



A question of style: the leadership of Christine Rankin

Christine Rankin's unsuccessful candidacy for the first Auckland "Super City" Council in 2010 was another chapter in the story of one of New Zealand's highest profile and most controversial public figures. Rankin became a household name in 1999 as chief executive of Work and Income New Zealand (WINZ), then the country's largest government department, for spending \$220,000 on a conference near Taupo, which included chartering planes for staff. It was an election year and the Labour opposition seized on the event as illustrative of a culture of extravagance in the public sector, which it blamed the National government for fostering.

Following its election victory, Labour initiated a ministerial review of WINZ and in late 2000 Rankin learnt she would not be reappointed to a further term as chief executive. She took legal action against her employer and the case attracted much publicity, not least because of its discussion of Rankin's style of dress and its supposed effects on male public servants. Rankin lost the case and left the public service but remained in the public spotlight through her roles as child abuse campaigner, local body politician, and Families Commissioner.

Troubled beginnings

In 2008 Christine Rankin released her autobiography, *Light the Flame*¹, in which she acknowledged that she became a polarising figure. Her experiences both at work and in her private life provide a lens for examining the challenges faced by women in high profile leadership positions (see also *Exhibit 1*).

Light the Flame revealed her harrowing childhood, rapid career rise and fall, and love life. In

This case was written by Dr Todd Bridgman, Senior Lecturer, Victoria University of Wellington. It has been prepared from published materials as a basis for class discussion rather than to illustrate either effective or ineffective handling of a managerial situation.

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¹ Rankin, C. (2008). *Light the flame*. Auckland: Random House. Unless otherwise stated, all quotations attributed to Christine Rankin which appear in this case are from this book.

many ways her drive and determination can be seen as an attempt to prove herself – not to others, but to herself. Rankin was born in 1954 in the mining community of Blackball on the rugged West Coast of the South Island.

Along with her siblings and mother, she was subjected to physical and emotional abuse at the hands of her father, a coal miner.

“While my father was beating me, he called me ‘lazy, dumb, ugly, fat, stupid’. He would rant about how useless I was and for a long time I believed him....Constantly pummelled with this verbal abuse, I never believed I was bright. As a result, I have spent my entire life proving, especially to myself, that I’m not lazy or stupid. I’ve worked incessantly so no one could possibly accuse me of idleness.”²

Her father later became a prison officer and when he worked at Paremoremo Prison the family moved to Auckland, where Rankin completed her schooling at Rangitoto College on Auckland’s North Shore. Leaving school at 16, she worked as a clerk in the Valuation Department in Auckland, then motherhood and marriage ended a fledgling career as a model.

In 1978 Rankin found herself a 24 year-old single mother of two children with no means of supporting herself financially, so she applied for the Domestic Purposes Benefit (DPB). As she recounted, applying for the benefit at Department of Social Welfare (DSW) changed her life. Staff were uncaring and unhelpful and made her feel worthless, which made her determined to find work so she could support herself financially. Ironically, she was soon to find a job at DSW as one of those clerks tasked with granting unemployment claims to beneficiaries. This was the start of a distinguished but ultimately controversial public service career.

The DSW high flyer

Rankin’s rise through DSW was rapid – she was promoted five times in her first six years and became director of the Auckland district office in 1987, the youngest director in the country. In 1992 DSW was split into five businesses, including New Zealand Income Support (NZIS), which was headed by George Hickton, who had earned a reputation as the charismatic leader of New Zealand Employment Service (NZES).³ Hickton appointed Rankin as manager of the northern region, with a staff of 1600 and an operating budget of \$55 million, and became her most influential mentor. Rankin said her early mentors were all men, because most leadership positions were occupied by men and the few women leaders were not inspirational figures like Hickton, whom she admired for his risk-taking and unconventional approach.

Shortly after taking over at NZIS, Hickton brought his executive team, which included Rankin, to Wellington. The managers were met with champagne on arrival and waiters brought out silver trays with mobile phones for each of them. Until then only the chief executive had been allowed a phone. For Rankin, this was a symbol that Hickton valued a modern, professional organisation and was willing to embrace change to realise his vision. A week later she and the rest of the executive team participated in a three day team-building exercise sailing around Auckland’s Hauraki Gulf.

² Ibid, p31.

³ George Hickton headed New Zealand Employment Service (formerly the Department of Labour), New Zealand Income Service, New Zealand’s TAB and the most recently the New Zealand Tourism Board, a position he stood down from in 2009 after 10 years. His time at NZES is the subject of the ANZSOG case *George Hickton: Marketing the Employment Service* (ref 2099-99.1).

“We were excited and inspired. During our three-day adventure, we had talked endlessly about the way the department needed to change, and together we created a vision and a series of short and long-term goals. Our vision was to become the world leader in the delivery of income support and our mission was to provide a fast and accurate service... We knew we were taking on a big task: this was a dinosaur of a government department, and we were hoping to push it into the modern age.”⁴

Rankin was impressed by Hickton’s use of theatre at annual conferences to reinforce his vision and values, a technique she would later adopt as head of WINZ.

“Before George started transforming the department, we were smothered by rules. Every protocol was documented in two-inch thick rule books. But we arrived at one of George’s first leadership conferences to find a new operating manual on each of our chairs. We all opened it up, wondering what new set of rules we might be expected to adopt – but the manual contained only one page, with a simple catchphrase: ‘Use your best judgment at all times.’”⁵

The use of inspirational catchphrases was another characteristic of Hickton’s leadership that Rankin sought to emulate. Her favourite was “There are no boundaries” because she, like Hickton, believed New Zealand’s public service was being strangled by “red tape”.

“It might seem at first that a leader who espouses total freedom is courting disaster, but as long as your team is living by the values and ethics of the organisation and delivering appropriate results, while not breaking the law, the ethos will be a liberation, not a risk. Your own boundaries should be the parameters of what you want to achieve. In effect, you are telling your staff: ‘I trust you. Do anything necessary, within our ethical boundaries, as long as you get the result we all want.’”⁶

The results under Rankin’s leadership at NZIS were spectacular. She took the northern region from being the organisation’s worst performing region to its best, within a year. One of her innovations at NZIS was changing the processing of benefit claims. Up until then, benefit applications were checked multiple times before being authorised, which meant applicants were left waiting for a decision for up to five weeks. Rankin brought together a project team of the operations manager and frontline staff. The team came up with the idea of 24-hour processing, made possible by giving frontline staff the authority to make on-the-spot decisions in most cases. To mitigate risk, she established a system of spot-checks and an evaluation process, which initially determined that staff were making too many errors. Following further training, 90 percent of applications were answered within 24 hours and accuracy improved to 94 percent. Efficiencies in the system meant staff numbers could be cut by 500.

“So we reduced our costs, while increasing our performance, all because we dared to think differently. More importantly, it meant our clients were getting a faster, better and more accurate service – fulfilling our vision.”⁷

When dealing with poor performance, Rankin’s first approach was always to try and “light the flame” of inspiration in her employees. If they did not respond positively to that, she

⁴ *Light the Flame*, p80-81.

⁵ *Ibid*, p78.

⁶ *Light the Flame*, p112.

⁷ *Light the Flame*, p 114.

encouraged them to find work elsewhere. Nearly 40 people left the department during her first year and she became known as the “Queen of Dismissals”.

Box 1: Transformational Leadership

Rankin describes her personal style of leadership as passionate and energetic and aimed towards unlocking the potential of every employee. She says she only recently became aware this leadership style matches a popular leadership theory – transformational leadership. Creating a vision that will inspire followers is a critical first step in the organisational transformation process, according to Rankin.

“In creating an organisation, many organisations are inclusive and will engage in a consultative process from the bottom up. However, I consider it is the role and responsibility of the leadership team to inspire the organisation as a whole, starting with the creation of the vision and its statement.” (p.98)

Once the vision has been created, it is the responsibility of the organisation’s leaders to lead by example on every level to set the tone for the culture of the organisation. As well as acting as role models, leaders also require passion and charisma to inspire others with that vision.

“Transformational leadership and passion are symbiotic, you simply can’t have one without the other – only raw, genuine passion in a leader can create the energy you need. In my view, it is all about the magic of personality; determination and excitement.” (p.81)

To convey their passion, transformational leaders have to make an emotional connection with their followers, says Rankin. This presents a challenge to traditional understandings of how managers of organisations should behave.

“In the male dominated corporate world, I have often encountered the view that the emotional connection I advocate is not businesslike. My message to men who think like this: get over yourselves...It’s easy for some men to assume that emotional connections are purely feminine concerns; I think that’s trite. Any good leader, with the right skills, can create the spark of enthusiasm that leads to brilliance.” (p.81)

Once an organisation has succeeded in achieving its vision, Rankin believes it is the responsibility of transformational leaders to produce even more change.

“When you get close to realising the original vision, you need to create a new vision for continued inspiration. Remember, every time an organisation settles down and gets comfortable, productivity drops. You have to keep recreating the excitement.” (p.101)

Rankin reached the pinnacle of her public service career in 1998 with her appointment as CEO of WINZ, a merger of NZIS, NZES and two other social service providers. It was a major change initiative – her first task was to amalgamate 6000 staff from four organisations into one, within 12 weeks. This was done on time and on budget, despite encountering union opposition.

Following in the footsteps of mentor George Hickton, Rankin promoted her vision for WINZ to staff through innovative role plays, team exercises and conferences. She wanted to avoid the monotony of bland venues and tedious presentations, seeing conferences as an opportunity to inspire people to deliver change.

“For a *Rocky*-themed conference we constructed a boxing ring, with music blaring and dry ice puffing over the audience. I donned a boxer’s robe, emblazoned with the words Income Support across the back, and made an entrance. It was fantastic fun. We used the inspirational analogy of the movie character *Rocky* and Sylvester Stallone’s own life story of succeeding in the face of difficulty. It worked a treat.”⁸

To symbolise the transition from four separate organisations to WINZ, she arranged a theatrical presentation of four funerals and a mock wedding, drawing on the movie *Four Weddings and a Funeral*. The event was later seized on by Rankin’s critics as an example of her extravagant leadership style, but she argued it was not costly, created positive energy and had important symbolic value.

A career in freefall

In June 1999, Rankin authorised a training session for 150 frontline managers at Wairakei Resort near Taupo to try and convince them to allow their staff greater discretion, in line with her “there are no boundaries” philosophy. Rankin drove to the conference from Wellington and it was not until two weeks later she discovered that planes had been chartered to get staff there. The story hit the national headlines and Rankin’s leadership came in for strong criticism from the opposition Labour party, especially from Steve Maharey, Labour’s spokesman on social welfare and employment issues. 1999 was an election year and Maharey used the Wairakei conference as evidence of a public service culture of extravagance and excess, which he accused the National government of promoting. Rankin believed she was unfairly portrayed as an extravagant spender, having been conscious throughout her career of finding cost savings.

“We were taught to be very frugal – and yes, I know you are now thinking, ‘But you spent \$220,000 on a conference’ – but I personally never would have approved such spending.”⁹

It was not just the Wairakei conference that drew the media’s attention. Rankin had always loved dressing up and had a particular fondness for large earrings, of which she accumulated a 400-pair collection. Her other “signature” was short skirts, although she maintained that this was more to do with her long legs, which made regular skirts appear shorter than they were. Her critics used her appearance as further proof of a public service which had lost its way. Rankin acknowledged she dressed differently from her public service colleagues, but

⁸ Ibid, p123.

⁹ *Light the Flame*, p111.

regarded this as an asset because it was an outward display of her individuality and originality.

Box 2: Change and Leadership in New Zealand

Rankin's autobiography *Light the Flame* is both a deeply personal story of her upbringing and experiences and an attempt to educate New Zealanders on the potential of transformational leadership, which she says, rests uncomfortably with the country's dominant cultural values.

"There are few true transformational leaders in New Zealand, either in business, government or the community. It seems to me that leadership is generally not valued here, and the prospect of vigorous, exciting change can often seem intimidating in a culture where we are conditioned to be modest and humble." (p.10)

New Zealanders lack vision, have difficulty celebrating others' success and have few national heroes, other than sportsmen, she says. She asks why the kiwi is the national symbol

" – an almost blind, flightless bird that is nearly extinct. He's brown, only comes out at night, is very introverted and we say this is us – isn't it fantastic? Well, no it's not, Unfortunately we pride ourselves on being quiet, unassuming, unambitious." (p.213)

Rankin suggests that the kea – tenacious, curious and intelligent – would be a better national symbol.

"Staff told me they loved seeing what suit I was wearing each day; I was different and they were proud of the fact. I wasn't a boring, grey-suited public servant."¹⁰ (p.140)

Rankin believed she was unfairly targeted because she did not conform to the public sector image.

"I always believed that had I been leading a private organisation my image would have been viewed differently. In the public service I look comparatively glitzy, and although I did my job well, many people couldn't see past the surface. That still irks me."¹¹

The Labour government, elected in November 1999, with Steve Maharey as Minister of Social Services and Employment, soon announced a ministerial review of WINZ. In May 2000 former State Services Commissioner Don Hunn, who conducted the review, acknowledged some achievements but concluded that in 12 months WINZ

"has managed to alienate the public, parliamentarians, colleagues, clients and their advocates, tertiary students and university administrators, the media and members of its own staff."¹²

Rankin recalled that State Services Commissioner Michael Wintringham met her in November 2000 to tell her, informally, that her contract would not be renewed.¹³

¹⁰ Ibid, p140.

¹¹ Ibid, p140.

¹² Hunn, D, (2000) *Ministerial Review into the Department of Work and Income*.

¹³ See also ANZSOG Case 2009-107, *The Outstanding Public Servant*.

Wintringham identified three reasons; her overseeing of dramatic change in a controversial department which had made her a political liability; her appearance; and the Wairakei incident. However, when she received the formal notification in December, the letter made no mention of these reasons, citing instead her failure to establish a good working relationship with the minister and her lack of policy capability.

Rankin felt that she had been sacrificed by Wintringham and she lodged a claim in the Employment Court for unfair dismissal, seeking reinstatement and \$1.25 million in damages.

The court case led the news for several days, with reports highlighting the reaction of male public servants and ministers to Rankin's preference for short skirts and low necklines.

Justice Goddard however focussed on the detail of her contract and found against Rankin, dismissing her claim. Rankin declined to appeal but believed the case had swung public

Box 3: Women in Leadership

A key theme in the media's reporting of Rankin's Employment Court case was the treatment of her as a woman. Rankin describes herself as a feminist, though accepts that she does not conform to the stereotypical image.

"I am a living, breathing example of feminism. I have fought hard to get to the top levels of the male-dominated public service, and I've actively facilitated growth for thousands of women like no one else I can think of." (p.135)

She believes that in most workplaces women have to be far better than men to get the same level of recognition. They are also in a no-win situation with how their behaviour is interpreted. Throughout the two-week hearing Rankin said she often cried at night, but was determined not to cry in public.

"During my evidence in court, I maintained my composure – but it didn't help my public image; I realised later that because I didn't weep, the public assumed I was unfeeling and cold. I wonder what would have happened if I had sobbed in court. Probably, I would have been perceived as a weak woman who couldn't handle a high-pressure job." (p.181-2)

Rankin recounts a meeting with Steve Maharey, then Minister of Social Development and Employment, and Associate Minister Ruth Dyson where both were rude and hostile towards her.

"I felt victimised and intimidated. In my view, it was blatant sexism. I do not believe for one moment that any minister would have dared speak in this way to a male CEO, regardless of what the government thought of his wardrobe." (p.167-8)

In reflecting on her experience with WINZ, Rankin concludes her case showed a high level of sexism within the public service.

"If I were a man, I'm sure my job would have been safe; my risk-taking and unconventional approach would have been seen as bold, not dangerous, and my colleagues would have stood beside me."

opinion in her favour. A few weeks before the verdict, a Christine Rankin Day had been organised across New Zealand, with men and women wearing short skirts and large earrings in support of her.

“I was amused to see the media’s portrayal of me becoming largely sympathetic. Now, instead of the incompetent dimwit, I was the wronged woman.”¹⁴

Life after WINZ

Rankin found adjustment to life after WINZ difficult and said the pain lasted many years. She saw a psychologist and took medication for anxiety. Initially, she found it difficult to find another job and felt she had been blacklisted, especially in Wellington. After the Employment Court decision, she started writing a newspaper column and featured on a television show where panellists gave advice to viewers on life issues. Later, she was a contestant in the television show *Dancing with the Stars*.

In 2005 she took over as head of a children’s advocacy trust, For the Sake of Our Children, which aimed to raise the awareness of child abuse. She campaigned strongly against the Labour-led government’s “anti-smacking” legislation, which was passed in 2007. Rankin argued the bill was a smokescreen that hid the real issues of tougher sentences for child abusers and the removal of all children from abusive homes.

She moved to Auckland and began a career in local body politics, being elected to the Auckland Regional Council in 2007. In 2010 she narrowly missed election to Auckland’s “Super City” Council but was successful in her candidacy for two local body boards.

In 2009 she was appointed to the Families Commission by the National-led government. The appointment, already controversial because of her stance on smacking, became even more so when news surfaced that she had married for the fourth time. Appearing on national television she hit back at critics who suggested she might be an inappropriate advocate of stable, two-parent families.¹⁵ While the media’s fascination with her personal appearance continued, Rankin was in no mood for change.

“Following the election, a journalist asked if my sense of style would change now that I had been appointed a regional councillor. The answer: Absolutely not. I’ve been wearing my earrings proudly for well over two decades now and I’m not about to stop.”¹⁶

¹⁴ Ibid, p183.

¹⁵ Meng-Yee, C. (2007). *New Zealand Herald*, Sunday May 17.

¹⁶ *Light the Flame*, p219.

Exhibit 1: The Rankin effect?

Christine Rankin’s experience has been cited as one of the reasons that New Zealand women are less interested than their Australian counterparts in applying for public sector chief executive positions, and perceive the role more negatively.

This was the finding of an ANZSOG work-based project report, *A ‘Chief’ priority: attracting more women to chief executive positions in the New Zealand public service*, its findings based on a literature review, analysis of statistics, and qualitative interviews with current public sector chief executives in New Zealand, the Commonwealth government of Australia, and Victoria. It was sponsored by the State Services Commission and published in 2009.¹⁷

The report also found that women need greater encouragement to apply for Chief Executive positions through both formal and informal processes. One of the most powerful motivators is the example of female role models and “trail blazers”.

Its recommendations included creating a talent pool, considering further work-life balance opportunities, and implementing an Acting Chief Executive pilot programme.

While women account for 58.7 percent of the New Zealand public service workforce, and the proportion of women in senior management (tier 1, 2 and 3) is increasing, the trend is not reflected at the top level. As at 6 July 2009, there were six female chief executives, the same number as in 1998; in 2010 there were five and as at July 2011, three, but the first appointment of a woman as Chief Executive and Comptroller of Customs would take effect from September.¹⁸

Number and percentage of female Chief Executives in the New Zealand, Commonwealth and Victorian Public Services

	30 June 1998		30 June 2003		30 June 2008		31 Oct 2009	
	No	%	No.	%	No	%	No	%
New Zealand	6 of 36	17%	8 of 33	24%	7 of 30	23%	6 of 34	18%
Commonwealth	0 of 17	0%	2 of 17	12%	4 of 19	21%	3 of 18	17%
Victoria	0 of 8	0%	3 of 9	33%	3 of 10	30%	4 of 11	36%

Source: *A ‘Chief’ Priority*, p16.

¹⁷ Battison, B., de Kretser, D., Dowding, J., Kent, S., Lumsden, A., and Matthies, C. (2009). *A Chief Priority: Attracting more women to chief executive positions in the New Zealand public service*. Report to the State Services Commission and the Australia and New Zealand School of Government, prepared as Work-Based Project to meet the requirements of the Executive Master of Public Administration (Executive) (EMPA).

¹⁸ As at June 2011, there were women chief executives at the Department of Building and Housing (Katrina Bach, appointed October 2004); the Ministry of Education (Karen Sewell, appointed November 2006) and Women’s Affairs, (Rowena Phair, appointed July 2010 to succeed Shenagh Gleisner). In July 2011 it was announced that Lesley Longstone would replace Karen Sewell in November 2011, and Carolyn Tremain would become the Chief Executive and Controller of Customs.

Number and percentage of female employees in the second and third most senior levels in the New Zealand, Commonwealth and Victorian Public Services.

		30 June 1998		30 June 2003		30 June 2008	
	Level	No	%	No.	%	No	%
New Zealand	Tier 2	80 of 279	29%	98 of 266	37%	84 of 209	40%
	Tier 3	262 of 884	30%	343 of 980	35%	324 of 843	38%
Commonwealth	SES Band 3	8 of 91	9%	18 of 104	17%	40 of 155	26%
	SES Band 2	57 of 325	18%	103 of 426	24%	199 of 581	34%
Victoria	EO Band 1	1 of 13	8%	2 of 11	18%	6 of 18	33%
	EO Band 2	24 of 143	17%	42 of 184	23%	76 of 219	35%

Source: A 'chief' priority, p 16.