

4th European CAF Users Event, Bucharest, 23-24 September 2010

***Progressing Towards Excellence
The Challenge for European Public Administrations in Difficult Times***

Leadership in the European Social Fund Agency

1. Identification

Reference/ Session: S5.2.

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	<p>Focus:</p> <p>Leadership and constancy of purposes</p>

Case presentation

2. Quality Improvement issues – the broader scope of excellence

During 1st self evaluation according CAF, in 2008, Leadership in the Agency was evaluated relatively low in comparison with the other criteria. By that time the Agency had only formal **mission and values**, which were not widely known among employees. The link of the values of the Agency with its mission was also deficient. The **Vision** of the Agency was not formulated at all, the **Organizational structure** was not suitable for the Agency's prospects and expectations of stakeholders (many project applications were expected to be received, however, the Evaluation Department performing this function was relatively small, therefore, it was expected that the Agency will not succeed to perform the assigned tasks in time). Agency's staff was **not involved** enough into decision making.

3. Case background

The European Social Fund Agency was established in August 2002 by the Ministry of Social Security and Labour of the Republic of Lithuania and the Ministry of Education and Science of the Republic of Lithuania for administration of EU funded programs in the field of social inclusion and education (European Social Fund, European Refugee Fund, European Integration Fund, etc.). The agency's function is to ensure appropriate use of the EU and national funds, and efficient project management – project preparation, selection, supervision and control of project implementation.

4. The Actors

Self assessment according CAF was initiated and coordinated by Quality Assurance and Control unit, supported by the Agency's top management. Each unit delegated one or several representatives to the self assessment group. CAF assessment results were used for preparation of the Agency's annual plans for 2008 and 2009. In these plans Agency's top management was assigned to be responsible for creation of the Agency's strategic plan, formulation of vision and mission. The communication manager was assigned to be responsible for updating the Agency's values and communicating them to employees. To implement several actions some external assistance was needed and external experts were hired.

5. The Work process/the Approach

The Agency's top management involved staff into formulation of mission, vision and values so that it would be understandable and acceptable to all the employees, and later on could be translated into strategic and operational objectives and actions.

Examples provided in the CAF methodology helped to the self assessment group to identify gaps in leadership process and provided several hints how the process could be improved. While searching for the ways how the identified weak aspects of leadership could be improved the Agency analyzed actual experiences of other organizations. External expertise was used for development of new structure, mission, vision, values, and a new strategic plan.

During 2008-2009, the Agency:

- **Developed the organizational structure** in accordance with the Agency's future planning and expectations of stakeholders.
- **Formulated the Agency's vision, updated its mission and strategic plan.**
- **Updated the Agency's' values.** Special seminars were organized for staff to discuss what values are the most suitable to the Agency, its stakeholders and employees, why values are so important in the life of the Agency. Values were also integrated into Employees' evaluation system.
- **Communication on the structure, the strategic plan, the vision, the mission and the values to the employees during staff meetings.** Information about vision, mission, and values was included into Agency's calendars, website and intranet, printed on the boxes of sweets. In 2009 each quarter was dedicated to certain value and quarterly elections of the best employee according values were held. In 2010 employees are "constructing a house of kindness": employees describe examples of good works/behaviour of their colleagues, and attribute them to a certain part of the house. During the quarterly meetings, best examples are announced and status of "construction" (what parts of the house have been already built, and what are still missing) is presented.

- **Involved staff into decision making.** Employees participate in different working groups, which have developed motivation plan, standard of client service, prepared suggestions for simplification of core processes, improvement of internal communication.

The internal and external costs of the actions consisted of fees of external experts, rent of the seminar premises, and wages of the staff participating in the working group.

6. The Measure of Success

During the 2nd CAF self-evaluation in 2009 the score of employee satisfaction on leadership and constancy of purpose increased by 12,5 points.

In 2009 according to the data of internal communication survey, 49 % of staff evaluated the idea of election of the best employee according values as very useful and 32% - as partly useful.

In 2010 top and middle level managers were assessed according to the CheckPoint 360^o™ methodology. According to the results 26 out of 30 leaders were evaluated as very effective or effective leaders, and only 4 leaders were evaluated as non effective.

7. The main obstacles

At first, Agency's values were formulated by management and introduced to the staff. After the formal introduction, the employees refused to accept values, claiming that these values were management's values, but they are not employees values. Then, the decision to involve all the staff into the formulation of values was taken.

8. ● Lessons learned

1. Always communicate change initiatives and the reasons to employees as early as possible
2. Involve employees into change process and make them the owners of the results
3. Be patient – changes do not make everybody happy at once

9. Project Innovation Content and Adaptability

The Agency's practice could be treated as exemplary as it provides some hints how to improve leadership in the organization by the involvement of staff. Organisation of any type could benefit from this experience and adapt all or several of our activities.