is to be accomplished. Again the core ‘service’ output renders management models and prescriptions applied in ‘product’ organizations such as vehicle and chemical manufacturers less apposite. Thus it is wise for the public organizations to learn from private ‘service’ organizations, on establishing service quality, market research, and marketing.

Information technology (IT) has considerable implications for both private sector and public organizations and their emergent models of management since IT has the potential to alter relationships between managers—for example in the Civil Service making middle managers more autonomous and important by increasing local control over resources and ‘sometimes may reduce the role of middle managers and supervisors, and even giving employees skills and tasks formerly seen as the preserve of management’ (Harrow & Willcocks 1990: 288).

How Transformational Leadership can revalue reengineering in the Public Organizations.

Transformational leadership involves a higher order exchange in which the rewards are often not tangible, but rather involve such aspects as: individualized consideration of the follower’s needs; attempts to develop the follower via intellectual stimulation or inspirational appeals; and, charismatic aspect where the leader becomes a role model for the follower, engendering the follower’s respect and admiration. It goes beyond exchanging inducements for desired performance by developing, intellectually stimulating, and inspiring followers to transcend their own self-interests for a higher collective purpose, mission, or vision (Bass, 1985; 1990; 1997). Bass (1985) distinguishes four intercorrelated but conceptually distinct and important components: Idealized Influence (or Charisma), Inspirational Motivation, Intellectual Stimulation, and Individualized Consideration.

In idealized influence (charisma), leaders display conviction, emphasize trust: take stands on difficult issues; present their most important values; and emphasize the importance of purpose, commitment, and the ethical consequences of decisions. Managers possessing charismatic leadership have a vision and a sense of mission. They tend to gain respect, confidence, and loyalty from their subordinates while also acquiring a strong individual identification with their followers, who

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also develop intense feelings about their supervisors. They generate within their employees enthusiasm, faith, pride, and trust in themselves and in their aims (Bass, 1985, 1990; Bass et al., 1987).

In inspirational motivation, the leader articulates an appealing vision of the future, challenging followers with high standards, talk optimistically with enthusiasm, and provide encouragement and meaning for what needs to be done. Managers communicate their vision with fluency and confidence while sometimes using symbols to focus their efforts and demonstrating self-determination and commitment to attaining their objectives. They present a sanguine and achievable view of the future as well as augmenting employees’ optimism and enthusiasm and arousing and heightening their motivation. They inspire their personnel to exceed initial motivational expectations through emotional support and emotional appeals.

In intellectual stimulation, leaders question old assumptions, traditions, and beliefs, stimulate in others new perspectives and ways of doing things, and encourage the expression of ideas and reasons. Managers actively encourage subordinates to look at old problems or methods in new ways as they seek to foster employee creativity and stress rethinking, reexamination of assumptions, and use of intelligence and reasoning rather than unsupported opinions. They emphasize subordinates’ intuition, rationality, and careful problem solving leading to subordinates modifying their way of thinking, getting at the core of subordinates’ reluctance to offer their ideas and thus enhance subordinates’ thought processes.

In individualized consideration, the leaders deal with others as individuals; consider their individual needs, abilities, and aspirations; listen attentively; further their development; advise; teach; and coach, treating each employee as an individual and offering special attention regarding his or her unique concern. Leaders show genuine interest in developing subordinates to perform well, not only in their current position but in subsequent jobs as well. Moreover, personnel receive one-to-one communication from their managers and have personalized interaction with them. This kind of superior assists subordinates to feel supported by, listened to, and respected by their manager. Additionally, employees develop enhanced self-confidence through supervisors’ efforts directed at 8 level building.

Most change initiatives have failed for neglecting to address people issues satisfactorily. Reengineering is no different in this regard. Since it is tactical, rather than strategic reengineering has been blamed for: its tendency not to consider human development as a source of continuous competitive advantage; and its tendency to arouse organizational anxiety and a state of being anxious, apprehensive, or worried about what may happen. At worst, BPR verges on restructuring, and anxiety is replaced by trauma. Indeed, the term reengineering, as applied to organizations, is unfortunate; it is mechanistic and utterly devoid of human context (Keidel, 1994). Much has (2000) posits that to implement a reengineering effort, the following roles will be useful:

- a transformational leader or the champion—a senior civil servant who
will authorize and motivate the overall reengineering effort;

- the Process owner who is a manager with responsibility for a specific process and the reengineering effort focused on it;

- the Reengineering team, which is a group of individuals dedicated to the BPR of a particular process, which diagnoses the existing process and oversees its redesign and implementation;

- the Steering committee, a policy-making body of senior managers who develop the organization's overall reengineering strategy and monitor its progress; and,

- the Reengineering core, an expert team responsible for developing BPR technique and tools within the public organization and for achieving synergy across the organization's separate reengineering projects.

Thus there must be cohesion between vision, leadership and business processes supported by the personnel management "tools" of selection, personal development, appraisal, reward and human resource development which targeting to support the achievement of the vision (Muchiri 2000).

**The Public Organizations’ Personnel Procedures and their Transformational Advantage.**

One feature often found to distinguish public and private organizations is the number of constraints placed upon managers in the public organizations in terms of personnel procedures. Public sector managers are more bound by rules and procedures than their private sector counterparts in terms of control over promoting or rewarding a good employee or firing a poor employee; thus weakening the relationship between performance and rewards. Rigid procedures for hiring, firing, rewarding and promoting make it more difficult for managers in public organizations to manage using contingent reward/punishment behaviors, that is, tying rewards and punishments to performance (Atwater & Wright 1996).

Yet even though the public managers felt that there were relatively weak connections between performance and extrinsic rewards, they were no less motivated to be good managers than their counterparts in the private sector as these public sector managers reported high work effort, a strong sense of challenge and that their organizations were very important to them (Atwater & Wright 1996).

Because public sector managers face constraints imposed by the organization on rewarding good performance, they should be less likely to use transactional behaviors, particularly contingent reward behavior, than those in the private sector. However those same constraints will make managers in public organizations more likely than their private sector counterparts to use more personal or transformational behaviors to motivate followers. The public sector managers will not be able to rely on contingent reward behavior but instead will use inspirational appeals, charisma, intellectual stimulation and individualized consideration with employees. Given the constraints on rewards and the emphasis on rules and control, managers in public organizations would be expected to exercise more active management-by-
exception than managers in private organizations (Atwater & Wright 1996).

Q Leadership in The Public Organization.

Abramson (1989) posits that a practical public administrator will have to muster vision, communication and hard work. Yet vision—the presentation of an alternative future to status quo—is not as easily forwored in the public sector, where both the status quo and the agency's future are legislated. Most importantly, public agencies are increasingly likely to be headed by short-term political appointees; rarely are such men and women visionaries. Career public administrators, by contrast, often do have a vision for their agency, but are frequently faced to be 'number twos,' not 'number ones' (Henry 1992:141).

Stupak (1996) posits that vision, direction, and courage will be the main leadership skills that will steer the public organizations out of the quagmire that it finds itself at this transformational era. Transformational leadership will galvanize and integrate as well as provide coherent direction and meaning to the employees in the public organizations. What is clear is that the present public organizations management structure does not value these skills, nor do they seem connected to learning them. To succeed, the present leadership will have to be more transformational and relinquish, redefine, and redistribute the power gained in inelastic hierarchical structures to those who do not have it.

This author is of the opinion that, since continuity is essential in managing the public organization that is implementing any change effort, and since political appointees cannot provide this continuity, the only way is to vest careerists with the primary authority and responsibility for public personnel administration. Careerist here would stand for persons who have evidenced a career commitment to public service, though not necessarily in personnel management positions per se. Since not all careerists possess knowledge and sensitivity with respect to the social dynamics of human resources management, nor are all capable of assuring a long term commitment to the development of human resources, those administrators selected should have shown a commitment to the sustained application of social science knowledge in the development of productive work forces. The careerists should in turn emphasize the timeless aspects of public service. The careerists must learn becoming more transformational.

Transformational leadership vitality will be more explicit in a modernizing organization. As organizations attempt to adapt to increasing environmental volatility and competitive intensity, organizational effectiveness, or even survival, may depend on management's ability to energize and direct organizational employees to apply intense and sustained effort toward the goal of the organization, even when these goals may be subject to frequent modifications. While technology provides a base for superior performance, it is inevitably up to the human resources to use that technology to its highest potential in order to help organizations reach their most for-teaching and challenging goals and objectives.

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Without both high level of motivated work behavior and exceptional leadership, an organization's technological capabilities are likely to remain underutilized and less-than-optimally applied. Muchin (2000) further posits that transformational leadership is necessary to fill the gap created by change because it brings in:

- **Trust** between middle and top management in order to take on the quantum leap from "Old Way" to "New Way".
- **Empowerment**. The transformation gap is crossed when the power must be shared with leadership at all levels, up, down, and sideways.

**Vision.** In order to have a true quantum change it is necessary to have a "New Way" vision. The social architecture needs to be articulated; those involved have a clear idea about where they are going. The members hold a shared vision. They have a common mental picture of what they are trying to create or achieve. This shared vision provides a common direction and a touchstone for resolving differences of opinion.

**FIG.1. The Challenge - How Can Your Organization Cross The Gap?**

**THE TRANSFORMATION**

![Diagram of transformation gap]

**CROSS THE GAP BY:**

- Developing Trust
- Empowering all levels
- Eliminating work
- Architecting the new way - new systems

*Source: Tichy & DeVanna. The Transformational Leader, 1986: 378*
Leaders described as transformational will try to: concentrate their efforts on longer term goals; place values and emphasis on developing a vision and inspiring followers to pursue the vision; change or align systems; and coach followers to take on greater responsibility for their own development.

Transformational leadership is needed when creatively destroying and remaking organizations on a continuous basis because it adds value to the organization; it makes the employees understand how their role contributes to value; and, it creates emotional energy. One source of competitive advantage is the emotional energy level of the organization. In a fast moving, complex, changing world, high levels of positive emotional energy lead to faster cycle times, higher quality, lower costs, and the ability to continuously transform. The goal is constant Revolution. The leader explains that the employees must strive for change, and that they must embrace change as an opportunity and not hesitate for fear of being wrong. BPR follows a predictable set of dynamics. These can be understood and mastered by the transformational leaders.

Tichy and DeVanna (1986) describe BPR as a particular type of drama—a tragedy, perhaps, always with a catharsis and hopefully with a happy ending. For the people involved in the play, it is as gripping and deep as any classic plot. Public organizations cannot be thought of as machines but really more like theatrical troupes. Ideas, dialogue, and action flow among the cast. Managers in the public organization are part of an ensemble cast demonstrating their skill and magnetism as they perform. The protagonists of this drama are the people who seek change and set the revolution or BPR plot in motion. Inevitably, there are antagonists—people who hold tightly to the public organization’s old ways. The struggle to change involves not just these two opposing groups but also thousands of people. They all must deal with grief and deep feelings of loss as the old ways they know disappear. The end of transformation is exhilarating and leads to a feeling of rebirth (Tichy & DeVanna 1986).

SOME REENGINEERING CONSIDERATIONS

- Reengineering and Individual Dynamics.

Tichy and DeVanna (1986) argue that reengineering is a revolution that is fraught with emotions. Only those who have mastered the emotional issues are qualified to lead. While the organization is awakening to new challenges, the individual is grappling with loss. The individual disengages from the past—the actual physical loss, and the most obvious part of the trauma of change. It may be some employees are laid off, while some businesses are bought and sold.

After the physical process of disengagement, a psychological process known as disidentification starts. Employees untangle their old loyalties and relationships with the past that has ended. Finally, they experience disenchantment when they must come to grips with what was so enchanting about the past, and must see themselves from the enchantment with the past (Tichy & DeVanna 1986).
The leadership assists employees spend time disengaging from the past and committing emotionally to the future. Transformational leadership supports the employees by giving them time to gain perspective on both the endings and the new beginnings. Once employees have moved through the transition stage, leadership must be prepared to assist them cope with the frustration that accompanies failure as they replace old mastered routines with new ones.

Source: Tichy & De Vanna (The Transformational Leader 1986,367)
Reengineering and Organizational Dynamics.

Muchiri (2000) cautions the public organization to avoid costly mistakes that most organizations do: implementing changes first and dealing with the attitudinal problems later. The way to create real and lasting change in this chaotic era is to deal with the issue of attitudinal mindset first, or at least concurrently with the system changes (Oakley & Krug, 1993). By unleashing and focusing the energy of our people first, we prepare them to support, rather than resist, the changes such as reengineering. Only when a critical mass of its people has taken ownership and responsibility for the needed changes can organizations assure a competitive advantage in today’s challenging environment. No one knows what changes are needed better than your own people. The issue is assessing their knowledge and solutions.

Leaders ought to have not only the vision but they must also have the ability to get the members of the organization to accept ownership for that vision as their own, thus developing the commitment to carry it through to completion. The leaders thus possess the willingness and ability to draw the vision from their people and inspire and empower those people to do what it takes to bring the vision into reality. Leaders nurture and encourage their people to be open, creative, and innovative and find what it takes to achieve their shared objectives. They bring out the best in people (Muchiri 2000; Muchiri & Darakah 2000).

Transformational leadership provides a functional approach that boosts the BPR change implementation by creating a continuously renewing organization noting that no experts have solutions that are better than those emanating from the existing leadership and working team. Enlightened leader is virtually an ultimate leader (Oakley & Krug 1993: 224). With full awareness that true power of the organization lies within its people, an enlightened leader is sensitive to their needs and the leader’s response varies according to the situation at hand.

Transformational leadership endeavors to directly deal with people and their attitudes. It helps unlock creativity and ingenuity and promotes high-performance teamwork necessary to motor BPR. The transformational leadership is built on vision and charisma. Special relationship between the leader and followers exists where the followers react to higher levels of performance beyond those that would normally be expected; high levels of devotion, loyalty and deference toward the leader; enthusiasm for and excitement about the leader and leader’s ideas; willingness on the part of subordinates to sacrifice their own personal interest for the sake of a collective goal (Muchiri 2000).

The Future Public Organizations.

There is reason to believe that the public organization of the future will look considerably different from today’s (which reflects the many managerial, political, or legal perspectives), although may still synthesize many of the characteristics of contemporary organizations especially
on change adoption. The public organization must take cognizance of the fact that contemporary administrative agencies are rapidly becoming autocratic (Rosenthal & Goldman 1998). The agencies have been viewed as authoritarian, rigid, defensive, unable to utilize effectively their human resources, alienating, and repressive. They lack the flexibility to keep up with the constantly changing technological, political, economic, and social environments with which they must interact. Hierarchy in public organizations has been blamed for not being able to tap the full talents and utilize the perspectives of employees in the lower and even the middle ranks. Moreover, it overemphasizes authority and overestimates the ability of those at the top in an age when a person’s knowledge and approach can become obsolete before he has even begun the career for which he was trained". (Rosenthal & Goldman 1998:194).

In an interview about the future of jobs, Hammer (1995) predicts:

"When we get through with reengineering, the few managerial jobs that will remain will have three flavors... One I call a process owner. It’s really a work engineer, who is concerned about how to go about filling work orders, designing products. The second is a coach – teaching, developing people. The third kind is the leader who primarily motivates: creates an environment where people get it done". (The Wall Street Journal, 1995, p. BI).

Hammer foretells of the death of hierarchical organizations and the birth of team-based organizations sufficed by "professionals" and "entrepreneurs", with the managers becoming "coaches", and the role of the executive becoming that of a true leader.

The future public organization will have to be flatter. For efficiency and effectiveness, it will have fewer than half the levels of management of its counterpart today, and not more than a third of managers. It will have to be knowledge-based, possibly consisting largely of specialists who direct and discipline their own performance through organized feedback from colleagues, citizens, public, and headquarters.

Public organizations cannot dry away from information technology. Demographics demands the shift since the center of gravity of employment is moving from fast from manual and clerical workers to knowledge workers who resist the command-and-control that organizations took from the military 100 years ago (Drucker 1988).

Most public organizations are leaning on economics, and the need to innovate and to be entrepreneurs.

Most public organizations in the Third World are learning to restructure so as to fit with the World Bank and International Monetary Fund conditionality of cost sharing and profitability. In an effort to appease the World Bank and International Monetary Fund, Third-World countries are cutting both the numbers of management levels and the number of managers. The realisation is that the whole layers of management neither make decisions nor lead and their function is to serve as "relay,"-human boosters for faint, unincased signals that pass for communication in the traditional pre-informational organization (Drucker 1988).

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Drucker calls the new organization totally flat in structure and compares it with the British induced civil service in India in the eighteenth century through World War II. According to Drucker (1988) each district officer reported directly to the 'Coo,' the provincial political secretary. Since there were nine provinces, each political secretary was responsible for at least 100 people reporting to him directly, many times what the doctrine of the span of control would allow. It worked extremely well (for almost 200 years in the Indian subcontinent) because it was designed to ensure that each of its members had the information he needed to do the job.

The use of relatively static representational devices, such as advisory committees, creates structures of privilege that are too resistant to change to be sufficiently adaptive. The public organization will inevitably embrace change. That change will have to take cognizance of: full and free communication regardless of rank and power; a reliance on consensus rather than the more customary forms of coercion or compromise to manage conflict; influence will be based on technical competence and knowledge rather than on the vagaries of personal whims or prerogatives of power; an atmosphere that permits and even encourages emotional expression as well as task-oriented acts; and a basically human bias, one that accepts the inevitability of conflict between the organization and the individual, but which is willing to cope with and mediate this conflict on rational grounds (Rosenbloom & Goldman 1998:195).

This would give rise to a scientific attitude of inquiry and experimentation, with structural arrangements more flexible and task oriented, rather than based on fixed specializations, rigid jurisdictions, and the current sharply defined levels of hierarchical authority.

Participation of employees at all levels in the public organization's decision-making and formulation of broad agency policies and consequent.ly leading to motivating effects that improve worker performance. Again, participation would increase the quality of organizational decisions by decentralizing them to those points in the organization where the real expertise and best information are located based on the assumption that members of at the lowest levels of the organization possess resources of creativity and capabilities for making worthwhile contributions to the management of the organization.

The marketlike public organization believes that marketlike competition will lead organizations to be both efficient and responsive to customer preferences. While favoring employee empowerment over hierarchy, the premise again is that empowerment would enable those who actually deliver the services to the public to decide how to do so. The empowered employee would be held accountable for his or her performance, that is, results. And the public organizations management's job is not to control employees, but to be entrepreneurial in creating and marketing valued services or products for customers. Hence, the public organizations would be successful only if they satisfied their customers who in turn would drive public agencies to be efficient and
responsive (Rosenbloom & Goldman 1998:198).

The Reengineering Implications for Governments.

Governments may find implementing the marketlike public organization practices such as reengineering rather opposed because the feeling is that the organization now ceases to serve citizens but customers. Many politicians would rather have broke public organizations or organizations reaping large amounts of the budgets rather than reengineer.

As the public organization of the future unfolds it will be interesting to see how politics will be entirely devolved from public organizations. What is clear is that separation of politics from personnel and the management of cities, ports, parks, and other public infrastructures as well as who benefits and who pays may work if the leadership is transformational and has vision.

There is genuine concern over whether 'businessization' of public organizations will not negatively stratify the citizenry. Should the public organizations now neglect the poor as they cash on those who can afford better expensive services and products? Yet the fact is the technological trends are heading us to those shores, whether we like it or not.

Already most of the World Bank and International Monetary Fund loaning conditions in their imposed Structural Adjustments Programs (SAPs) on the Third World Countries push governments to charge their public for any public service.

The NPM's attack on the traditional accountability mechanisms that focus on process rather than results can strangle the public administration in red tape yet accountability for results alone is also problematic. Thus the results orientation will have to be blended with and tempered by the values of the political and legal approaches. Yet full government deregulation will not be good for the agencies and processes the NPM has struggled so hard to deregulate (Rosenbloom & Goldman, 1998). Yet there is no doubting the good intention of reengineering and marketlike public organizations as they embrace employee participation and responsiveness-values that have had a major impact on revamping the public personnel management.

Communicating the vision can be difficult is the public sector than in the private one. Not only does the 'number two' phenomenon impair communica-
tion: so do much of the traditional lore of the public administrator-that is, the need to be 'neutral', to be removed from politics. These values have not enhanced the prospect of leaders of public organizations to communicate their visions of an alternative future, although many public administrators nonetheless have done so, quite effectively (Henry 1992).

Discussion

In a public organization setting, the selection of the right people to drive each DPR project is crucial to the success of the initiative. This calls for a champion or leader whose role is establishing the breakthrough vision and goals, freeing resources, empowering and holding employees accountable, as well as communicating and championing the change.
The Role of Transformational ...  

with the nuts and bolts, not with doing things right but with doing the right thing. They must be visionaries (Muchiri 2000).

Reengineering has been called an ambitious change program that produces results only when those implementing it realize that it is a never-ending journey. There is ample evidence that there is major risk and pain associated with reengineering the total organization. Some surveys have indicated that 50% to 70% of reengineering efforts fail to achieve the goals originally set (MacDonald, 1995). It has been argued that the human factor has been ignored. Since research has shown that transformational leadership affects performance, quality, and quantity, (Kirkpatrick et al., 1996), employee satisfaction, commitment, and organizational citizenship behavior (Podsakoff et al., 1996), the implication here is that before reengineering, the corporation could identify the "team of champions", at an early age from the study of their personality profiles (Muchiri 2000).

There is a significant correlation between transformational leadership facets and organizational functioning since the subordinate’s satisfaction with their supervisors is associated with the extent to which supervisors manifest transformational leadership aspects (behavior). Howel and Avolio’s (1993) findings that branch managers’ transformational leadership (defined as charisma, intellectual stimulation, and individual consideration) predicted consolidated business unit performance 1 year later. Leaders can lean and be trained to be more charismatic, intellectually stimulating and show more individuali-
zed consideration. Worldwide web communication, trade, and travel and the international transfer of technology contribute to the convergence of requirements and role models for leadership (Rass 1997).

Leaders can be trained to be transformational leadership; it is possible to change leadership styles, and which in turn may lead to changes in subordinates’ perception, attitudes, or performance. Some evaluations of the effects of transformational leadership training have been reported; training can result in changes in subordinates’ perceptions of manager’s leadership behaviors, subordinates’ own commitment to the organization, and some aspects of financial performance; and it can change leaders’ transformational behaviors in the expected direction (Barling et al., 1996).

Conclusion

For public organizations to remain competitive—maybe even to survive—they will have to convert themselves into information-based organizations. This has to be fairly quietly. They will have to change old habits and acquire new ones. Depending on the functional successes that the organizations have had before, these implied changes shall be difficult and painful to implement as it will threaten people’s jobs, status, and opportunities of, especially the long-serving, middle-management who are least mobile yet feeling most secure in their work, positions and relationships (Drucker 1988).

Reengineering triggers changes of many kinds—the job designs, organizational structures, management systems—anything associated with process—must be refashioned to fit with these erratic changes. The success of reengineering hinges on transformational leadership has it the real vision. Only if top-level managers back the effort and overhaul the organizational cynics can reengineering succeed. This calls for a revolution on new job-catch schemes and compensation policies as well as a culture that view those people doing the service work much more important than the supervisors. Several programs such as career paths, recruitment and training, promotion policies will have to be revised if the reengineering effort will kick (Muckiri & Darokat 2006).

It is extremely stupendous to implement reengineering. But the old layers of unproductive joy-ride management are burdening the public organizations. Shedding one layer at a time is not good enough. What is needed is a radical change that will bring in its wake dramatic improvements. And this lies in information technology as maximized in a reengineering effort under the guidance of transformational management that has vision. The public organization of the future will have not only elastic hierarchy-elastic to organizational demands—but also engagement in public/private partnerships and other innovative organizational hybrids will become political and economic necessities (Spaguk 1996).

The public organizations should also create a productive work force through sustenance of commitment of informed managers who are sensitive to the social dynamics of organizational life—are only expert in are around long enough to sustain core values and assure continuity (Klay 1993).
The notion of continuing validity and utility of unqualified transfer of private sector management practices into public services management settings should be challenged. Public organizations should be wary of gratuitous advice proferred by private managers as most governments may attach a lot of importance in any private sector consultation that is invited to intervene. Though BPR has been here for some time now, some research still queries the learning that the public sector can get from some upcoming management passing fads that has been embraced by the private sector yet does not last. Thus the public sector should be careful not be a laggard in rejecting new effective paradigms, rather it should choose carefully and with intuition.

Contemporary thinking in organizational studies points to the effectiveness, importance, and need for transformational leadership and empowerment in all types of organizations while at the same time criticizing the effectiveness of modern day managers in the public organization who still act as dictators, cops, task-masters, or bosses (Luthans & Shulman 1996).

Transformational leadership thus articulates a vision of the future of the organization, providing a model that is consistent with that vision, fostering the acceptance of group goals, and providing individualized support. This changes the basic value, beliefs, and attitudes of followers so that they are willing to perform beyond the minimum levels specified by the organization. The BPR organization looks for Taining the "champion team" in transformational leadership may well exert significant effects, especially in helping in the successful implementation of reengineering in a public organization (Mucirhi & Darokah 2000). What are required are more envisioning, enabling, and empowering leadership, all of which are central to transformational leadership.

The lack of success in reengineering is associated with the human factor not being fully considered or understood. Changes such as BPR within an organization clearly require exemplary leadership principles. How a public organization selects and organizes the people who actually do the reengineering is the key to success of the endeavor. What is required is nothing less than a re-inventing of the workplace. We must change the structures, the compensation system, the pecking order, the hierarchies so as to better fit the needs of workers who must utilize all their brain power, creativity, and courage in order to tackle the problems of surviving and thriving into this the century (Mucirhi 2000, Mucirhi & Darokah 2000).

Today's leaders are there to empower people and to help people bring 100 percent of their creativity and courage to bear on the problems of the organization. They should provide: permission for their people to try new things, to 'get outside of the box'; protection of the workers and their ideas from the public organization immune systems whose job is to 'kill' anything that is new, different or viewed as a mistake; and processes to help them tackle and solve their problems. When individuals have permission, protection, and processes they flourish, they create, and they can solve problems formerly believed insurmountable (Oakley & Krug 1993).
- including implementing a re-engineering effort.

In this transforming process, vision, direction, and courage will be the leadership ingredients that will serve as the leadership ingredients that will


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