Supporting cultural change: recognising the value of informal learning in a public service case study.

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Abstract
Vocational education and training has traditionally been dominated by discourses of externalised skilling. As the workplace moves to increasingly cognitive modes of production, the emphasis has been shifting towards 'learning' that takes place within the daily interactions of the workplace. For managers of learning, this generates a strategic and operational tension between privileging formal or informal learning practices. This paper reviews a case study undertaken in a large public service department undergoing a significant merger and confronting cultural change. The research aimed to inform the organisation's human resources department about development and training initiatives that would support the cultural change programme for more 'dynamic resourcing'. The study found that rather than an emphasis on skills development, what was required was a more strategic and cultural approach by the HR department, to harness the *informal learning* that was reshaping the new culture.

Introduction – the case in question
This paper concerns a research project carried out with the leading agency of the WA public service. A restructuring of the public service in WA led to an amalgamation of two departments with separate identities forged over many years, to create a new mega state department described as WADept in this text. The 'merger' brought together two very different cultures. The smaller planning operations occupied a central, prestigious and high profile within government, while the larger transport operations were in continual regulatory interaction with the public and dispersed throughout the community. This was a 'top down' cultural change initiative and therefore faced all the resulting dilemmas of attempting to change employee perceptions and behaviours. A dialogue began with the Human Resources department (HR) about their role in providing training, development and support for the merger process and cultural change. A research project was scoped and funding obtained in a collaborative agreement between the department and Edith Cowan University (ECU).

The project was carried out over a nine-month period and concluded with a report and presentation to the HR department and the executive. What is specifically interesting about the project is that while the focus of the study was clearly negotiated at the start the research, the findings revealed a very different outcome from that originally anticipated. What began as a search for relevant training activity, uncovered a pattern of learning through work and informal learning, which became the primary focus of the study for re-positioning HR development activity.

Change management responses often incorporate an analysis of what form of training and development activity can support individuals in accommodating a shift in organisational direction (Easterby Smith 2000). In this case, what was illuminated by the study was that learning that could be gained through workplace activities, rather than the need to organise directed training inputs. In addition, the study highlighted the critical role of managers in this process and the need to support their leadership

development, and thereby mediate more effective culture change, and employee engagement and learning. As the workplace increasingly shifts from manual to cognitive engagement, this study suggests that managing learning through the culture and informal work based practices may be equally, or perhaps more important, than designing directive training programmes. While this displacement may be a gradual process, it highlights the need for vocational education and training within organisations to be conceptualised far more at the strategic level, formulating strategies for cultural and informal learning alongside traditional patterns of re-skilling. I define informal learning within the workplace as all those learning experiences that fall outside the specified learning events with prescribed frameworks and defined outcomes that the organisation controls (Hager and Halliday 2009). For those managing human resource development (HRD) within organisations, this study illuminates the need to find a strategic balance between organising formal learning programmes and supporting informal workplace learning experiences. It is a tension that will increasingly pervade the thoughts of those managing HRD activity. The enduring nature of workplace relations has the capability to form relational patterns that short directive interactions away from the workplace may struggle to achieve, especially for more cognitive based workers.

Many of us will have been confronted by the irony that significant resources are expended upon formal learning experiences to prepare parents for the birth experience, but little is done to prepare people for the complexity of parenting that follows. While agonising about the effects of our subsequent actions with children, we are often unaware of the informal patterns of learning about parenting we are mediating within those children that form a platform for their subsequent parenting experiences. The social question this dilemma raises is also reflected within this organisational study. How can informal learning experiences be more effectively managed to harness more effective personal growth and social stability?

Review of related literature
This study explores an organisational merger and the strategies that can be employed by an HR department to promote learning and development. Recent studies of public service mergers have illuminated three important issues (Amiot et al 2006; Cartwright 2006; Williamson et al 2005). The first is that there is no such thing as a merger. There is always a partner with less power, and a discourse of distrust pervades the sub culture of that group during the merger. Second, the failure to continually promote communication about the 'new' organisation is a primary cause of unsuccessful mergers. Third, activities that involve staff in forming the new culture generate inclusion and cultural ownership. Such findings were used to inform the field questions for this study.

Studies of vocational education and learning within organisation increasingly focus on harnessing the *informal learning* that occurs within the workplace (Garrick 1998; Hager & Halliday 2009). Studies highlighting the relationally driven learning within communities of practice, the mechanisms of organisational learning, the processes of organisational development, workplace-based competency building, and productive reflection, all highlight the wealth of learning that occurs in the day-to-day workplace interactions (Lave & Wenger 1991; Senge 1990/b; Easterby Smith 1997; Sanchez 1997; Hager 1994; Boud 2006). It has long been recognised that privileging the 2% of time individuals are engaged in formal learning marginalises the opportunities for

learning that occur in the remaining 98% of workplace experiences, and such studies illuminate the need to increase the focus on, and structuring of, informal learning in the workplace (Marsick & Watkins 2001. Such studies have been more prominent because of changes in the environment of learning and work. Over the past decades organisations have left an environment of relative stability, Taylorised work systems, and lifetime skilling. As organisations increasingly need to adapt and change to survive and prosper, so learning has become a mandatory core capability (Du Gay 1996/b). This has been accelerated by the shift from manual to cognitive production in the workplace. For cognitive workers, there is little differentiation between working and learning. Each act is a move forwards in developing both how the organisation operates and the achievement of the individual (Boje 1996). Work itself is regularly both a tool for self-development and an instigator of cultural change within the organisation. In addition, social changes outside organisations have increasingly repositioned employee expectations. It is not just the organisation that wants development, but individuals who demands personal growth from workplace interactions alongside there traditional remuneration (Chivers & Cheetham 2005). The research was structured to acknowledge that both individual and organisational development would be located just as much within workplace interactions as it would within defined training programmes within WADept.

Managing learning within organisations has reflected these challenges. More recent studies indicate that HRD activity has moved from stable suites of training programmes towards managing culture (Linstead 1999; Harris & Volet 1996; Hocking & Carr 1996; Martin 1992). What was previously a role of providing appropriate skilling within an organisation, now becomes a role of generating capability and flexibility to move the culture in harmony with an ever changing strategy (Hager 1998). Organisations are pursing strategic imprecision, the ability to adapt to social change within a defined pathway, and therefore HRD capability has to service this thrust (Poell et al 2000). This approach can be termed as 'dynamic resourcing' and expresses the goal for the HR/HRD capability of an organisation (Russo & Fouts 1997). In this study we defined 'dynamic resourcing' as improving the match between employee capability and organisational need. This is achieved by improving both the strategic emphasis on, and targeting of, specific HR processes to build a more flexible organisational culture for improved business outcomes. This research study was shaped to find out how such a strategic repositioning could be achieved within WADept.

Research method

A reference group of researchers and WADept managers negotiatiated the research purpose, framework and study method. The authenticity of the data collected was maximised by using researchers representing an independent and external body located outside the WADept. The discussions centred on the key question of what actions the HR department should be taking to build organisational capability in the context of the current merger to integrate the new organisational values and realise the vision of a future culture that was cohesive and flexible to changing social demands. The role of the HR department in such a culture was described as facilitating 'dynamic resourcing'. That is developing the people in the organisation to be flexible as individuals and responsive as a culture to changing social demands. The goal of the

study was defined as – 'producing recommendations for the realignment of HR development practices to promote a more flexible and responsive WADept culture.' The research questions driving the study were:

- To what extent are the new WADept Values being embedded?
- What HR mechanisms are contributing to those changing values?
- What strategic realignment of HRD processes may accelerate this process?

The HR department wanted to know what key HRD actions could increase personal and role adaptability to engender a more flexible culture and generate greater organisational capability.

The research design was drawn up collaboratively. The investigation targeted staff perceptions of culture change, and exploring the mechanisms effecting and inhibiting such changes. The phases of the study were iterative. The first phase consisted of a broad staff climate survey, drawn from a previously tested commercial instrument covering all 4,500 staff. In the second phase, an embedded researcher conducted 60 broad stratified interviews with field staff sampling staff in different departments across the staff levels 1 to 7. Phase three focused on the analysing the gap between the stated organisational values and actual experiences of the merger process, eliciting what was driving or inhibiting cultural change. In the fourth phase, the focus shifted to the intentions, impressions and actions of the executive leadership group through 24 structured interviews lasting for more than one hour. They were structured around question areas emerging from the previous phases that probed current employee issues, changing values and HR development needs. The interviews were designed as a semi-structured but free-flowing conversation, with an emphasis on personal experiences of change and agencies of change experienced at WADept; motivators and de-motivators in the workplace; perceptions of teams and teamwork; perceptions of the WADept values; and learning and development needs.

Finally, the last phase analysed the data to illuminate what HR development initiatives would have the greatest utility in mediating cultural change through dynamic resourcing. The data analysis used QSR NVivo to code the responses into 13 main pathways or 'trees' that incorporated over 100 nodes or issues. The coding was subject to a moderation process, by using two operators and comparative checking. The study gained reliability and validity in the data collection by stratified sampling of the department staff, cross checking the findings between phases, and the blend of etic and emic perspectives within the directing reference group where interim findings were debated.

Findings

The findings from the staff survey and two series of interviews were extensive and have been reported at length in the final project report (Dynamic Resourcing Study 2007). This review focuses upon the key categories of data that emerged with a specific focus on critical experiences mediating change within the organisation.

The findings from the survey provided data that was used to shape the questions for the second phase interviews. These findings indicated the trauma of the merger but also provided evidence of how formal and informal agencies of change were being

used by managers to reshape interactional patterns within the new culture. The second phase interviews explored the mechanisms, impact and impressions of staff about these agencies of change and the findings were congruent with those of the first phase. The dominant emerging theme was the diversity of 'agencies of change' being employed across the organisation, and their impact upon individuals and teams.. The data uncovered eight major agencies of change at the WADept. The use of 'additional duties (1)' and 'project work (2)' as change mechanisms was strongly reported. Nearly half of the staff had experienced 'position changes (8)' and 'acting positions (5)'. Less than a quarter of the staff had experienced 'secondments (3)', 'promotions (7)' and 'transfers (4)'.
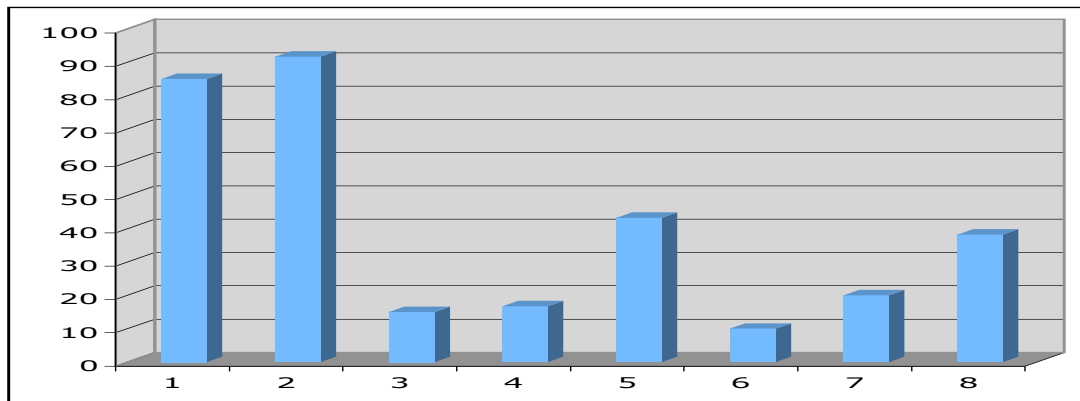

Table 1: Agencies of Change

The interviews confirmed that these 'agencies of change' were initiated by individual managers and diversely applied across the organisation. These experiences had a greater impact upon individuals than any training and development activities.

The 'agencies of change' were a change-management tool used by managers to implement the change mandates and build staff capability. Managers had a direct influence, determining which additional duties and/or projects to delegate, which position changes to initiate, and choosing who should perform them. Normally, managers operating within the Public service and are often bound by highly formalised job description practices. In this case, managers used formal and informal mechanisms, through negotiation, to enrich work and develop their staff.

Managers have the prerogative to decide when to apply f*ormal approaches* and *informal approaches* to initiate 'agencies of change'. An 'agency of change' was considered to be *formal* if it was carried out with reference to and in accordance with HR staffing rules, or through prescribed official communication (secondments and transfers, promotion and acting position changes). An 'agency of change' was considered to be *informal* if it was not officially prepared, organised or sanctioned but implemented through informal communication (additional duties and projects). Managers operated different strategies when employing agencies of change, but informal strategies were preferred.

Informally delegated 'additional duties' and 'projects' were experienced by most staff. Managers informally delegated such tasks to employees and teams, who enjoyed a degree of choice in what tasks to undertake and responded enthusiastically. Employees often participated in such projects across departmental boundaries.

Formally delegated secondments, transfers and acting roles often began with the employee's self-initiative, who scanned the environment, identified opportunities, and used the informal network to negotiate their role. Position changes did not appear to be applied as a strategy for facilitating change, or for developing staff capability.

Findings of the second executive interview data

There was a considerable cohesion about the responses from the senior leadership group. Managers indicate that there has been a period of 'churn', 'a ride' with 'huge huge changes' with 'constant reorganisation' that is still continuing. There is considerable weight of opinion that a 'lack of management skills' is the cause of past cultural discontent. The responses generated an impression that the organisation is emerging into a 'new' period of more focused leadership where managers are strongly supportive of staff, and are committed to generating a more cohesive and dynamic culture through extensive *informal learning*. Managers emphasised the need to coach and develop staff during change, 'giving support to key roles', 'not cotton gloves' by encouraging and mentoring staff. 'Reorganising helps disturb the old patterns', the 'cognitive dissonance was a strategy of change'. We are 'shifting from a culture of specialists and exclusion' where 'people were expanding the work', from a craft way, to more of 'a team culture, more dynamic, the rhetoric is there'.

In terms of embedding values, they indicate that the emerging current organisational conversation requires further demonstration by senior managers of the values in action. There was considerable positive comment on the 'values' as managers expressed how they 'believed in them' and talked about them a lot'. 'No one will believe the values until they are acted out'. If I 'don't live the corporate values I get critiqued by senior staff', 'the values are quoted back' to me.

In terms of HR development support, managers were able to indicate several positive programmes that were supporting their endeavours to build the culture. Leadership programmes/forums were 'slowly becoming entrenched' and 'letting them know their responsibilities'. Similarly there were positive comments about the 'values workshops'. There was unanimity that the HR role should be a 'broad strategic thrust' focussing upon 'key change agents' to support informal learning and move away from the previous regulatory role. 'There is no clear strategic development thrust' visible. HR should ask themselves 'how is this helping the organisational dialogue' and supporting informal learning? A strong theme from most managers was the need for the WADept to 'socially construct' an improved platform of 'people skills' or 'interpersonal skills' and 'advocacy' capability to support informal learning experiences.

Discussion

The findings in late 2004 indicate that the global culture at the WADept is beginning to emerge, with the WADept values, while well known, still struggling to gain a cultural foothold. The previous poor management and lack of leadership has been exposed by the merger and cultural shift, which has ironically set the stage for improved leadership, isolating those left trying to protect their silos. Managers are increasingly valued for their relational and leadership skills rather than their prior

specialist knowledge. The exploration of organisational values has promoted a dialogue about direction and provided a base from which to critique and evaluate actions within the organisation. It appears the focus of change and learning in the organisation is centred on the *informal* day-to-day interactions and negotiations that occur in the workplace. Managers are instrumental in promoting this learning and formal training processes appear to play a secondary and minor role.

Managing learning and development within the new organisation requires a significant shift from the former externalised regulatory role of HRD towards a more strategic approach, focusing upon the instrumental role of managers developing staff through workplace negotiation, dialogue and project experiences. The need to shift management towards leadership, and the resulting informal learning experiences is strongly supported within the culture.

This study has highlighted the instrumental nature of manager-employee relationships in terms of WADept staff development. The data indicate that the informal learning from structured experiences appears more important for the organisation than planned programmes of directed training and development. For the HR department this is a significant tension, and presents the need for a more strategic focus, supporting managers in their cultural leadership. Individual and organisational development are primarily being promoted through structured workplace learning and the informal relations of day to day experiences.

The WADept managers administer a dual portfolio of work and development: one portfolio that thrives on formal authority, and another equally critical portfolio that thrives on informality. 'Agencies of change' appear to be the primary option available to managers to locate staff within new challenges, projects and posts, and instigate informal learning. Managers restricting their activity to formal managing relations limit the opportunities for informal learning. Managers who lead their staff into new challenges have the ability to genuinely influence people's perceptions and gain the benefits of contextualised informal workplace learning experiences. Relationship-building underpins these informal delegation networks and subsequent dividend of informal learning. Some managers recognise the value of building up relationship-capital and staff capability, working actively to augment it. Manager strategies can be conceptualised into three categories: those use agencies of change as a primary strategy (1); those who use agencies of change as a selective strategy (2); those who rarely use agencies of change (3).

Type one
Type one managers used a relationship-building strategy to strengthen their informal delegation network, actively seeking to develop all employees in their teams. These managers recognised the boundary between formal authority over employees, and respected the point at which employees' discretion began and negotiation was necessary. Development experiences were mutually agreed using leadership charisma and influence to gain voluntary cooperation. The benefits were improved teamwork and individual capability building within the informal mandates

Type two
Type two managers used a selective approach to relationship-building, by strengthening alliances with particular employees. Manager appeared to focus on

specific employees with skill needs, particular experience, or those with existing experience social connection to the manager. This approach worked well for the chosen employees, but was perceived as unfair by the rest, the inequity often shattering team relations. These managers often became overly dependent on the cooperative employees, with developmental activity restricted and divisive.

Type three
Type three managers mainly used formal management authority to instigate development activity and task delegation, minimising relationship-building. There was little differentiation between their managing and leading roles. Development activity was seen as an out of workplace activity, disconnected from organisational development and workplace demands. Their lack of relationship-capital made informal delegation and capability building difficult, and they experienced resistance. Formal means were used to delegate informal activities. These managers spent more time meeting the requirements of additional operational work themselves and complained of lacking the time and resources to engage in more strategic staff development. Sometimes hostile, pre-existing team dynamics pre-dating the manager's arrival, curtailed managing relations to type three mode.

It is evident from the findings that there are considerable strategic benefits from using the informal delegation network to generate informal learning and cultural change. Combining structured developmental experiences within workplace projects integrates learning, builds individual capability, and organisational capacity, while shaking and shifting the culture forwards. However, such initiatives can lack legitimacy, and are difficult to overtly quantify, or distribute equitably. Managers of learning need to consider how they can support, promote and harness the considerable learning occurring though informal work place activities.

Responding to the organisation – research questions and recommendations

In responding to the organisation, the researchers focused upon the actions and target populations that the data indicated might have the greatest leverage in improving the strategic realignment of the WADept culture. To what extent are the new WADept Values being embedded? The data suggests that there is good visibility of the values and that the values are starting to be used to critique inappropriate organisational behaviour. They are acting as a tool to promote dialogue and learning within the organisation. Despite formal HR mechanisms to instigate change it is the *informal practices of managers* that are generating the greatest development activity. The HR function needs to relinquish the previous regulatory approach for a more visible, developmental strategy located upon key people and key initiatives, such as leadership development and facilitating workplace-learning experiences, which are currently randomly initiated by managers. Managers are instrumental by their actions and interactions in extending staff learning and capability through informal learning. HRD strategy needs to explore and support these initiatives.

In the final report presentation, the study recommended establishing a more visible strategic HR plan with three central developmental strategic thrusts under which all subsidiary HR programmes are aligned: leadership: interpersonal skills; local development. One of the strategic thrusts would therefore be specifically to

supporting local initiatives and development needs in each workgroup, underpinning the *informal learning* in the workplace.

This study primarily shows the benefits of research in peeling away initial perspectives and searching for the experiences and feelings of individuals within an organisation, relating them to the desired future, and recognising where critical learning events are occurring. The study demonstrates how a fixation upon detached programmes of learning can divorce HRD activity from the very informal learning activity that is generating organisational change.. The unexpected bonus from the research was the recognition that supporting *informal learning experiences* in the workplace, would be more productive than orchestrating externalised training programmes.

Conclusion

The learning from this study is fourfold. At the pragmatic local workplace level, the study produced a model of what strategies were being successfully employed to instigate cultural change, giving the organisation a platform from which to support and develop managers to harness the informal learning that was generating cultural change. Second, at the conceptual level, the study has produced a model of manager interactions associated with promoting informal workplace learning that are probably generalisable to other similar public organisational cases, and perhaps beyond. Third, in terms of research, the study reinforces for researchers that while it is important to craft clear direction and objectives for a project, the research data may often produce unexpected outcomes and illuminate the research questions in ways that were not anticipated by skilled researchers or the managers within the organisation.

Finally, the study illustrates how programmes of directed training are but one component of developing people at work and how the tension needs to be reconciled between directed learning inputs and managing informal development as dual components of a strategic HRD programme (Hager and Haliday 2009). Vocational training and education should be conceptualised not just as inputs of learning and training, but must increasingly accommodate the relational learning, strongly mediated by managers within the culture, that occurs in daily interactions. Workplace culture continually shapes and reshapes workplace identity. Managing the culture is a significant act in the continual learning of employees as they day-by-day adapt 'how' they work and what they 'know'. As the workplace moves more and more towards impact on, and output from, the mind rather than the body, this form of learning will be increasingly important in terms of vocational learning. Resolving the tensions between formal and informal learning in the workplace and managing such development will be increasingly critical for organisational and individual learning, development and growth. Finding mechanisms that can support such informal learning in the workplace is a critical challenge for managers of learning.

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