Innovative and Adaptive Leadership Strategies to manage Competing Ministry Directives and Continuous Funding Constraints

Dr. Rosemary Vito, PhD, MSW, RSW
Assistant Professor, School of Social Work King’s University College at Western University

CMHO Annual Conference, Nov. 13, 2017
Hilton Toronto Hotel, Toronto, ON
Welcome and Introduction

• Welcoming comments
  ▫ Leadership focus of PhD research

• Reflexive statement
  ▫ Past clinical supervisor, well aware of challenges, need for effective leadership

• Reflective exercise
  ▫ Consider the impact of external challenges in your agency and how leaders can respond effectively
Agenda/Learning Objectives

1. MCYS service system transformation

2. Overview of research study

3. External challenges, organizational impacts, adaptive/innovative strategies

4. Conclusion, small group discussion, questions

• Understand current major challenges facing children’s mental health agencies

• Learn about leading research and emerging leadership practices around strategies to manage public sector cutbacks

• Identify bold opportunities for senior leaders to collectively influence policy and system change through innovative and adaptive leadership strategies
1. MCYS Service System Transformation

• Children’s mental health agencies
  ▫ Shift to 34 lead agencies across province, improve service access, accountability, evidence, coordination (Moving on Mental Health Strategy, MCYS, 2012)
  ▫ Rising accountability expectations for quality assurance, data collection, outcomes, program evaluation, interagency coordination (CMHO, 2014)

• Children’s aid agencies
  ▫ Results in funding cutbacks, mergers, staffing losses, reduced services (MCYS, 2013; OACAS 2014-2015)
## Competing Ministry Strategic Directions
(‘Growing Together’ MCYS, 2014)

<table>
<thead>
<tr>
<th>Strategic Direction</th>
<th>Reality</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Service integration and excellence (requires more resources)</td>
<td>• Reduced financial, human and technology resources</td>
</tr>
<tr>
<td>• Cross-sector collaboration</td>
<td>• Competition for funding</td>
</tr>
<tr>
<td>• Organizational excellence, innovative leaders, healthy inspired workers</td>
<td>• Accountability framework, performance outcomes, evidenced-based research, program evaluation</td>
</tr>
</tbody>
</table>
Adaptive Strategies

• Effective leadership and adaptation
  ▫ Critical to organizational survival in market culture
    (Hasenfeld, 2010)

• Organizational culture
  ▫ Promote staff innovation, creative ideas, key to be flexible, adapt to change
    (Hasenfeld, 2010; Lawler & Bilson, 2010)

• Adaptive strategies during government cutbacks
  ▫ Expand services strategically, inter-organizational networking, business management skills
    (Alexander, 2000)

• Research
  ▫ Recent research on leaders managing public sector cutbacks lacking
    (Schmidt et al., 2017)
2. Overview of Research Study
(Vito, 2016, 2017)

• **Multiple case study design** (Yin, 2009)
  ▫ 3 agencies (2 children’s mental health, 1 child welfare), recruited by email invitation
  ▫ 41 participants (14 directors, 27 supervisors), majority female, Caucasian, ages 40-60

• **Multiple research methods** (Creswell, 2007)
  ▫ Individual interviews with directors (14)
  ▫ Focus groups/questions with supervisors (5/27)
  ▫ Observations of leadership practice (7)
  ▫ Review of agency documents (extensive)
Research Purpose/Questions

• Purpose
  ▫ Explore leadership practice, influence on/by organizational culture

• Questions
  ▫ How do leaders understand/practice leadership?
  ▫ How does leaders’ practice influence/shaped by organizational culture?
  ▫ What is their leadership training and satisfaction?
  ▫ How does the external context impact their leadership practice?
3. Challenge 1: Service System Transformation

- Lead agency transformation major change
  - “It’s going to be a MAJOR change, the lead agency will be deciding what programs should be offered in your area” (A3D5)

- Clash agency values (collaborate vs. compete), shift identity (hierarchy)
  - “one of you will be lead...we’re going to struggle with issues of power and control” (A2FG1)

- Limited human/financial/technical resources
  - “there’s no money for anything extra, you have to do all this stuff with what you’ve got now” (A3D5)
Adaptive Responses

• **Insight re need for innovation, adaptation** (Lawler & Bilson, 2010)
  ▫ “you have to be flexible and change to the needs in your environment...or you won’t survive eventually” (A2D4)

• **Consider big picture, strategic response** (Lewis et al., 2012; Packard et al, 2008, 2013)
  ▫ “realistically looking at the future and what's out there, and then seeing the opportunity” (A3D1)

• **Monitor external trends, build relationships** (Lewis et al., 2012)
  ▫ “Keep our fingers on activities...in community, provincially...build key relationships” (A3D3)
Strategy 1: Monitor External Trends/Policy Changes

• Innovation/adaptation to change essential given rapid pace, complexity, continuous, organizational change (Lewis et al., 2012)

• Big picture approach with cross-agency collaboration, develop relationships with key stakeholders, key to manage broad system change (Lewis et al., 2012; Packard et al., 2008, 2013)

• Environmental scanning (monitor political and socioeconomic trends) (Lewis et al., 2012)
Challenge 2: Continuous Funding Constraints

- Continuous funding constraints and competition for resources, financially driven service decisions
  - Led to reduced service delivery, program closures, threatened agency viability
  - “I have seen a move to our decisions being very financially driven...how do we continue to do the same services with less resources?” (A2FG1)

- Mandated balanced budget legislation (CAS)
  - Funding cutbacks, staff layoffs
  - “Last year was a blur because we were responding to funding crises” (A1D3)
Adaptive Responses

• **Strategic planning/business management skills**
  (Alexander 2000, Packard et al., 2008)
  ▫ Agency 3 viability; program closures, selling property, hybrid model, marketing services
  ▫ Agency 2; financial problem-solving, priority setting programs, budget preparation
  ▫ Agency 1; positive-restructure services

• **Innovation opportunities**
  (Germak & Singh, 2010)
  ▫ Agency 1; private fund development program ($400k annually), new service models (SOS)
  ▫ Agency 3; proposal for cross-sector partnerships with child welfare, new community service model
Strategy 2-Business Management Skills, Innovation Opportunities

• Strategic planning, problem-solving, marketing, priority setting, key strategies to funding constraints (Alexander, 2000; Packard et al., 2008, 2013)

• Advocacy to ministry for sufficient funding, leadership to improve service quality, retain staff, support new initiatives (CMHO, 2016)

• Social innovation/business models to develop creative solutions; requires fiscal literacy skills and risk-taking, conflict with HSO’s (Alexander, 2000; Germak & Singh, 2010; Hasenfeld, 2010)
Challenge 3 - Rising Ministry Expectations

- Rising ministry expectations for accountability, data management, quality assurance, performance
  - “TONS more around measurement, tracking, following best practice, measuring outcomes” (A2FG1)

- Compliance culture, reduced innovation
  - “A regulation driven, compliance oriented way of doing business...no room for innovation, creation” (A3D1)

- Supervisors overwhelmed, demoralized, less time for staff and teams
  - “The workload continues to increase and my biggest frustration right now is I feel like a MASTER of NOTHING because I'm SO spread out.” (A3FG1)
Adaptive Responses

• Be proactive, meet ministry standards (more resources required) (CMHO 2014; Hopkins et al., 2014)
  ▫ Develop internal supports (e.g. technology, staff training, grants for planning/evaluation)

• Push back/resist ministry directives (Aronson & Smith, 2010)
  ▫ Agency 2; resisted unrealistic accountability expectations, measurable outcomes
  ▫ Agency 3 cautioned tolerance
  ▫ “the Ministry is easy to kick, but...you don’t want to kick the people that can kick harder back” (A3D2)
Strategy 3-Technology Infrastructure, Training, Resistance

• **Use data/technology to guide decisions** (Alexander, 2000; Packard et al., 2008)

• More human and technology resources required to meet expectations for quality assurance, data collection/analysis, outcome measurements, program evaluation (CMHO, 2014)

• Progressive advocacy program-to resist ministry demands-requires strong leadership, coalitions, diverse funding sources (Aronson & Smith, 2010; Plitt-Donaldson, 2008).
Challenge 4-Collaboration vs. Competition

- Collaborative community relationships
  - “Everybody in the province is trying to figure this out...in a win-win kind of way” (A2D1)

- Ministry mandated competition for resources
  - “We’re in a highly competitive environment here, people don’t like to acknowledge that” (A3D1)

- Loss of community presence due to time constraints, competing priorities
  - “There is an expectation to be working more collaboratively...to say NO has a really big impact” (A2FG1)
Adaptive Responses

• Share resources with service partners, despite competitive environment (Germak & Singh, 2010; MCYS, 2014)
  ▫ “sharing resources is a way...to even it out, it’s not about holding it all to yourself” (A2D1)

• Focus on broader community; inter-organizational collaboration (Alexander 2000; Packard et al., 2008, 2013)
  ▫ “Do it for the greater good...I'm here to help YOU, and to help US, help the community” (A2D3)
Strategy 4-Inter-Organizational Collaboration

- Competitive nature of funding resources increasing reality for HSO’s; contradicts cross-sector collaboration (Germak & Singh, 2010; MCYS, 2014)

- Inter-organizational collaboration has many benefits (Alexander, 2000; Packard et al., 2008, 2013); requires collective leadership to develop innovative solutions to community problems (Hopkins et al., 2014)
5. Conclusions

- **Key strategic leadership skills**
  - Monitor external trends, prepare for rapid policy shifts (Lewis et al., 2012)
  - Develop strategic planning/business skills (Alexander 2000, Packard et al., 2008; 2013)
  - Look for opportunities to innovate (Germak & Singh, 2010)
  - Share resources/inter-org. collaboration (Alexander 2000, Packard et al., 2008; 2013)
  - Resist/advocacy re new ministry initiatives (Aronson & Smith, 2010)

- **Ministry requirements**
  - Provide sufficient human, financial and technological resources, pace change across sector
  - Resolve competing directives (collaborate/compete)
Future Directions

• Multi-sector collaboration required, CMHO key stakeholder recommendations: leadership, partnership and collaboration; client services; planning and evaluation; resources; and training (Warren et al., 2014).

“MCYS needs to support a measured transition where the lead agency model is properly resourced, thoughtful and planned...for successful implementation”

(Warren et al, 2013, p.1)
Discussion &

- Small group-Discussion
  - Consider the impact of external challenges in your agency and how leaders can respond effectively using adaptive and innovative strategies

- Large Group-Questions?


