Multi-Stream Structures in the Public Service

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This paper is the ninth in a series commissioned by the Committee for Public Management Research. The Committee is developing a comprehensive programme of research designed to serve the needs of the future developments of the Irish public service. Committee members come from the Departments of Finance, Environment and Local Government, Health and Children, Taoiseach, and Public Enterprise, and also from Trinity College Dublin, University College Dublin and the Institute of Public Administration. The research is undertaken for the Committee by the research department at the Institute of Public Administration.

This series aims to prompt discussion and debate on topical issues of particular interest or concern. Papers may outline experience, both national and international, in dealing with a particular issue. Or they may be more conceptual in nature, prompting the development of new ideas on public management issues. The papers are not intended to set out any official position on the topic under scrutiny. Rather, the intention is to identify current thinking and best practice.

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Responsibility for the content of the paper, however, rests with the authors.

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EXECUTIVE SUMMARY

This paper examines the implications of a structure of separate administrative, professional and technical streams for the management of the public service. Eliminating the rigidities caused by operating a multi-stream structure is an important aim of the current public service change programme. Consequently, this study examines a number of ways of improving inter-working between streams, including greater mobility, more use of team-based working, and integration of the streams. Interviews in a small number of government departments and local authorities, and the examination of two case studies – the Valuation Office where cross-functional teams were established across the grades and Coillte Teoranta (the Irish Forestry Board) where the multi-stream structure was abolished – provide most of the information on which the paper is based.

The paper is divided into four parts. In part one the problems associated with operating a multi-stream structure are identified. Part two outlines current thinking and approaches to tackling the issue, at both central and local government levels. In part three, the two case studies are examined in detail. Finally, in part four ways of moving forward are outlined.

In general, the current multi-stream structure would seem to have inherent limitations which can result in less than perfect service to the public. Yet existing structures have proved resistant to change. Current changes being promoted under the Strategic Management Initiative, particularly an increased focus on the customer and service quality and the devolution of operational management, now offer an opportunity and reason for change. Whether that change should be abolition of the streams or more effective inter-working is likely to be a matter determined locally. Strategy needs to determine the desired structure. What is important is that the needs of the service user are seen as paramount. Change should flow from this imperative.
INTRODUCTION

Focus of report
This report on the multi-stream structure in the Irish public service was commissioned by the Committee for Public Management Research. The study focuses on the implications of a structure of separate administrative, professional and technical streams for the effective management of staff in the public service. The study is based on a review of the literature, an examination of two case studies where the multi-stream structure was abolished or adapted in individual organisations, and interviews with a range of key actors. The report aims to promote informed discussion and debate on the relevance of multi-stream structures, their impact, and routes to more effective management practices.

Study background and terms of reference
Multi-stream structures are an issue across the public service. For example, Better Local Government (1996) indicates that engineers, who form the bulk of professionally qualified staff, have a totally separate career path and, with few exceptions, have tended not to get involved in corporate management in local authorities. Delivering Better Government (1996) notes that the civil service comprises a number of grade structures: general service, departmental, technical, and professional. The report notes that the separate identities of these structures and the lack of mobility between them can result in inflexibility, which in turn can lead to inefficiency and obstruct the effective deployment of staff talent. The Strategic Management Initiative (SMI) for the public service promotes the flexible deployment of staff at all levels as a major objective for human resource management in the public service. Eliminating the rigidities caused by the multi-stream structure is an important aim of the current change programmes.

Consequently, this study was initiated to look at the issues and problems arising from the operation of the multi-stream structure and develop ideas as to how to better manage the situation. A number of options are possible for addressing the management issues arising from the multi-stream structure, including integration of the streams, greater mobility and greater use of team-based working. The study aims to prompt informed discussion on the relative merits of such options. The terms of reference for the project were to:

- Undertake a thorough review of relevant national and international research evidence concerning approaches used to manage multi-stream structures in the public service, at both central and local government levels.
- Undertake a number of case studies in the Irish public service which would develop understanding of the factors which led to the issues being particularly addressed in these cases, the key issues (including any cost and IR issues) which arose to be dealt with in the process, the outcome and the benefits, both anticipated and realised.
- Outline the lessons learned and recommend possible approaches and mechanisms for addressing the multi-stream structure issue in the public service.
**Study approach and methodology**
The study commenced in September 1998 and was completed in December 1998. Given the short time period involved, the field work for the study concentrated on a limited number of aspects:

1. **Literature review.** The literature, both academic and from official government sources, on multi-stream issues was reviewed. Little was found in the international literature on this subject. Most of the information gathered here comes from government documents and previous studies into the impact of the multi-stream structure in central and local government.

2. **Case studies.** Two case studies were investigated: Coillte Teoranta (the Irish Forestry Board), where the multi-stream structure was abolished as part of a substantial re-structuring; and the Valuation Office, where cross-functional teams drawn from across the professional, technical and administrative streams have been established. There have been very few attempts to develop alternatives to the multi-grade structure in the public service and these two cases would be widely regarded as among the most innovative in recent times. These cases were chosen to provide insight into issues which are of general importance in the public service when tackling the multi-stream structure. Information on the cases was obtained from reports and documentary sources and from semi-structured interviews with those responsible for overseeing the initiatives.

3. **Interviews.** Semi-structured interviews took place with key informants on multi-grade issues in areas of the public service significantly affected by the issue. These included representatives from the Department of Agriculture and Food and the Office of the Revenue Commissioners at central government level, which both employ large numbers of professional and technical staff; and the Department of the Environment and Local Government, Dublin Corporation and Donegal County Council to reflect issues at local government level. The Department of Finance provided information on the broad financial implications for tackling the multi-stream structure. The Irish Municipal, Public and Civil Trade Union (IMPACT) and the Public Service Executive Union (PSEU) provided a trade union perspective on the issues addressed.

**Report structure**
Part one of the study identifies the issues and problems arising from the operation of the multi-stream structure in the public service. Part two outlines current thinking and approaches to tackling the issue, at both central government and local government levels. In part three, two case studies of change are explored, to identify lessons learned from practical examples of efforts to integrate the working of different streams. Finally, in part four, ways of moving forward on the issue are outlined, based on information obtained from the case studies and from information obtained in the rest of the study.
2. ISSUES AND PROBLEMS ARISING FROM THE MULTI-STREAM STRUCTURE

The presence of multiple streams of administrative, professional and technical staff has been a feature of the Irish public service since the foundation of the state. But, as has been noted elsewhere (Metcalf and Richards, 1987, p.117), ‘parallel lines never met’. The existence of separate parallel streams has caused problems for the co-ordination and provision of services. These problems exist at both central government and local government levels.

Problems with the multi-stream structure at central government level
The earliest comprehensive critique of the multi-stream structure, and still pertinent today, was contained in the Report of Public Services Organisation Review Group 1966 – 1969 (The Devlin Report, 1969). The report notes, with regard to what it terms the ‘dual structure’ of administrative and professional staff, that there are in practice two separate problems – organisation and personnel:

- With regard to organisation, one feature is that professional staff are often engaged in the field while administrative staff are more normally employed at headquarters. This can cause a feeling of ‘not belonging’ among professional staff. Also, two parallel hierarchies exist side by side for the performance of a single function. This leads to slow and cumbersome procedures for processing information up and down the lines. From a professional staff perspective, they may have to respond to queries from middle level generalists (without specialist knowledge) during the approval process, or have their advice rejected by the general service side.

- With regard to personnel issues, whilst in terms of starting pay and immediate prospects the professional does better than the generalist, their ultimate prospects are poorer and chances of getting to the highest level of management less. Professionals are also not seen to be given adequate opportunity to develop administrative capabilities, while generalists are not given enough training in the appreciation of problems and methods of a technical nature.

The Devlin Report also notes that the combined organisational and personnel defects in the system lead to the other main grievance of professional and technical staff: a lack of participation in policy making.

That the problems raised in the Devlin Report are still an issue is reflected in Delivering Better Government (1996), as noted in the introduction. The separate identities of the different streams and the lack of mobility between them is seen to lead to inflexibility, demarcation disputes, and inefficiencies. The Hay Management Consultants report (1997) on the design and implementation of a new performance management process for the Irish civil service raises similar concerns: ‘the current hierarchical, multi-layered and ‘dual structured’ grading arrangements will need to be fundamentally redesigned to reflect the fact that the nature of work itself has changed.’ The report stresses that this issue will have to be addressed as a part of the change process within the civil service.
Problems with the dual structure at local government level
The administrative and technical grades in local authorities (collectively described as the ‘officers’ of the local authority) are organised in two separate hierarchical systems. The administrative staff have a line of command that runs through to the county or city manager. The technical staff line of command runs through to senior technical officers, who in turn report to the county or city manager. This system is commonly described as the dual structure.

Administrative staff are involved in the management of the local authority. This includes liaison with elected members and facilitation of council meetings, and liaison with government departments and agencies. Administrative staff maintain the authorities’ records and files, and deal with budgetary matters. Staffing of the finance and personnel departments comes from administrative staff. Technical staff are employed where their particular skills are required. Most are engineers, responsible for the design and supervision of work in the roads, water, drainage and environment departments. Separate salary scales apply to each grouping, and there are differences in the recruitment and promotion practices between the two groups.

Criticisms of the dual structure arose in the 1970s. In a report on The Restructuring of Local Authority Engineering Services (1970), known as the Donovan Report, prepared by a working party of the Institution of Engineers of Ireland, the parallel administrative and technical staff structures were found: to be wasteful of staff resources and time; to contribute to inadequate communications; and to result in considerable inefficiencies. The report recommended that the county engineer should have full responsibility and authority for the engineering functions, including financial and staffing control of those aspects related to engineering services. This proposal was not implemented.

In 1971 a report was commissioned by the Minister for Local Government from McKinsey & Company entitled Strengthening the Local Government Service. This report, known as the McKinsey Report, found that with regard to the dual structure, because the technical and administrative staff involved in a service reported to the county manager through separate hierarchies, no one officer below the manager could deal with the complete service. This could lead to the manager being overburdened.

Also, where the formal structure was not complemented by informal procedures, the report found problems of co-ordination which were detrimental to service delivery. The report recommended the creation of service manager posts for the main services, which could be staffed from either the administrative or technical sides. All technical administrative staff under these service managers would report to them. However, these proposals were not implemented.

In subsequent years, engineer representative groups have continued to raise concerns about the dual structure, and recommend that engineers be delegated financial and staff control for their areas of activity. However, there is less evidence of administrative staff perceiving the dual structure as a problem. This point is illustrated by a recent survey of eight county managers and eight county engineers concerning the dual structure (Howell, 1996), which found:

The majority of county engineers expressed dissatisfaction with the system. The most frequent descriptions used were outdated, cumbersome and inefficient. In their view,
division of authority is not clear and can result in duplication of project approval which is wasteful of staff time. The structure is seen to foster and perpetuate conflict between the technical and administrative categories. The management function of engineers is seen as restricted and they see themselves at a disadvantage in applying for county manager posts. The majority view among the county managers was that the dual structure functions well. They emphasised the importance of a team approach and the contribution of both administrative and technical staff. They stressed the importance of the county engineer as a member of the management team. They also considered physical location of staff to be important and that technical and administrative staff in the same departments should work in the same offices which would contribute to a common sense of purpose and better staff relations.

**Conclusions**

The first point to emerge is that the continued existence of multi-stream structures in the public service, despite the criticisms, would indicate that it is an issue that is not a simple one to address. Up to recently, the absence of a strategic management ethos or concern with corporate management has exacerbated the problems. Historically, the absence of corporate strategies at central and local government levels has tended to leave the administrative, professional and technical streams to develop loyalties to their own group rather than to some notion of collective interest. As one union source noted, this historical development and absence of a ‘green-field’ site for dealing with multi-stream structures exacerbates the problems associated with tackling the issue.

In the course of interviews conducted for this study, other obstacles to change apart from the absence of a corporate approach were also noted. Three issues in particular were raised. One is the attitude or ‘mind-sets’ prevalent in the different streams. Administrative staff may feel threatened by the possibility of professional and technical staff competing for positions which historically were reserved for administrative staff. In particular, union sources noted that career structure and promotional opportunities are seen as key concerns for administrative staff. Conversely, professional staff can at times have a jaundiced view of ‘management’ in the context of their professional training and development, and see administrative staff as more akin to clerks than managers. A second obstacle raised was the financial implications of change. It was generally perceived that any move to integrating the streams was likely to have significant financial implications for the Exchequer. Third is the potential inter-union rivalry which may arise if amalgamation of streams is considered as an option. This may lead to some unions losing members with others gaining, and consequent tensions arising as a result.

What initiatives there have been to improve co-ordination have tended to focus around individual attempts to improve the working situation. The Devlin Report and other subsequent studies often note that where individuals at senior level in the streams have made efforts to improve co-ordination and encourage this ethos down the line, the problems arising from the multi-stream structure have been minimised. But such initiatives have relied on individuals taking action rather than a systemic approach.
The advent of the Strategic Management Initiative offers an opportunity and an imperative to change the situation. The emphasis on a common purpose at central and local government levels can encourage people to look beyond the boundaries of their own streams and concentrate instead on the need of service users. There is a sense that the nature of the work itself has changed, and structures and processes must change accordingly. Whilst the problems associated with the multi-stream structure have been around for many years and rigidities are not to be underestimated, the pressures for change are probably greater now than at any time previously.
CURRENT THINKING AND DEVELOPMENTS

As mentioned in the introduction, both Delivering Better Government (1996) and Better Local Government (1996) indicate that the elimination of rigidities caused by the multi-stream structure is an important element of the change programme at national and local levels. In this context, current thinking and developments at both central and local government level are summarised here.

Current thinking and developments at central government level
At central government level, a general approach to the handling of multi-stream structure issues forms part of the negotiations between management and unions arising from the various national agreements, notably the Programme for Competitiveness and Work (1994) and Partnership 2000 (1996). Under the heading of flexibility, organisation and work practices within and between streams are the subject of discussion. Broadly speaking, both management and the main unions involved (IMPACT, Civil and Public Service Union (CPSU), Association of Higher Civil and Public Servants (AHCPS), PSEU) are agreed on the need for:

- some element of integration on a bilateral basis between the streams where this is indicated by considerations of efficiency and effectiveness;
- greater use of cross-stream reporting arrangements on a bilateral basis;
- the drawing more closely together of staff in different streams, who share responsibility for the delivery of a particular service, to provide a more cohesive workforce focused on specific tasks;
- the use of temporary exchanges of staff between grades and streams.

In addition, AHCPS and IMPACT have agreed on a limited opening up of cross-stream access to promotion posts.

One issue raised by some union representatives in this context is that in practice, initiatives such as temporary exchanges and the opening up of promotion are more likely to lead to administrative posts being filled from other streams rather than vice versa. Management’s stated intention is to operate schemes in such a way that no significant imbalances arise, and that schemes will be reviewed jointly by management and unions.

Team-based working in particular is seen as a way of promoting more flexible and effective working between the streams. There is agreement in principle to the assignment of work to teams or groups comprising people from different categories, streams, or grades and representing different functions and disciplines. The activities of such a group could be directed and co-ordinated by any member of the group who will not necessarily be at a higher level than the other members (see Boyle, 1997, for a more general discussion on team-based working).
Within this broad framework, a number of government departments and offices have taken or are developing individual initiatives to address multi-stream issues, some of which are outlined below.

In the Office of the Revenue Commissioners, on 1 January 1996 the general service and departmental customs and excise staff were integrated into a new single structure, covering over sixty per cent of all staff. The drive for this was the major change arising from the implementation of the Single European Act, and the consequent impacts for customs and excise duties. Potential job losses provided a compelling argument for integration.

Currently, the remaining organisational structure is being assessed in the context of changes to Revenue’s business, in particular the move to a unified approach to customers made possible by the Integrated Taxation Processing (ITP) project due for completion in 1999. From a multi-stream perspective, the main issue here is the better integration of activities between the taxation and general service structures. However, there are a number of issues which differentiate the taxation area from the customs and excise experience. There is no similar external impetus to the Single European Act; union representation is an issue in taxes; there are notable salary differences at executive and clerical levels, with generally higher pay in the taxes area; and there is a strong cultural identity in taxation – people are proud of their distinct identity. The Office is currently assessing the most viable options for changes to the current structure in this context. Some limited initial work on using teams drawn from different staffing streams has already begun.

In the Department of the Environment and Local Government, significant changes took place in the early 1990s. Two separate streams existed prior to this: an administrative stream, and a professional stream reporting to the Chief Engineering Adviser. But following the recommendations of a consultancy study, since 1992 each line division has a functional group, headed by a principal adviser (professional), and administrative staff, all reporting to an assistant secretary. The Chief Engineering Advisor post was abolished. This change was negotiated with the unions, and involved a financial package that acted as an incentive to staff to buy into the new structure. In general the new integrated structure is seen as working well, though there are some concerns among professional staff that promotional opportunities have been constrained, and that professional staff have lost their seat at the management advisory committee. Also in the Department, some former technical and professional staff have moved to new agencies created in 1993: the Environmental Protection Agency and the National Roads Authority.
The Department of Agriculture and Food has a particularly extensive multi-stream structure. In its first Statement of Strategy, produced in 1995, the Department notes the existence of six staff streams (administrators, veterinary inspectors, forestry inspectors, agricultural inspectors, technical staff and industrial staff), with a total of around 120 grades of staff in these six streams. The rigidities in this structure were not seen as supporting operational efficiency. Consequently, the Department embarked on a fundamental review of structures and work practices, focused on the separation of policy and executive functions. Arising from this process, three ‘pillars’ are being created dealing with policy, payments to farmers and processors, and food safety and production. The intention is to separate policy and executive functions, while maintaining relationships between them. It is also intended to devolve to line management in each pillar the maximum authority over resources including collaboration between the streams.

Current thinking and developments at local government level
Under the section on flexible working arrangements in Better Local Government (1996, pp. 59-60), it is noted that the current distinction between the ‘officer’ (namely the clerical, administrative, professional and technical grades) and ‘servant’ streams is an anachronism which will be addressed in consultation with staff interests. Within the officer grouping, it is noted that most professional and technical staff are engineers, who have tended not to get involved in corporate management. The creation of a new programme management tier is, in part, intended to offer an opportunity for engineers and other professional and technical staff to get involved in corporate management and move into senior management positions in local government.

The programme management tier is part of a proposed strengthening of the management and staff structures in local government. The intention is that the county or city manager will be supported by a programme-based structure, with each programme headed by a director of services (at assistant manager salary level). The number of director of services posts in each local authority is to be determined by the manager having regard to the service needs of the local authority, subject to the normal statutory approvals. It is envisaged that smaller authorities will have two to three directors of services, average sized authorities three to four, and the larger authorities four to five. All staff – administrative, professional and technical – dealing with a particular programme or function will report to the appropriate Director of Services.

Management are proposing that, on an exceptional basis, the first posts created will be filled at local level. Each assistant manager will be designated as director of services and assistant manager, and each county/city engineer will be designated as director of services and county/city engineer. This designation will be personal to the present holder of the office and will be replaced by an office of director of services when a vacancy arises for any purpose. Director of services posts will be filled by open competition through the Office of the Civil Service and Local Appointments Commissioners.
Thus the intention is to integrate the professional and technical staff more into the management structure of the local authority. This is to be done through professional and technical staff being eligible to apply for director of services posts and hence be engaged in corporate management of the authority, and through staff from all streams reporting to the appropriate director of services.

Within this broad framework, some local authorities are evolving their own structures for local management. In Dublin Corporation, for example, in late 1998 a major report was produced on re-structuring, entitled *Modernising Dublin Corporation*. This report proposes radical changes, and has major implications for the dual structure in the local authority. The overall structure proposed is outlined in Figure 1. The city-wide departments relate to the programme structure discussed above, with four directors of services heading up the five programmes outlined. Similarly, director posts are recommended for central departments providing corporate services, such as finance and human resource management.

*Figure 1: New Corporate Structure for Dublin Corporation*

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CITY MANAGER

AREA CENTRAL CITY-WIDE

5 Area Managers Director of Central Services 4 Directors of Service

Area departments
(Local Service Delivery)

Central Departments
(e.g. Law, HR, Finance)

Programme (Economic Development and Planning; Transportation and Traffic, Environment and Engineering; Housing, Social and Community Affairs; Arts and Culture)
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From the perspective of this study, the proposed area-based management structure is of particular importance. There is a general move among many local authorities to give greater consideration to area-based management (see Boyle, 1996). In Dublin Corporation, the proposal is for five new area departments, each related to the geographical area covered by one of the new Council Area Committees. The proposed staffing structure in the area departments is outlined in Figure 2. The position of area manager will be open to staff of all disciplines, and all disciplines will report to them. At the level of heads of service, competition will be open to all disciplines, and again all disciplines working within each service will report to the head of service. Similar arrangements will apply across the city-wide and central departments. Thus management positions will be open to staff from all disciplines.

Donegal County Council is also currently undertaking a review of structures, though detailed proposals have not yet been developed. This review is being prompted by asking fundamental questions about the relationship between the work being carried out in the local authority and the associated accountabilities of managers and staff. A working group has been analysing work undertaken with particular reference to the levels of responsibility and the complexity of decision making required. This is leading towards a formulation of what work should be done at each level, and in this context a consequent re-examination of the relevance or otherwise of the dual structure. Broad strategy and responsibilities are being taken as the starting point, and the structure is to emerge from these. Donegal has also pioneered the area-based approach to management, and is encouraging the decentralisation and localisation of service delivery.

**Conclusions**
Drawing together some of the strands from developments at central and local government levels, it can be seen that there are movements taking place to address issues and problems arising from the multi-stream structure. Management and unions are in negotiation on ways of integrating or increasing co-operation between the streams, in the context of enhancing flexibility of work practices as part of national level partnership agreements. Individual government departments and local authorities are taking steps to promote closer working between the streams.

However, most of the initiatives (with the exception of specific actions such as the amalgamation of general service and customs and excise staff in the Revenue Commissioners and the re-structuring in the Department of the Environment and Local Government) are at a relatively early stage of development. In terms of specific lessons that can be learned as to how to go about integrating the work of different streams, there is limited information. It is to this issue that we turn in the next part of the report.
CASE STUDIES OF CHANGE – THE VALUATION OFFICE AND COILLTE TEORANTA EXPERIENCES

Useful lessons from practical experience with the management of change to multi-stream structures can be learned from contrasting case studies of the Valuation Office and Coillte Teoranta (The Irish Forestry Board). In the case of the Valuation Office, the three professional, technical and administrative streams remain, but have been brought together in multi-functional teams. In the case of Coillte Teoranta, the multi-stream structure was abolished when the organisation became a state-sponsored body. The experience gained from these cases is summarised here, with a particular emphasis on how the process of change was managed. It is not the intention that their experience be copied by others. Indeed, the make-up of these organisations, with large numbers of professional and technical staff in the majority in each case, is quite different from many other parts of the public service. Rather, the emphasis is on identifying and learning from the way they managed to bring about more effective working between the streams.

The Valuation Office – introducing multi-functional teams
The Valuation Office is the property value agency for the state. The core business of the Office is the establishment and maintenance of a uniform and equitable valuation base on which commercial rates are raised by the local authorities. The Office also provides a valuation service to a number of government departments and state agencies.

Prior to 1990, the Office was run in accordance with a strict multi-stream structure. There were three streams, all reporting to the head of the Office:

- Professional valuers, headed up by a Chief Staff Valuer (equivalent to PO1) with four staff valuers (approximately AP1) and around seventy-five valuers.
- Technical mapping staff, headed up by a Chief Supervisor (approximately AP1 level) with two assistants (approximately HEO level) and around twenty staff.
- Administrative staff, headed by a Secretary (PO2), with an assistant principal, three higher executive officers, and around fifty more clerical/administrative staff.

There were significant problems caused by the rigidities of the separate stream structures. Each stream worked to its own agenda, and activities were not always linked to the activities or needs of the other two streams. Each stream prepared its own work programme, and the three would not be co-ordinated. Requests for assistance from other streams, for example a routine request from a valuer for a map of a particular area, tended to go up and down each hierarchy. Cross-over occurred at the top of the organisation, rather than at operational level. Inevitably this caused delays in progressing even routine issues. The introduction of information technology systems offered an opportunity to address some of the issues, and led to the first steps to move to a more collaborative system of working between the streams.
The change process
In 1990 the head of the Office set up a cross-functional team to oversee the IT initiative in the Valuation Office. This team was made up of professional, technical and administrative staff, under the leadership of a valuer. The team worked effectively, and demonstrated that inter-working between the streams was possible.

At the same time as this initiative was taking place, the role of the Office itself was under review. A significant effort was being made by top management to introduce a customer-oriented culture to the working of the Office and to identify and promote staff supportive of this culture. In terms of developing a strategy for change, this focus on the customer came first, and the proposed new team-based structure followed on from this approach. A customer focus was not seen to be viable with the existing multi-stream structure: there was no one internally who could co-ordinate responses to meet customer needs other than top management. But the experience of the IT team indicated that alternative approaches were possible.

In order to develop an agreed approach to change, an outside facilitator was used, and off-site sessions held initially with middle and senior management. This stage was difficult as the organisation had experienced very little change and felt comfortable and secure with the status quo. A lot of concerns and fears were raised at the off-site sessions, and it was evident that the prospect of change was not welcomed by many. This process lasted several months. The sessions raised concerns centred on issues such as fear of losing traditional privileges and possible concerns about the new reporting procedures eroding career prospects. Individual streams were also worried by the possibility of encroachment into their area of work. There was resistance from all streams. Great effort and attention was put into dealing with all the issues and concerns raised at these sessions. In all, the facilitation process played a significant role in preparing the ground for change and the need to move away from the rigidities caused by the existing structures.

As a next step, two cross-functional teams were set up, to demonstrate how the new arrangements could work in practice. These were launched with some degree of ceremony in the Office. There was also some ‘loosening of purse strings’ to facilitate team days and team lunches etc., to help break the ice. Also, two newly-promoted staff valuers were appointed as team leaders. They had not had positions of authority under the old system, and were enthusiastic and supportive of change. The teams worked well, and others in the Office could see the benefits arising from the new arrangements.

Consequently, the Office next went for a ‘big bang’ approach and rolled out the remainder of the teams all at once, about nine months later. A small group of three was given the task of organising the teams and task allocation. Before this could happen, however, re-structuring and promotional packages had to be agreed with the various grades involved, the unions, and with the Department of Finance, as they had financial implications for the Exchequer.
Essentially, the three previous ‘head posts’ of each of the streams was removed. Finance suppressed the PO2 post as part of the general staff embargo. In the other two cases, mapping and valuers, the posts were not replaced when people left. This was seen to be needed to remove possible obstructions to the change process; having stream heads ran counter to the cross-functional team approach. But in return for this, and for agreement to the move to team-based working, promotional posts were offered in each stream: two PO2s in place of the one PO1 post for valuers; two lower posts in place of the chief superintendent mapping post. In the case of administrative staff, as part of a general package including not only the move to teams and reporting to non-administrative staff (ground-breaking in the civil service at the time) but also some contracting out, they agreed a promotions package involving a significant number of promotions. These packages were agreed with the staff concerned and with the unions. Most negotiations with the unions took place at local branch level.

The new working arrangements
There are now seven cross-functional teams, each made up of one staff valuer (who is the team leader), six valuers, two or three administrators, and one or two mapping staff. There are also support teams (accounts, personnel, data capture), mostly made up of administrative staff. At a senior management level, four PO2s now report to the head of the Office, each with responsibility for a group of teams.

Teams are organised on a geographical basis, with an emphasis on building up a good working relationship with their local customers (primarily local authorities). However, all staff are still based in the headquarters in Dublin. Teams have the resources to deliver the full range of services for customers (administration, valuation and mapping) in a co-ordinated way. Teams meet weekly to manage their work-load and all team members are free to contribute to the organisation and delivery of the work to their customers. Team members now report to one team leader who manages all activities within the team. The traditional reporting through streams no longer exist.

The benefits of the change have been demonstrated by annual customer service and staff climate surveys carried out by the Office. Customer satisfaction shows considerable improvement since the introduction of teams. Staff climate surveys show that staff participating in the teams are also positive to this form of organisational arrangement, with improvements of satisfaction levels within the Office being displayed.

However, the move has not been entirely smooth. Once staff have been moved to teams, they do not usually want to move again and are resistant to being moved around to meet changes in workload. The fact that valuers are field staff does not help the development of team culture and considerable scope remains for closer integration within the team structure. The overselling of team autonomy at the beginning of the process also proved to be a problem. Autonomy was sold as a benefit of the move to teams, but expectations have been raised too much. The precise boundaries of autonomy were not defined.
The handing over of all the ‘rewards’, in terms of the promotion packages agreed, in the first eighteen months of the process has also been a limitation on the change process. These rewards were absorbed and became the new norm before the changes had been fully implemented. Resistance has built up again to subsequent changes. Rewards need to be spread out over the life of the changes. Also, after the initial deals, there are few options to reward staff. It is not possible to promote everyone.

A working group is currently reviewing the team structure and is due to report shortly. A key next step is seen as the need to link performance management to individual objectives, which in turn link into team objectives.

Coillte Teoranta – abolition of the multi-stream structure
Coillte was established as a commercial state-sponsored body in 1989. Its remit is to run public forestry on a commercial basis. Prior to the establishment of Coillte, the operations were run as part of a government department: the Forest Service of the then Department of Energy.

Coillte took over some 2,600 staff from the Department, comprising four main categories: 1,820 forest workers; 440 forester staff; 140 professional staff (110 professional silviculturists and 30 engineers); and 170 administrative staff. The company was divided into a headquarters, and seven regions where around 95 per cent of staff were located. A typical region had a divisional inspector in overall charge; district and assistant district inspectors responsible for districts; and foresters in charge, foresters and forest workers. In headquarters, on the professional side the chief inspector and his team were responsible for forest operation and management. The senior engineer headed the engineering staff, mostly based in the regions. On the administrative side, an assistant secretary headed up the team, responsible for overall policy, the budget, marketing, finance and personnel matters. Within the different structures, there was a wide variety of grades; eight core grades on both the professional and administrative sides.

First steps towards change
Shortly after his appointment, the new chief executive of Coillte Teoranta set up a task force to investigate possible efficiency savings. This task force, comprising three people from headquarters drawn from the two staffing structures, visited all areas of the company and involved staff, through workshops, in generating ideas about efficiency savings. The task force thus promoted a new way of working between the structures, and sent a message to staff that the management style was intended to be consultative, and that their views would be listened to.

Also, shortly after the company was set up, six senior positions were put forward for filling, by competition open to all staff on the professional/technical and administrative sides. Interview boards were drawn from the two structures. As with the task force, this indicated a new approach to staff, crossing the traditional divide between the two staffing structures.
These first steps indicated a change in direction. But at an early stage in its existence a strategic review of the business needs of Coillte carried out by the company indicated a need for fundamental changes in structure and operation, including abolition of the dual structure. The problems caused by the dual structure were noted by Cassidy (1991, p.24): ‘A dual staffing structure does not easily promote unity of purpose. It can sometimes lead to confusion and tensions between the two structures about their roles and powers. Difficulties can arise about grading relativities and the pay progression of the different structures varies over time.’

The strategic review indicated the need to replace the existing structures with ones geared to an explicitly commercial and business approach. The need to establish strategic business units in particular areas e.g. nurseries and engineering technology, was established. So too was the idea of promoting profit and cost centres throughout the company, in the context of devolving business autonomy to the regions from headquarters. To promote this new focus, abolition of the dual structure was seen as necessary, as tensions between the two professional/technical and administrative streams were seen as incompatible with running the company on business lines. Hence, as Cassidy (1991, p.25) again notes:

In a very real sense, therefore, strategy came first and structure second. It was the strategic analysis of the company’s direction that dictated the type of structural changes needed. And these changes, in turn, involved the elimination of the dual structure as an essential element in the future evolution of the company.

Thus the emphasis of the change process was on abolition of the dual structure as a commercial imperative. The drive was the commercial needs of the company in its new operating environment rather than simply dissatisfaction with the operation of the dual structure.

The restructuring initiative
The company launched its restructuring initiative in January 1990. Five basic principles informed the initiative (Cassidy, 1997, p.7):

- The dual staffing structure had to be entirely eliminated by fully integrating the professional/technical staffing structure and the administrative structure into one new structure.
- A specific timetable for implementing the new business organisation should be set.
- On the management side, the task of implementing the company’s initiative should be left to a small team reporting to the chief executive. This team had three members, from the human resources division, headed by the general manager.
- The unions must be seen as partners in attempting to resolve common problems in a direct and business-like way.
- While separate discussions would be held with the four different unions involved, these unions would be kept generally informed on progress in other areas and advised of major developments of significance in these areas.
Over a three-month time frame, intensive negotiation with the unions took place. Three main issues were addressed by the management and union negotiating teams: (a) re-structuring, division of responsibility, gradings etc.; (b) bringing together the distinctive views of the different unions involved and divergent and strongly held views on relative gradings and responsibilities; and (c) ensuring that the new structure conformed with public service pay policy and public service pay agreements. This latter issue involved the Department of Energy and the Department of Finance.

As a result of these negotiations, agreement was reached with the unions in March 1990 to put restructuring proposals to a vote of their members. The proposals included the elimination of the dual structure and its replacement, above clerical level, by an integrated structure with four staffing levels. Within each of these levels, staff were to have the same responsibilities and pay and be fully interchangeable throughout the company. New regional management and business unit structures were also proposed. These proposals were put to staff at regional meetings, which outlined and explained the main aspects of the proposals. The AHCS, PSEU and CPSU accepted the proposals, and IMPACT initially rejected them by two votes. Following discussions on aspects of the package and improved clarification, but no improvements in the company’s proposals, it was again voted on by IMPACT in April 1990, and this time the package was accepted.

There were significant costs associated with the package agreed, notably through the creation of new promotional opportunities and the introduction of a special early retirement package. But, from the company’s perspective, a commercial focus was facilitated by the re-structuring. The dual structure and many surplus grades were eliminated, and staff surpluses reduced. The company’s salary bill fell by approximately £150,000 in real terms between 1990 and 1991. There were also perceived benefits for the unions in terms of new promotional opportunities, particularly at the level of forest manager and business unit manager level. These posts were filled through competitive interview open to all staff. Several of these new posts were filled by professional/technical staff sending a signal of integration through the company.

Conclusions
These two cases indicate that changes to the multi-stream structure are possible. The Valuation Office has moved from having a three-tier structure of professional, technical and administrative streams, which was cumbersome and internally focused, to operating a multi-functional team structure which has demonstrably improved customer service. Whilst there are still some rigidities and limitations to the new structure, it represents a considerable improvement on what went before. The Coillte Teoranta experience is similarly a positive one. The abolition of the dual structure, along with other changes, has allowed the company to focus more effectively on its commercial role. Some of the lessons drawn from these experiences are captured in the next part of the study.
The multi-stream structure in the public service has come in for continued criticism over the years, but has proved resistant to change, except in some limited circumstances. Professional and technical staff themselves tend to be vocal in their criticisms, arising from their sense that the current structure curtails their authority for and involvement in decision-making. Also, from a user perspective, the structure has flaws, as noted by Howell (1996) with particular regard to local government:

Criticism of the dual structure has not been confined to technical staff. All of the independent reviews of the system have found it to be slow, cumbersome and unwieldy. The absence of service co-ordination below manager level results in the necessity for extensive informal co-ordination to ensure effective service delivery. When the formal system is applied rigidly service quality can be adversely affected and frustration is experienced by staff.

In the course of this study, several issues have arisen which set the context for change from the current multi-stream structure. Three main issues are explored further here in terms of moving on the debate and identifying possible ways forward: the role of professional/technical staff in today’s public service; the role of organisational structure; and practical steps to encourage change.

The role of the professional in today’s public service
The existence of the multi-stream structure highlights the more general issue of the role of professional and technical staff in today’s public service. From a management perspective, a key task is how to fully involve those with a specialist skill which the organisation needs in running the organisation. Increasingly, such specialist skills are not confined to professional and technical streams. In the interviews conducted for this study, and from other research (Humphreys and Worth-Butler, 1999) the increasing professionalisation of administrative staff has been noted. In the context of the SMI, staff are now expected to develop specialist expertise in areas such as human resource management and financial management. Professional qualifications in such specialist activities are increasingly likely to be required of public servants. In this situation, distinctions between administrative, professional and technical streams become increasingly outdated. The focus shifts from concern with managing different streams to managing specialist expertise which may reside in many different parts of the organisation.

The increasingly complex environment within which the government operates strengthens the need for good, independent professional advice from a variety of sources and across a diverse range of issues. Such professional advice is crucial to the effective working of public administration. Improving the strategic capacity of government through ensuring that ministers have access to relevant and timely professional information as part of the policy process is the central task here.
In this context, the SMI is changing the environment within which multi-stream issues and, in particular, the management of professional/technical staff is addressed. Whilst the focus is not specifically on multi-stream issues, the SMI process is concerned with ensuring organisational change where this is necessary to improve service quality and cost effectiveness. The emphasis is on greater devolution of authority and responsibility, a stronger customer focus (on both external and internal customers), and a greater need to think strategically. In particular, the focus on service to the customer encourages a sense of common purpose. All staff, be they administrators or professionals, or from whatever stream, are encouraged to look beyond the boundaries of their own part of the organisation and concentrate instead on the needs of the user. Such a move encourages shared values and purpose rather than emphasising the distinct values which professional staff can develop as part of their general training and socialisation. Establishing core values, of relevance for instance to engineers and lawyers as much as to administrators, plays an important role in giving organisations a greater sense of corporate identity and direction.

The establishment of core values, with quality customer service at its heart, is an important driver for changing the context of the involvement of professional staff in the running of the public service. When allied with a focus on results and devolution of management responsibility at the operational level, the whole issue of management, both within and between streams, becomes more important and relevant. Change, in such a setting, results from concern with service quality rather than with organisational structure.

A further trend in the public service today, with implications for professional and technical staff and hence for multi-stream structures, is the increasing emphasis on management training and development. The tendency of some professional/technical staff to view ‘administration’ or ‘management’ as a function of less worth than being a ‘professional’ has been commented on above. An absence of provision of management training for professionals in the past has helped contribute to such a scenario. The increased emphasis on management training and development under the SMI can help provide the necessary supports for professional/technical staff to add a managerial dimension to their work whilst retaining their professional identity. Training and development can help break down the sense of separation between being a manager and being a professional, recognising the necessity for competence in both in today’s public service.

In general, then, as the public service is changing, so too is the context for involving professional and technical staff in the management of that service. The traditional division into separate streams becomes increasingly obsolete in such an environment.

The role of structure – grouping by stream or by service function?
Associated with contextual changes arising from the SMI and quality service delivery, there are structural changes taking place which will impact on multi-stream structures in central and local government. Under the aegis of the SMI, more thought is being given to the practice of service co-ordination below senior management levels. Historically, there has been an absence of such co-ordination, leading to a necessity for extensive informal co-ordination to ensure effective service delivery. When the formal structure is rigidly applied, the result is cumbersome and slow service delivery. This leads to frustration both on the part of staff and service users.
New structures are emerging to enhance service co-ordination. Internationally, the new ‘managerialist’ approach often emphasises the separation of policy making from implementation (OECD, 1997). In places such as Britain this has led to the creation of separate executive agencies with specific responsibility for implementation. Many of the professional and technical staff in the civil service have moved out into agencies, and become part of the new management structures developed for the running of these agencies. This may help explain the absence of literature on multi-stream issues noted earlier, from a situation in the 1970s where the British civil service operated similar multi-stream structures to those in Ireland. The move to executive agencies has negated the problem. The creation of executive units in Ireland, either within departments as planned for the Department of Agriculture and Food, or separated from departments as in the case of the Environmental Protection Agency, is likely to lead to similar structural changes.

A further trend observed in some countries is the move to broadbanding – combining and replacing several classification/grade levels with a single broader level – as a structural means of increasing flexibility of working arrangements. Experience has shown that there are difficulties associated with the introduction of broadbanding. Nonetheless, it is a valuable way of supporting the multi-skilling of employees across a wide range of activities and facilitating a team-based work culture (Department of Employment, Workplace Relations and Small Business, 1998). In part, such moves are aimed at reducing rigidities in the system and creating a more open environment within which joint working between different streams can be addressed more effectively.

A further structural change promoted by developments arising from the SMI concerns what Howell (1996) refers to as unit grouping by service function rather than by multi-stream structure. When the focus is on results rather than procedures and on the devolution of management to operational levels, unit grouping by service function rather than by stream makes more sense. This move is based on the greater work flow interdependencies which exist between administrative, professional and technical staff within individual service divisions rather than within the separate streams. The move to multi-functional teams in the Valuation Office and the proposed programme management structure in local government are examples of developments here. As Howell (1996) notes:

Unit grouping by dual structure exacerbates differences between technical and administrative staff and increases the potential for conflict. Unit grouping by service function would contribute to greater teamwork and integration and would contribute to reduced conflict and increased organisational effectiveness. It would have the additional benefit of exposing technical staff to political, legal and financial realities and administrative staff to technical requirements and constraints.
Thus, service co-ordination is being promoted by structural changes which encourage unit grouping by service function. When associated with devolution of managerial functions, it is possible to envisage individuals, administrative or professional/technical, below management team level with responsibility for all aspects of an individual service depending on the requirements of the particular service. Greater use of broadbanding and multi-functional teams could similarly be envisaged as contributing to more effective inter-working among streams. Improved co-ordination from a service user perspective should result.

**Practical steps to encourage change**

Drawing in particular from the case studies, but also from general experiences reported here, it is possible to identify some practical steps which can be taken by those wishing to promote changes to the multi-stream structure.

A first key point, which emerges particularly strongly from the cases studied, is the need to clearly link change to some external stimulus rather than promote change for its own sake. In the Valuation Office, the emphasis and focus on the customer provided the impetus for change. The external focus on customer needs and expectations meant that the change process did not become too inward-looking. The needs of customers provided the main criteria against which change was assessed, rather than the needs of the different groupings involved. Closer working between the streams through multi-functional teams emerged as the preferred approach. In the case of Coillte Teoranta, the dual structure was abolished, not for its own sake, but as a result of a strategic review of Coillte as it moved from being part of a government department to being a commercial state-sponsored body. Structure followed strategy. Abolition of the dual structure was firmly rooted in the commercial imperatives facing the company as it moved to a more competitive environment. Indeed, the abolition of the dual structure was part of a wider package of structural changes aimed at gearing the company up to face the challenges of its new environment.

Focusing on the needs of the customer, and on the strategy needed to meet those needs, provides a context for change to multi-stream structures. If change is clearly linked to such imperatives, it can help shift the focus away from inter-group territorial discussions. The change to be aimed for, be it the abolition of multi-stream structures or more effective inter-working between the streams, depends upon the individual circumstances of particular organisations. What is important is that change is driven by a strong external stimulus.

Another important practical message which emerges is the need to take early steps that will facilitate change. In Coillte Teoranta the early steps taken – appointment of a task force and open competition for some senior posts – helped create an atmosphere that facilitated change. In particular, the inclusion in the task force of representatives of both streams of the dual structure and the fact that staff from both streams were free to apply for the senior posts, sent out a practical sign of changes desired by the company. In the Valuation Office, the initial successes of the multi-functional IT team and the first two cross-functional teams provided a demonstration effect: that the move to teams could be successful and produce benefits. The supports provided to these initial efforts, and the appointment of team leaders supportive of the concepts behind the change process, were instrumental in helping produce a positive result.
Similarly, in each case the appointment of a small team to oversee and negotiate the change process, with direct access to top management, helped focus and move discussions on in a structured way. Setting a tight timescale for proposals to emerge (three months in the case of Coillte Teoranta) also helped focus attention on the main issues to be addressed.

The importance of training and development supports, particularly management training for professional staff, has been mentioned above. Also, the Valuation Office case indicates that outside facilitation of the change process can produce significant benefits. The workshops held for staff were influential in creating a climate supportive of change. Whilst it was a particularly difficult process, with many tensions emerging and many staff strongly resistant to any changes, the time spent at this stage enabled many of the concerns to be raised and addressed in a constructive manner. Just as at the early stages it is important to create a positive atmosphere if possible, so throughout the process facilitation and training may play a supportive role in confidence and trust building.

A further key point that emerges particularly strongly from the cases studied, is that change to the multi-stream structure has financial implications that have to be addressed. In both cases, financial packages had to be agreed and negotiated with the Department of Finance, involving increased promotional opportunities, in return for agreement to changes in working practices. Given the different pay and grading structures for the different streams, it would appear that some financial costs are inevitable if restructuring is to be achieved. The extent to which such costs can be minimised by savings elsewhere will determine the overall financial implications. But experience would indicate that changing the multi-stream structure is not a cost-free process. Negotiating an agreed financial package is likely to be a central task.

Similarly, linking rewards to the change process, whilst not the only or main incentive for change, is important. In the Valuation Office, promotional incentives linked reward to the change process, and facilitated the creation of the new team structures. However, the completion of the promotional package in the first eighteen months, allied with the general limitations of promotion as a reward mechanism, meant that this only acted as an incentive for the eighteen-month period. Rewards need to impact over the full life cycle of the change process if they are to continue to be effective. It is desirable that any package negotiated with unions and staff aims for co-operation with, and commitment to, whatever change process is involved, on a continuing basis. But it is important that this is done in a context where, as noted above, change is driven by a strong external stimulus such as customer service rather than linked to reward for its own sake.

The issue of negotiation raises a further practical lesson learned from the cases studied. Communications with unions and staff were seen as important by management in encouraging and facilitating change. In Coillte Teoranta, the creation of the task force, open negotiations with the unions, and regional meetings to explain the package were all seen as important ways of fully involving staff at all levels in the change process. Active engagement of unions, particularly in the context of the move to partnership structures and fora, is important in progressing change.
Finally, the tracking and monitoring of the impact of change can be particularly helpful. In the Valuation Office, tracking the impact of change is done through annual customer and staff climate surveys. The positive impacts on both customer and satisfaction levels and on staff morale have been measured. This information is available for all to see, and has helped embed the changes.

Conclusions
This study has investigated the role of the multi-stream structure in the Irish public service. The current structures have inherent limitations which can result in less than optimal service to the public. Yet the multi-stream structure has proved surprisingly resistant to change. Current changes being promoted under the SMI, particularly an increased focus on the customer and service quality and the devolution of operational management, offer an opportunity and a sound reason for change now. Whether that change should be abolition of the different streams or more effective integration is likely to be a matter to be determined locally. Strategy should produce the desired structure, not the other way round. What is important is that, in discussions, the needs of service users are paramount. Change should flow from this imperative.
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