

INSEAD

The Business School
for the World®

Strategic Agility in Nations (B):

The Scottish Example

12/2013-5898

This case was written by Laurent De Clara, Research Associate, under the supervision of Yves L. Doz, the Solvay Chaired Professor of Technological Innovation, Professor of Strategic Management, both at INSEAD. It is intended to be used as a basis for class discussion rather than to illustrate either effective or ineffective handling of an administrative situation.

Additional material about INSEAD case studies (e.g., videos, spreadsheets, links) can be accessed at cases.insead.edu.

Copyright © 2013 INSEAD

COPIES MAY NOT BE MADE WITHOUT PERMISSION. NO PART OF THIS PUBLICATION MAY BE COPIED, STORED, TRANSMITTED, REPRODUCED OR DISTRIBUTED IN ANY FORM OR MEDIUM WHATSOEVER WITHOUT THE PERMISSION OF THE COPYRIGHT OWNER.

“One of my principles was to never show my hand on things that were bound to provoke resistance.”

Sir John Elvidge

Following the narrow victory of the Scottish National Party (SNP) in the general election in May 2007, for the first time since devolution Scotland would be governed by a single party. While this opened up a new era in Scottish politics, it also challenged the Scottish Executive to deliver on the lofty ambitions articulated. The SNP had campaigned for leaner government and a change in approach to policy making, with a stronger focus on delivering outcomes to the people of Scotland.

From his office in St Andrew’s House, Sir John Elvidge reflected on how he and his team could best support the incoming minority government in achieving the outcomes-based objectives it had established. Since early 2007 he had engaged in consultative dialogue with the public sector to find ways to meet government objectives by changing the organisation and functioning of the administration. But despite a number of structural adjustments, changes had been incremental and a radical shift in culture remained elusive. With the coming to power of the SNP, Sir John saw a window of opportunity to make the transition towards a more strategically agile public administration.

The Scottish Executive 2.0

Unleashing Capabilities

In addition to efficient government, the new governing party had promised to make Scotland a fairer, wealthier, healthier, safer, greener and smarter nation. The SNP’s outcomes-based approach to policy-making was designed to assess and report on the government’s performance on the basis of the value-added it brought to the nation. It had also committed to govern as a Cabinet team rather than a collection of individual ministers, but with fewer members to facilitate cohesion.

In his desire to have government function as a single organisation, Elvidge found common ground with the SNP leadership. A few days after the election, at a meeting with the incoming First Minister, Alex Salmond, and two key colleagues – Nicola Sturgeon and John Swinney, respectively Deputy First Minister and Finance Secretary – he put forward the change he proposed to make: to abolish the departmental structure and redefine the roles of the heads of department. This, he believed, would improve the delivery of the government’s outcomes-based objectives.

In less than 30 minutes of discussion, he received their support, thus paving the way for change. Commented Elvidge:

“[Political consent] is enormously important. There should not be underlying ambiguity. If senior colleagues were to try to check the validity by asking the

politicians directly, there should be a clear and unambiguous affirmation of support. You can't afford weaknesses in the authority driving the change.”¹

To set the process in motion, Elvidge gathered the heads of department to present the proposed changes. In their job descriptions, the main emphasis would henceforth be on the responsibility to drive achievement of a set of outcomes. In the absence of departments, there would be more emphasis on the next level of staff groupings – the directorates. Those leading these should be encouraged to adopt working methods that would facilitate greater collaboration between divisions and directorates, and ensure nimble and adaptable groupings of resources to work across boundaries. Unlike the former departments, most directorates had no formal budgetary accountability to parliament (or any other features of distinct entities within the broader Scottish Executive) and there was no intention to turn them into ‘mini-departments’.

Working closely with senior colleagues from the SU, Elvidge organised a series of road-shows to cascade communication about the changes to staff. He also made video interviews that could be accessed from all staff desktops in which he described the main aspects of the change. For the heads of division², he personally explained the implications for their jobs, including the need to embrace a broader view of their role:

“For you, it is not an organisational change; what you need to understand is the integrative principle. We want you to be working across boundaries to find solutions. So it's about the way you do the tasks, not about your place in the organisational structure.”³

For staff outside the Executive, he relied on the most senior official of every organisation in Scotland's public sector for communication across the public bodies. But the most demanding task for Elvidge was with the heads of department, who were to become ‘director-generals’ in the new structure. Their initial reaction to the change was mixed. Elvidge emphasised peer accountability by redefining their role towards achieving organisational goals and breaking the vertical hierarchy model inherent to the old departmental structure. Under the new organisational arrangements, director-generals would be collectively responsible for the delivery of national outcomes, while previous heads of group⁴ would have responsibility for policy and operational oversight of domains such as education and justice, including the related programme expenditure and delivery.

To strengthen the collective commitment and a whole-of-government approach, Elvidge sought to alter the financial accountability arrangements so that director-general's responsibility to parliament would be based on a Scottish government aggregate budget rather than individual budgets linked to ministerial portfolios. Given that the financial year had already begun, his room for manoeuvre was limited. The consent of the Scottish parliament was required for a change in accountability that would recognise the aggregate budget as the primary focus of its financial control over the government.

1 Interview with Sir John Elvidge, London, England, 20 March 2012

2 Refers to deputy-directors in the new management structure of the Scottish Civil Service

3 Interview with Sir John Elvidge, Edinburgh, Scotland, 3 December 2012

4 Refers to directors in the the new management structure of the Scottish Civil Service

Working within these constraints, Elvidge reinforced the change by changing the line-management relationship between director-generals and groups of directors (and by extension the deputy-directors for whom they would be responsible) to connect teams across the organisation and break down the departmental silos that had prevailed in the old structure. Directors would often be line-managed by different director-generals, in place of the former functional approach to government based on departmentalism.

Exchanging hierarchical power for an organisation-wide commitment to collective performance was a demanding transition for director-generals used to a more conventional vertical model. The function required different skill sets, including the ability to exert authority through influence and build relationships across the organisation. According to a senior official:

“My job is not to boss people and tell them what to do. It is to encourage them, coach them, develop them, support them when things are tough, encourage them to make connections with other people; so it requires a different approach to management. It is not just about being directive; it is about being facilitative as well.”⁵

To ease the process, Elvidge divided the senior leadership team⁶ into groups of 8-10 people to apply the concept of adaptive leadership and consider how colleagues could support each other in achieving common objectives. Cohorts were progressively opened up to the wider public sector group to enrich the learning and broaden engagement beyond the Executive. Using a ‘learning set model’,⁷ members proactively engaged in conversations across historic silos, drawing upon each other as resources to identify legacy behaviours from the old structure, leadership gaps and opportunities to cut across boundaries. Commented Elvidge:

“We encouraged people to use their learning sets as problem-solving sets where individual members of the set could bring [and discuss] their challenges.”⁸

He sought to hold senior leadership team members hostage to the change process by shifting responsibility for problem-solving to them. Key to this process was the cohort of directors who committed collectively to support each other in working differently and hold each other to account in developing solutions to deliver on the government’s objectives. As Elvidge noted:

“Peer pressure is the most powerful tool you have at your disposal [to make change happens].”⁹

He sought to build on the self-organised nature of the directors group to forge a peer network to diffuse change throughout the organisation. As the transition towards the new structure got underway, the directors group was pivotal in gaining traction among other staff for adopting

5 Interview with Ken Thomson, Director-General Strategy & External Affairs, Edinburgh, Scotland, 3 December 2012

6 Refers to director-generals and directors

7 Also referred as peer consulting model

8 Interview with Sir John Elvidge, Edinburgh, Scotland, 3 December 2012

9 Interview with Sir John Elvidge, London, England, 20 March 2012

an integrative model of organisation. By meeting weekly, the group progressively created a new reality, alongside operational implications for staff. According to Elvidge:

“It was the solidarity of the [directors] network around the change which, I think, played an important part in convincing other people that the organisation was going to change its behaviour as opposed to just change its language.”¹⁰

The redefinition of the role of director-general and its consequences for those of other civil servants endured despite a series of changes to align the Executive with an outcomes-based set of government objectives.

Aligning the Organisation

Harnessing network effects to influence individual behaviour, Elvidge wanted to instil a shift in culture so staff members would systematically establish a line of sight between their activities and these objectives. Under the new structure, civil servants' work had to contribute to the overall 'Purpose of the Government' – to focus government and public services on creating a more successful country with opportunities for all of Scotland to flourish, through increasing sustainable economic growth – and the delivery of national outcomes grouped around the five themes chosen by ministers to sum up their strategic aims: smarter, healthier, greener, safer-and-stronger, wealthier-and-fairer (see Exhibit 1). A series of national performance indicators and targets underpinned these strategic objectives (see Exhibit 2).

The framework for performance monitoring and evaluation was adapted from a model imported from the Commonwealth of Virginia, which had consistently ranked in the top three performing states in the US. Following the formation of the SNP Government, Ministers had tasked the SU to develop a Scottish version of the Virginia model on the basis of the government purpose and five strategic objectives set out in the SNP's manifesto – essentially translating the government's programme into long-term outcomes, and developing appropriate performance indicators with the Analytical Services team. Indeed, the strength of Virginia's approach to goal-setting was its performance management framework, which tracked and measured societal outcomes as well as the agency goals to help achieve them. A central feature was the systematic use of performance measurement evidence to inform decision-making in order to align resources with the achievement of the government's strategic objectives.

Along with the slimmer Cabinet, reduced from 11 ministers to 6, Elvidge reorganised the senior echelons of the civil service. He replaced the previous 7 heads of department by 5 director-generals who would sit on the Strategic Board to drive progress towards the government's strategic policy objectives and provide top-level leadership of change in the organisation (see Exhibit 3). Together they would have managerial responsibility for delivering on the Government's Purpose, using objectives and management arrangements at the various levels of the Executive to contribute to Scotland's National Performance Framework (see Exhibit 4).

Under the new structure, director-generals supported and managed a number of directors, spread across 38 directorates, whose role was to lead, present and develop policy for ministers (see Exhibit 5). As the ultimate line of authority, director-generals were responsible for the

10 Interview with Sir John Elvidge, Edinburgh, Scotland, 3 December 2012.

performance of the whole organisation measured against the Cabinet's agenda. They had to ensure that staff were deployed to best effect and that a consistent partnership approach was used in pursuit of policy objectives.

In the face of increasingly complex and interlinked challenges, the priority was to deploy resources more flexibly and rapidly in order to ensure that key priorities were adequately resourced. For staff this meant a greater ability to work across divisions and directorates, sometimes on issues that fell outside the remit of their "home" division, as a senior official commented:

"An individual would be allocated or assigned to a project and subsequently work on that for six months or two years [...] but many people within the organisation would adopt a mode of work "home" whereby they would be involved in two or three different things in a given time. That helps to cross-fertilize and to ensure the sharing of expertise and knowledge. It also means that people don't get stuck in just being a specialist in one thing forever."¹¹

It also meant involving key staff at the earliest opportunity, be they scientists, lawyers, economists or policy specialists, as the same official explained:

"If a project needs the services of an economist, we will include the economist as part of the team rather than having someone to be consulted at the end to say: 'We've come up with this proposal – does it work from an economic point of view?' But it won't be the economist's full-time job to be a member of that team."¹²

This often required close work with delivery partners in the public sector. The SNP's transition to an outcomes-based perspective and its attempt to redesign Scotland's governance by taking a more collaborative approach to the design of policy (including a "concordat" with local government) marked a substantial shift in central-local government relations. Commented Elvidge:

"Quite a long way back, well into the 1990s, the relationship was increasingly one of central government dictating to local government about priorities and about methods of operation. So in 2007-2008, as part of the shift in philosophy, we saw a marked retreat from dictating methods of operation to local government."¹³

The concordat set out the terms of the relationship between central government and local authorities with regard to the delivery of government policies. It included a set of commitments on issues ranging from tax rates to class size in schools, along with a number of specific outcomes which reflected local variations.

The initial agreement was sealed in late 2007 between the Scottish Government and Scotland's 32 local councils (see Exhibit 6) to give the latter more flexibility in the use of central government funding. Previously ring-fenced budgets to resource specific projects were drawn together for councils to redeploy according to their local priorities. In return for greater

11 Interview with Paul Gray, Director-General Governance & Communities, Edinburgh, Scotland, 4 December 2012

12 *Ibid.*

13 Interview with Sir John Elvidge, Edinburgh, Scotland, 3 December 2012

financial freedom, they were required to sign up to goals that mirrored the government's strategic priorities as expressed in the National Performance Framework. The underlying objective was for the government to stand back from micro-managing what the local authorities did and reduce bureaucracy, while giving them the autonomy to decide where the money should be spent to achieve the agreed outcomes.

Working in partnership with local authorities improved the degree of communication and cross-functional cooperation between central and local government. It also helped to move away from applying centrally-defined policies to local problems. Said Elvidge:

*"Both what we did inside the government and what we were doing externally was essentially about trying to empower people to create solutions and to move away from the idea that, in a sense, technocratic solutions would work."*¹⁴

Given the need to integrate different parts of policy-making within central government, Elvidge sought to reduce the number of operational agencies, delivering an SNP commitment and reversing an approach which had prevailed in the UK since the 1980s. This meant integrating the retained agencies into the whole-of-government approach – a far-reaching cultural change for top management, who were used to operating as stand-alone entities, as Elvidge acknowledged:

*"The chief executives of these organisations had operational autonomy and they reported directly to ministers, not up through the departmental hierarchy [...] so they logically were the group of people most challenged by an approach that emphasized integration rather than functional separation."*¹⁵

Coping with the integration challenge required an ability to adjust that often stretched beyond the agencies' capacity. In some cases it required a reshuffle at the top to align individual behaviour with the new framework and strategic objectives. Said Elvidge:

*"In one of our largest agencies, the change was difficult because the then chief executive was not a career civil servant; he had come from an external background purely in one policy area and integrating him was not one of the things that worked particularly well at the beginning. But then he retired and I was able to put someone there who had a stronger understanding of corporacy and a broader career background."*¹⁶

Moving towards a unified approach to government called for some degree of integration across various stakeholders in the voluntary, community, independent, and local government sectors. In most cases it required director-generals to take an active role in building strong relationships with stakeholders and facilitating discussion with and between them, notably through the creation of thematic boards, as a senior official explained:

"I am the Chair of the public service reform board which gathers the Chief Executives of health, local governments, the voluntary sector, the police and fire

14 Interview with Sir John Elvidge, Edinburgh, Scotland, 3 December 2012

15 *Ibid.*

16 *Ibid.*

authorities and the Scottish trade unions congress; they are all part of that and that's part of my integration role for public service reform.”¹⁷

The more significant challenge was to link the new concept of a single framework for national purpose and outcomes to the established performance measurement arrangements of the many organisations which comprised the totality of Scotland's public sector.

Moving Forward: The Challenges Ahead

In June 2010, Sir John retired after seven years in the post and a lifetime career with the UK civil service. To his successor, Sir Peter Housden – a senior civil servant from Whitehall – he left an organisation that had been through a deep structural and cultural transformation to adapt to the change of government in 2007 and the transition to an outcomes-based approach to public administration.

Within the civil service, the redefinition of senior roles had pushed responsibility for functional oversight down to the director level. While there was a considerable emphasis on policy integration across functional areas, directors had taken on most of the responsibilities for the management of a particular policy function. This translated into substantial differences in managerial responsibilities and pressure in some parts of the organisation to deliver on the government's strategic objectives. One area particularly under pressure was the linked objectives of delivering on climate change targets and the move to a low carbon economy.

Similarly, the grouping of staff into approximately 40 directorates had translated into substantial variations in staff numbers across policy functions, and little correlation with the complexity of some functional areas. For example, three directorates – Marine Scotland, Rural Payments and Inspections, and Human Resources and Corporate Services – all responsible either for large-scale processing activity or analysis and research, employed over 2,000 people (approximately 40% of the staff of the core Executive). In addition, the rigidities associated with the divisional model (whereby staff were entrenched in narrow subject areas) led to difficulties in deploying resources across the organisation.

Moreover, the adoption of a directorate-and-division structural model had resulted in significant differences in the number of layers of management between the most senior and the most junior staff. In the new structure, the Permanent Secretary was supported by several director-generals, each with a number of directors reporting to them. Below the senior management level, staff consisted of deputy-directors and lower ranked civil servants.

Except in business management functions, such as accounting or legal services, which directly supported the work of their directorates, layers of management ranged from six to nine. For example, there was a consistent model of six layers of management from the most junior staff to director-general across the Directorate of Justice and its divisions. In other parts of the organisation the lines of management were more extended, such as in the Directorate of Finance or Directorate of Environment. These long vertical chains of management resulted in smaller spans of control and longer lines of communication from the top down, thus reducing the flexibility to deploy resources in a timely and effectively way in support of key priorities.

17 Interview with Paul Gray, Director-General Governance & Communities, Edinburgh, Scotland, 4 December 2012

Facing the challenge of trimming costs following the UK government's decision to cut public spending by £1.2 billion¹⁸ (€1.4 billion), Sir Peter announced in November 2010 a reorganisation of the directorates, as well as a reduction in director posts to streamline the management structure. The existing directorates were grouped into six overarching 'families', each headed by a director-general (see Exhibits 7 and 8). The reduction in posts at director level resulted in a broadening of managerial responsibilities, while work pressure to deliver on the government's objectives grew. In some cases, it had required a change of director. Commented Sir Peter:

*"It is about the quality of the people [...] the right people and the right jobs [...] some directors were not outcomes-focused."*¹⁹

As Scotland prepared for the next general election in May 2011, Sir Peter was now in the spotlight to deliver improved outcomes, building on the legacy of his predecessor. What should be Sir Peter's agenda? What actions should he take to ensure the Scottish civil service deliver on the SNP's promise to achieve better outcomes for Scotland?

18 Approximately a 4% cut in the 2010-2011 Scottish budget

19 Interview with Sir Peter Housden, Permanent Secretary to the Scottish Government, Edinburgh, Scotland, 21 June 2012

Exhibit 1*The Scottish Government's Overall Purpose and its Five Strategic Objectives***Purpose**

To focus government and public services on creating a more successful country with opportunities for all of Scotland to flourish, through increasing sustainable economic growth

Five strategic objectives for Scotland

Wealthier and fairer: Enable businesses and people to increase their wealth and more people to share fairly in that wealth

Smarter: Expand opportunities for Scots to succeed from nurture through to lifelong learning ensuring higher and more widely shared achievements

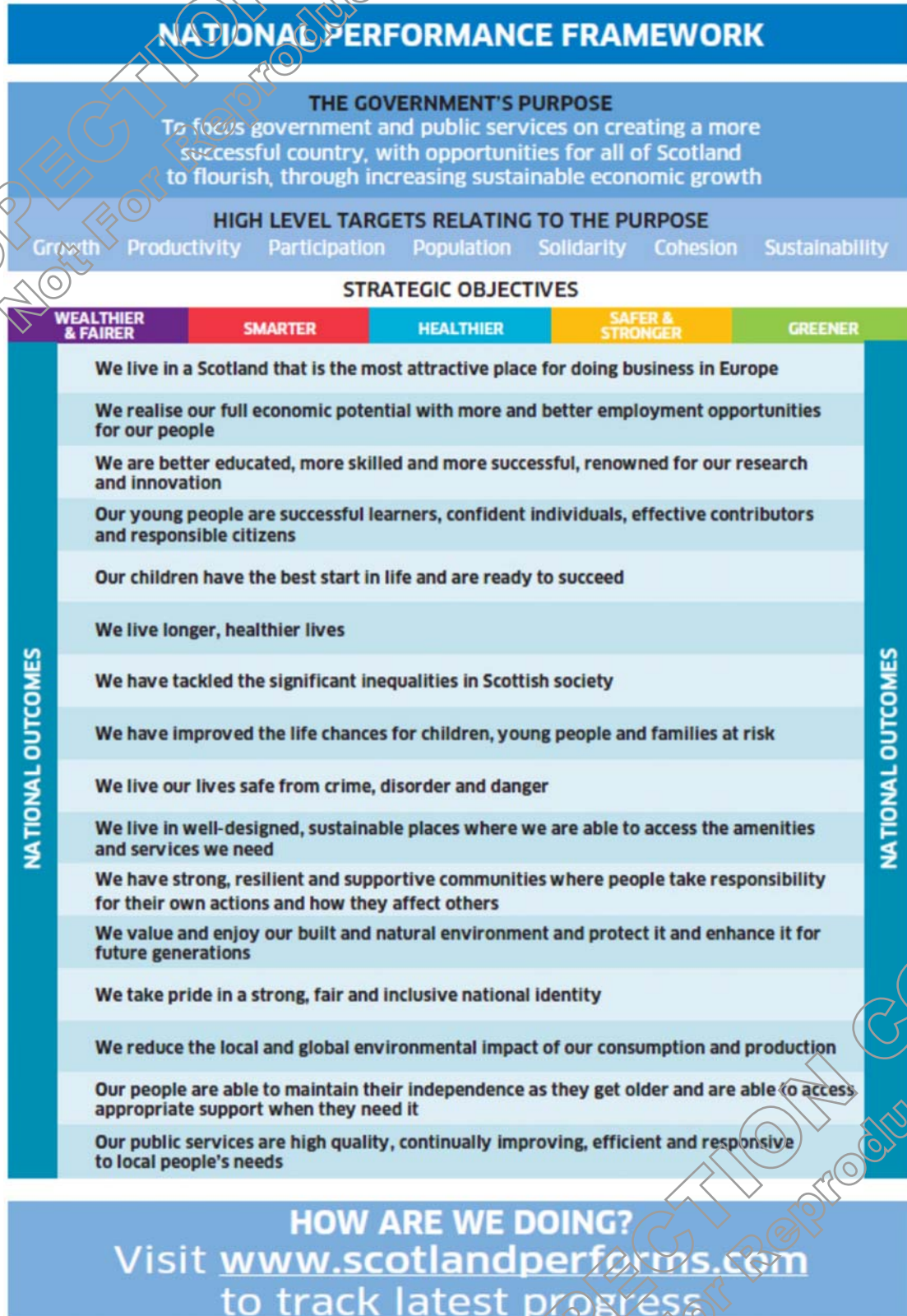
Healthier: Help people to sustain and improve their health, especially in disadvantaged communities, ensuring better, local, and faster access to health care

Safer and stronger: Help local communities to flourish, becoming stronger, safer places to live, offering improved opportunities and a better quality of life

Greener: Improve Scotland's natural and built environment and the sustainable use and enjoyment of it

Source: The Scottish Government website, available at:
<http://www.scotland.gov.uk/Resource/Doc/203078/0054106.pdf>

Exhibit 2
Scotland's National Performance Framework



Source: The Scottish Government

Exhibit 2 (cont'd)
Scotland's National Performance Framework

National Performance Framework – Measurement Set			
Increase Scotland's Economic Growth	Improve Productivity	Improve Economic Participation	Increase Population Growth
PURPOSE TARGETS			
Population – Increase Healthy Life Expectancy	Solidarity – Reduce Income Inequality	Cohesion – Reduce Inequalities In Economic Participation Across Scotland	Sustainability – Reduce Greenhouse Gas Emissions
NATIONAL INDICATORS	Increase the number of businesses	Reduce the percentage of adults who smoke	NATIONAL INDICATORS
	Increase exports	Reduce alcohol related hospital admissions	
	Improve digital infrastructure	Reduce the number of individuals with problem drug use	
	Reduce traffic congestion	Improve people's perceptions about the crime rate in their area	
	Improve Scotland's reputation	Reduce reconviction rates	
	Increase research and development spending	Reduce crime victimisation rates	
	Improve knowledge exchange from university research	Reduce deaths on Scotland's roads	
	Improve the skill profile of the population	Improve people's perceptions of the quality of public services	
	Increase the proportion of pre-school centres receiving positive inspection reports	Improve the responsiveness of public services	
	Increase the proportion of schools receiving positive inspection reports	Reduce the proportion of individuals living in poverty	
	Improve levels of educational attainment	Reduce children's deprivation	
	Increase the proportion of young people in learning, training or work	Improve access to suitable housing options for those in housing need	
	Increase the proportion of graduates in positive destinations	Increase the number of new homes	
	Improve children's services	Widen use of the Internet	
	Improve children's dental health	Improve people's perceptions of their neighbourhood	
	Increase the proportion of babies with a healthy birth weight	Increase cultural engagement	
	Increase the proportion of healthy weight children	Improve the state of Scotland's historic sites	
	Increase physical activity	Increase people's use of Scotland's outdoors	
	Improve self-assessed general health	Improve the condition of protected nature sites	
	Improve mental wellbeing	Increase the abundance of terrestrial breeding birds: biodiversity	
Reduce premature mortality	Improve the state of Scotland's marine environment		
Improve end of life care	Reduce Scotland's carbon footprint		
Improve support for people with care needs	Increase the proportion of journeys to work made by public or active transport		
Reduce emergency admissions to hospital	Reduce waste generated		
Improve the quality of healthcare experience	Increase renewable electricity production		

Visit www.scotlandperforms.com to track latest progress

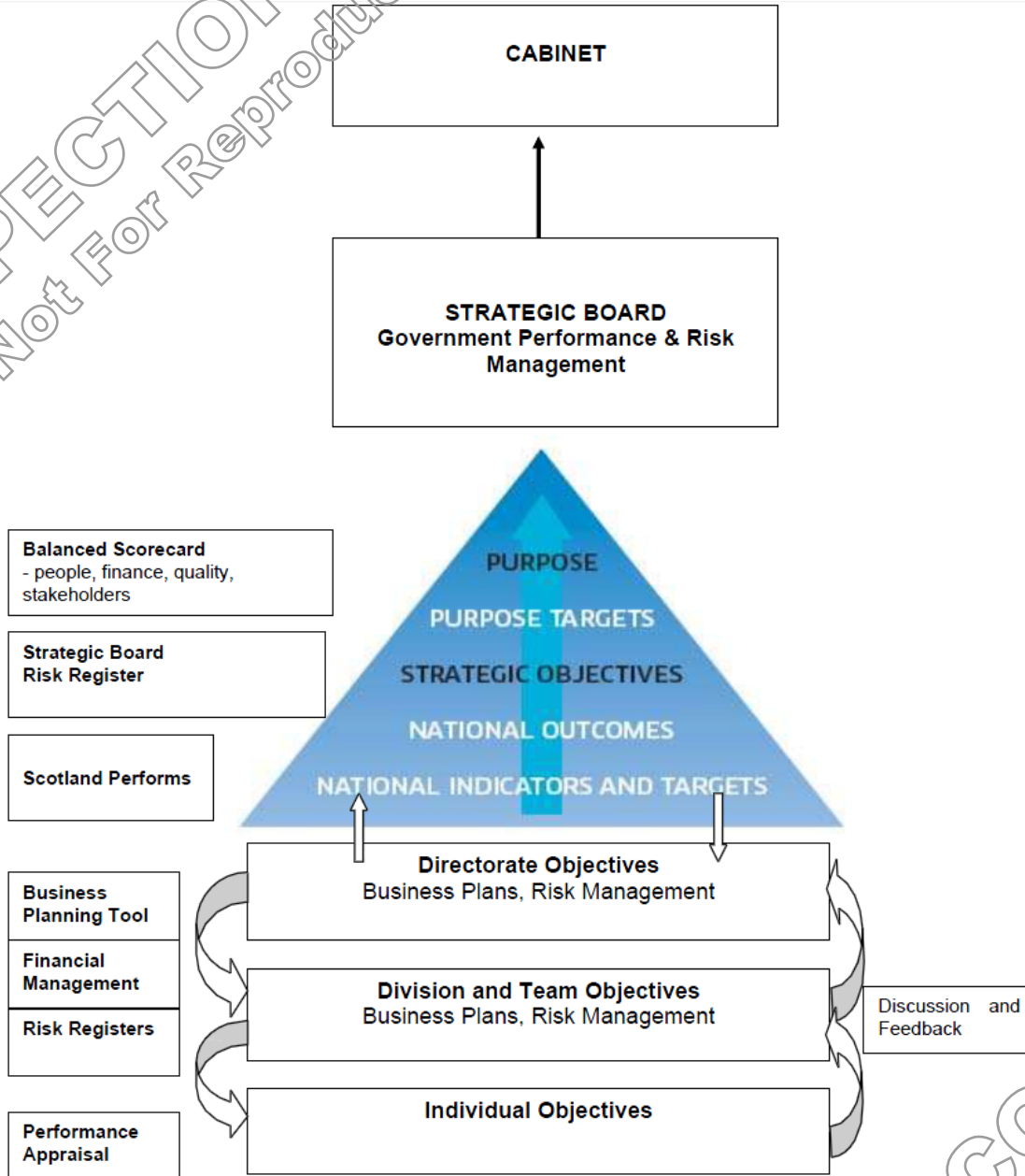
Source: The Scottish Government

Exhibit 3
Director-General Strategic Objective National Outcomes

Director-General	Strategic Objective	National Outcomes
Economy	Wealthier & Fairer	We realise our full economic potential with more and better employment opportunities for our people
		We take pride in a strong, fair and inclusive national identity
		We live in a Scotland that is the most attractive place for doing business in Europe
		Our public services are high quality, continually improving, efficient and responsive to local people's needs
Health	Healthier Scotland	We live longer, healthier lives
		We have tackled the significant inequalities in Scottish society
Education	Smarter Scotland	We have improved the life chances for children, young people and families at risk
		We are better educated, more skilled and more successful, renowned for our research and innovation
		Our young people are successful learners, confident individuals, effective contributors and responsible citizens.
		Our children have the best start in life and are ready to succeed
Justice & Communities	Safer & Stronger Scotland	We live our lives safe from crime, disorder and danger
		We have strong, resilient and supportive communities where people take responsibility for their own actions and how they affect others
Rural Affairs, Environment & Services	Greener Scotland	We live in well-designed, sustainable places where we are able to access the amenities and services we need
		We value and enjoy our built and natural environment and protect it and enhance it for future generations
		We reduce the local and global environmental impact of our consumption and production

Source: Scottish Government

Exhibit 4
Performance Management in the Scottish Government



Source: The Scottish Government

Exhibit 5
Structure of Scottish Government 2007-2010

Strategic Objective	Cabinet Secretary	Ministers	Directorates
	First Minister	Minister for Culture, External Affairs & the Constitution Minister for Parliamentary Business	<ul style="list-style-type: none"> • Strategy & Ministerial Support • Culture, External Affairs & Tourism • Constitution • Human Resources & Corporate Services • Finance • Scottish Procurement
Smarter Scotland	Cabinet Secretary for Education & Lifelong Learning	Minister for Children & Early Years Minister for Skills & Lifelong Learning	<ul style="list-style-type: none"> • Children, Young People & Social Care • Learning • Lifelong learning • Chief Scientific Adviser • Education Analytical Services
Wealthier & Fairer Scotland	Cabinet Secretary for Finance & Sustainable Growth	Minister for Enterprise, Energy & Tourism Minister for Transport, Infrastructure & Climate Change	<ul style="list-style-type: none"> • Energy • Scottish Development International • Business • Built Environment • Planning & Environmental Appeals Chief Reporter • Local Govt & Third Sector • Improving Public Services • Chief Scientific Adviser
Healthier Scotland	Deputy First Minister & Cabinet Secretary for Health & Wellbeing	Minister for Public Health & Sport Minister for Housing & Communities	<ul style="list-style-type: none"> • Chief Nursing Officer • Healthcare Policy & Strategy • eHealth • Health Finance • Health Workforce • Primary & Community Care • Equalities & Sport • Health Delivery • Chief Medical Officer
Safer & Stronger Scotland	Cabinet Secretary for Justice & Communities	Minister for Community Safety	<ul style="list-style-type: none"> • Housing & Regeneration • Justice • Safer Communities
Greener Scotland	Cabinet Secretary for Rural Affairs & the Environment	Minister for Environment	<ul style="list-style-type: none"> • Rural & Environment • Marine Scotland • Rural & Environment Research & Analysis • Rural Payments & Inspections
	Lord Advocate The Rt Hon Elish Angiolini QC	Solicitor General for Scotland	<ul style="list-style-type: none"> • Office of the Scottish Parliamentary Counsel • Solicitor to the Scottish Government • Legal Secretary to the Lord Advocate

Source: The Scottish Government

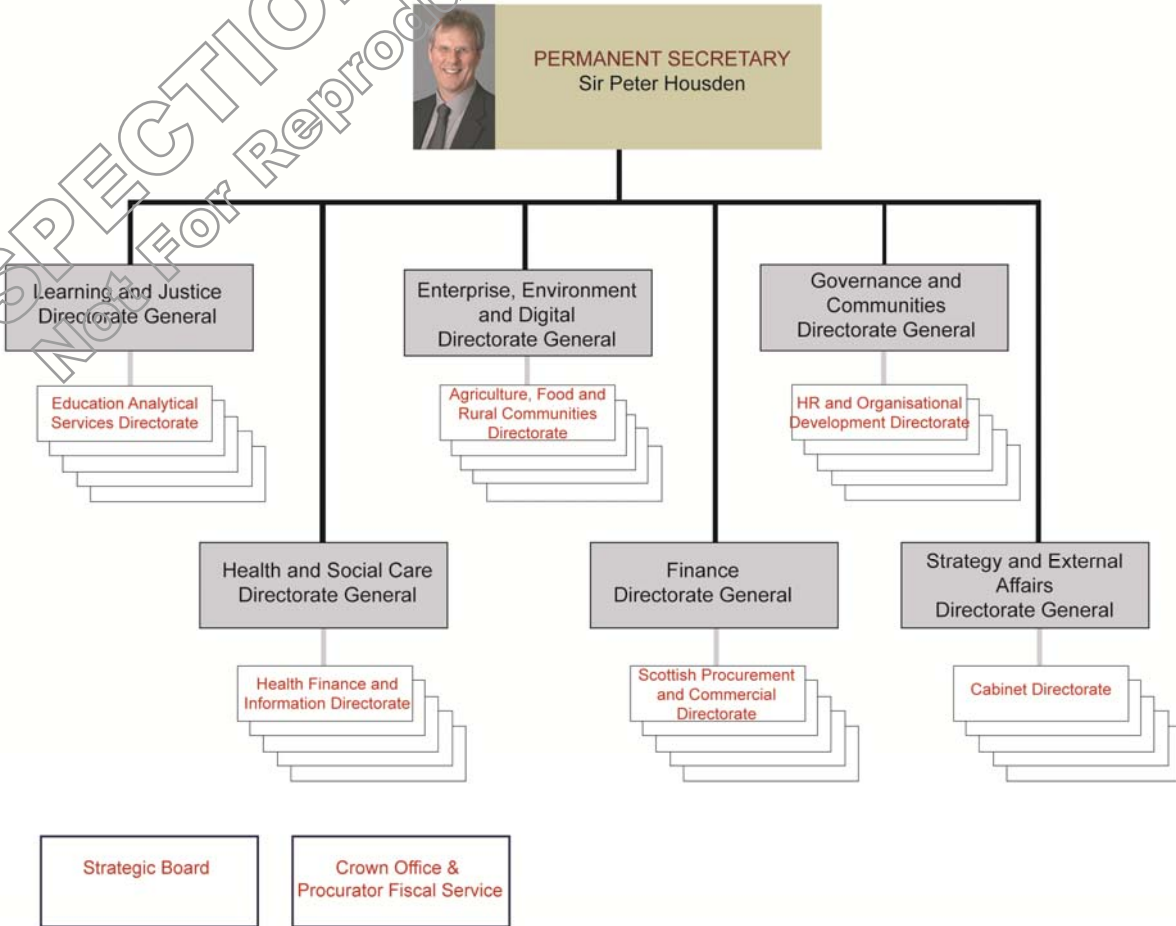
Exhibit 6
List of Scottish Local Authorities

Table 1. The 32 Scottish local authorities: area size, population size, and median income.

	Area (sq km)	Population (est. 2006)	Median Income (% of Scotland)
SCOTLAND	77,925	5,116,900	100.0
<u>Local Authorities</u>			
1. Aberdeen City	186	206,880	106.5
2. Aberdeenshire	6,313	236,260	108.5
3. Angus	2,182	109,320	96.3
4. Argyll & Bute	6,909	91,390	97.3
5. Clackmannanshire	159	48,900	99.7
6. Dumfries & Galloway	6,426	148,030	96.1
7. Dundee City	60	142,170	94.4
8. East Ayrshire	1,262	119,290	103.1
9. East Dunbartonshire	175	105,460	115.0
10. East Lothian	679	92,830	100.2
11. East Renfrewshire	174	89,290	117.6
12. Edinburgh, City of	264	463,510	112.8
13. Eilean Siar	3,071	26,350	93.3
14. Falkirk	297	149,680	96.2
15. Fife	1,325	358,930	97.9
16. Glasgow City	175	580,690	92.5
17. Highland	25,659	215,310	91.7
18. Inverclyde	160	81,540	90.2
19. Midlothian	354	79,290	93.6
20. Moray	2,238	86,750	89.0
21. North Ayrshire	885	135,490	90.3
22. North Lanarkshire	470	323,780	92.9
23. Orkney Islands	990	19,770	89.8
24. Perth & Kinross	5,286	140,190	101.7
25. Renfrewshire	261	169,590	100.0
26. Scottish Borders	4,732	110,240	90.1
27. Shetland Islands	1,466	21,880	92.6
28. South Ayrshire	1,222	111,670	116.2
29. South Lanarkshire	1,722	307,670	102.2
30. Stirling	2,187	87,810	111.3
31. West Dunbartonshire	159	91,240	91.8
32. West Lothian	427	165,700	91.2

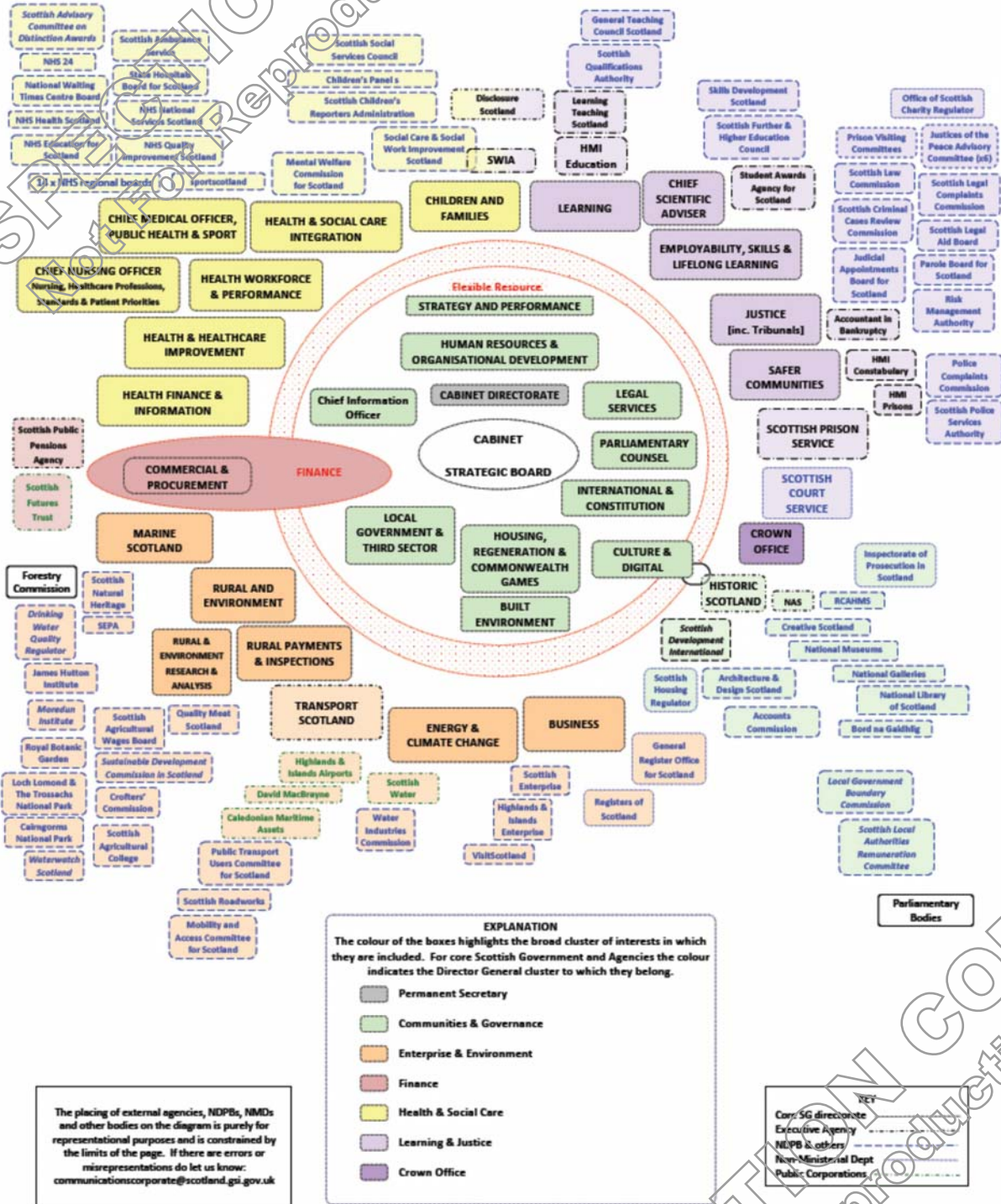
Sources: General Register Office for Scotland (2007), Scottish Executive (2007a: 116)

Exhibit 7
Structure of Scottish Civil Service 2011



Source: The Scottish Government

Exhibit 8
Network Structure of the Scottish Government and Public Bodies (2011)



Source: Scottish Government