

H4 Consulting Brief

Survival of the Fittest

To remain relevant to stakeholders, organisations need to adapt to changes in their circumstances, such as new risks, technologies, or changing expectations. Competitive markets force private sector organisations to adapt, or be replaced by competitors or substitutes. Many publicly funded organisations, by contrast, are functionally immortal. If they fail to adapt, they merely fall behind community expectations. They survive but fail to thrive.

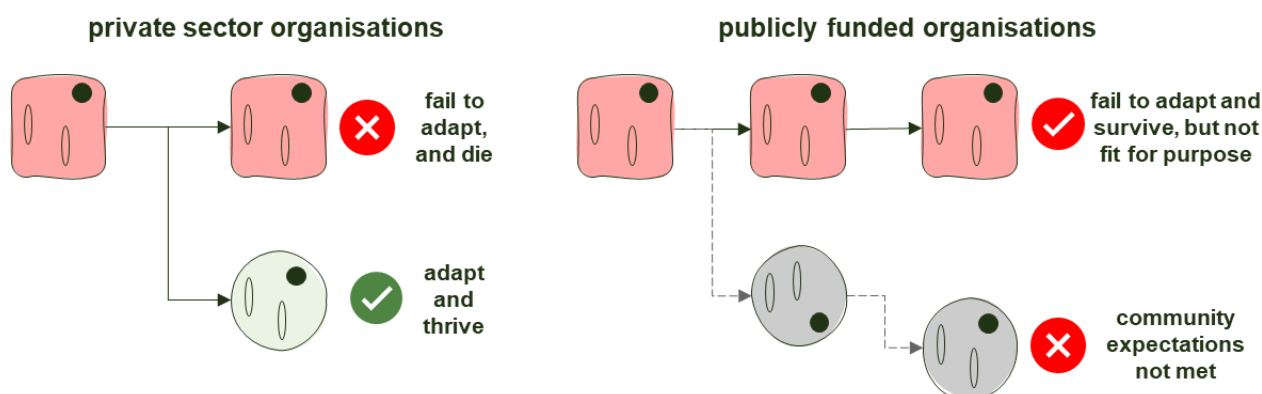
The absence of competition can mask pressure for publicly funded organisations to adapt to evolving expectations, such as for online service delivery channels. Without the urgency of private sector competition, they're expected to adapt by themselves.

Adaptation of publicly funded organisations is further constrained by resource availability. Governments seldom see keeping up with private sector practices as a high priority when allocating scarce public resources. Demands to expand existing services are often prioritised over systemic or corporate enhancements.

Even the best ideas to improve service delivery need some targeted investment and expert advice to reach maturity. Meanwhile, people who want to innovate tend to go where their energy will be rewarded.

As the pace of change, disruption, and expectation growth increase, publicly funded organisations can be left behind and look increasingly out of date. Lack of investment in corporate innovation and systems means missed opportunities to improve efficiency and support for delivery, which can lead talented workers to seek out opportunities elsewhere.

A private company that no longer fits its environment tends to quickly gain competitors and lose customers. But customers of publicly funded organisations tend to have few alternatives. So, these organisations endure without the funds to adapt, the option to shut down, or any immediate reduction in demand. This inability to either adapt or die eventually leads to extreme customer dissatisfaction, or a disruptive and expensive delivery failure or performance shortfall.



Publicly funded organisations need to invest to meet shifting community expectations, which are often influenced by private sector organisations in their ongoing struggle to survive in competitive markets.

Progressive investment in smaller innovations offers relatively low costs and risks, compared with deferring minor changes until the need is desperate and the change is huge, or until a disruptive performance crisis triggers costly emergency action.

Challenge assumptions that funding frontline work is always superior to enhancing support services. Contemporary support services enable and empower improved performance, innovation, and job satisfaction. They also strongly influence community perception of services, especially when they fall short.

Most organisations can stay within reach of community expectations by prioritising modest, progressive, investments in adaptive capability. This helps to build and retain the skills to stay relevant, reduces risks of massive disruption, and unlocks incremental efficiencies that can fund future enhancements. Communities do not limit their expectations to direct frontline service experiences, and are just as likely to be delighted, or disappointed, by an administrator or pro forma email, as they are by a nurse or a teacher.

Just because resource constrained publicly funded organisations have long lives and few competitors does not inevitably doom them to becoming undead. They need to adapt as conditions and expectations change, so that they and the people they serve, do not just survive, but thrive.

To find out more about how you can use this approach in your organisation, contact us: info@h4consulting.com.au
Find additional resources at www.h4consulting.com.au/resources