

# Transforming councils: A case study of cultural, structural and workplace change at Lake Macquarie City Council

Lake Macquarie City Council has spent the past four years transforming its culture, structure and workplace using both a top-down and bottom-up approach. Through reflective practice and building on lessons learnt during each stage of change, Council has shifted to a more efficient and effective organisation by empowering staff to make decisions and creating a supportive environment for continuous business improvement and innovation.

Following this success, Lake Macquarie City Council has partnered with the University of Newcastle to develop a case study identifying the reasons for change, the processes used and the outcomes achieved. It is a valuable story for all councils, both in Australia and overseas, and aims to inspire others as they transition to modern, future-focused organisations.

## About Lake Macquarie and its Council

- Located in the Hunter Region of NSW
- 120km north of Sydney
- Home to 200,000+ residents
- Expected to welcome 60,000+ new residents over the next 25 years
- Council employs 1200+ staff

## THE IMPACT OF COVID-19

The arrival of the COVID-19 pandemic meant that, where possible, staff moved to work from home. This meant that new technology was rolled out to support remote working (computers as well as new systems) and many staff became quickly adept at using new technologies to communicate and collaborate internally as well as externally.

## HOW CHANGE WAS ACHIEVED

### PHASE 1: CREATING A NEW VISION AND VALUES

#### Why we did it

Cultural change is successful when a shared vision and values are defined, when they are demonstrated in attitudes and behaviours and when people are held to account at all levels for their implementation.

#### How we did it

Council used a bottom-up approach with 200 staff in workshops and focus groups to establish new organisational values:

Shaping our future: Staff saw that the role of Council was to drive creative and innovative solutions to address the needs of the community

Leading at all levels: Staff wanted to break down organisational hierarchies and encourage bottom-up decision-making and empower everyone to be leaders and change agents

Working together: Staff felt this value would bring a focus on how to collaborate to serve the community more efficiently and effectively.

Using these three values, the organisation was able to create an overall vision of:

**Empowered people working together to create and even better Lake Macquarie City.**

### PHASE 2: CO-DESIGNING A NEW ORGANISATIONAL STRUCTURE

#### Why we did it

The values creation process demonstrated the benefit of having a bottom-up process with engaged staff. This codesign approach was then re-used to look at how to design an organisational structure to enable faster decision-making and more collaboration between business units, in other words, to live out all the values.

#### How we did it

- Stakeholders from all teams at all levels were involved.
- Teams that felt they would gain by working more collaboratively came together in workshops and focus groups to identify a structure to support cross-Council working.
- Ideas went back and forth between staff groups and senior leaders and drop-in sessions were held so staff could provide feedback about what could be built on and what should be modified.
- Structural changes were made fairly swiftly and one-on-one discussions were complemented by staff breakfasts and team meetings.
- Staff surveys were used every few months to check-in on how people were feeling about the changes.
- A Change Manager drove this engagement process and captured information and ideas that were fed back to groups before agreement was reached.

### PHASE 3: RECONFIGURING THE WORKSPACE

#### Why we did it

More than 400 of Council's 800 office-based staff work in Council's Administrative Building at Speers Point. With the culture shift becoming embedded through the three values and the new organisational structure in place, it became clear that the physical work environment for staff in the main Administration Building did not support the new collaborative ways of working.

#### How we did it

- A Creating Spaces strategy was developed with a staff-led approach to inform the design of a new building fit-out
- A display suite allowed staff to physically experience the look and feel of the proposed office furniture, finishes, colours, technology and provide feedback.
- The strategy initially included a staggered floor-by-floor approach to refurbishment; however, this was adapted due to the COVID-19 pandemic and remote working was instead utilised to allow contractors to complete works across the entire building and expedite construction.

## THE RESULT

Council now has a clear vision and values and has completed many of the (larger and smaller) tasks in its roadmap. The more efficient and effective organisational structure is a lot flatter and the various staff engagement processes have created a more empowered workforce who take ownership of day-to-day decision-making. Managers are also more comfortable to trust staff to do what is needed, which gives staff more freedom and increases motivation and job satisfaction.