

SUPPORTING HIGH PERFORMANCE GOVERNMENT

Leading Large Scale Change

April 20, 2004

Defining the Pace of Change: How Much/How Fast?

Panelists:

Peter J. Madonia Chief of Staff, New York City Mayor Michael Bloomberg

Linda Gibbs Commissioner, New York City Department of Homeless Services

Patricia J. Lancaster Commissioner, New York City Department of Buildings

Moderator:

Deborah Wright President and CEO of the Carver Federal Savings Bank

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Executive Summary

Introduction

Accenture and the Research Center for Leadership in Action of the Robert F. Wagner Graduate School of Public Service, New York University are co-hosting an Executive Briefing series for public sector managers to discuss the multiple managerial and leadership challenges of implementing large scale change. The series seeks to:

- Create a networking environment that encourages the exchange of ideas between senior managers of complex change programs and those emerging leaders charged with undertaking similar efforts,
- Encourage a cadre of new leaders interested in undertaking such challenges, providing them with the insights, learning and the collegial support that will help sustain their work over time, and
- Promote further learning about how successful complex change initiatives are designed and managed, and capture this information in written reports.

Each session is organized around a central strategic and managerial question of particular relevance to large-scale change efforts. The breakfast on April 20, held in the historic Woolworth Building, focused on "Defining the Pace of Change: How Much/How Fast". In this session, attended by more than 50 people working in a broad range of city agencies, participants tackled what the scope of a change effort should be, and how rapidly it needs to be achieved.

Deborah Wright, President and CEO of the Carver Federal Savings Bank, moderated the April 20th session. Ms. Wright has an extensive career working in the public service, having served as Commissioner of the Department of Housing Preservation and Development, President & CEO of the Upper Manhattan Empowerment Zone Development Corporation, and as a member of the New York City Housing Authority Board. The three discussants for the session were Peter J. Madonia (Chief of Staff to Mayor Michael Bloomberg), Linda Gibbs (Commissioner for the Department of Homeless Services), and Patricia J. Lancaster (Commissioner for the New York City Department of Buildings).

The following summarizes some of the central ideas and observations offered by the lead discussants and during an audience-wide conversation. A full report covering all four Executive Briefings and additional follow-up workshops will be provided at the end of this series.

Key Observations: Scope

The discussants described two different approaches to defining the scope of a large scale change initiative - dramatically improving the way in which an agency does business within its defined mission, and radically rethinking an agency's mission. The Department of Buildings illustrates the former approach, setting aggressive goals for process improvement, reengineering those processes in order to streamline agency functions, and supporting employees as they learn new skills that will deliver the redesigned systems. The latter, exemplified by the Department of Homeless Services' commitment to a completely new objective (eradicating homelessness),

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requires an agency transformation, asking employees and stakeholders to rethink their image of the agency.

The discussion acknowledged the power of the electoral, four year frame. The beginning of a new administration offers opportunities to start a new initiative. The agenda of a new administration is not necessarily set and undertaking bold initiatives is valued. Riskier efforts are also more likely in the beginning of an administration. In the middle of an administration, it may be useful to conceptualize a large scale change effort as a two-year plan and a six-year plan – so as to maximize what can be accomplished initially, but be positioned for continued work in a second term.

As a strategy to encourage big-picture thinking, framing the scope of change as a 10 year plan was also discussed. This long term vision helps to shift a focus away from incremental management initiatives to major institutional shifts.

Key Observations: Pace

Pace was discussed from a tactical perspective, posing two opposite strategies - precipitous or incremental. Several discussants noted the central challenge in precipitous change is ensuring that key allies are brought along. These issues were posed as “going so fast you stay ahead of your enemies, as long as you still have your friends.”

Both political factors and internal resource capabilities can slow the process down. Internal resources can affect the pace of change. For example, the gains in speed expected with implementation of new technology can be undermined by staff not having sufficient skills to use it. On the other hand serendipitous realities, such as inherited significant staff vacancies that will permit rapid hiring of new employees, sometimes support the possibility of rapid change.

Support from key stakeholders also enables rapid change. For example, the recent initiative in the Department of Buildings to streamline the permitting process was considered such welcome news that some building industry associations offered to contribute computers to speed the process.

Other Key Observations

Discussants highlighted the importance of committing personally to a large scale change effort and being resilient. One noted “sometimes I wanted to fight a battle, not even expecting to win. And then, if you do win, it inspires others.” Another said “if you don’t have a deep-seated passion for making change, it’s not worth it.”

Change requires new managerial competencies among staff. Building skills deep into the agency is critical to support change at the pace at which it is planned. The strategic planning process in the Department of Homeless Services is also a mechanism for building management capabilities among staff.

Being willing to engage in public conversation, not necessarily avoiding controversy, helps support the pace of change. To support this strategy it is important to have a pro-active press office.

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The importance of using metrics strategically was discussed by several on the panel and other session participants. “If you can’t measure [the change], you probably haven’t done it”, one discussant noted. Measures need to be coincident with the stated values and goals of the agency. Care should be taken to eliminate metrics that will not promote the goals of the change effort. Using metrics is increasingly part of the culture of many agencies. It is a vehicle for holding staff, including those at the line, responsible for agency success. Generating data also helps agencies leverage resources. Finally, performance measures help ensure that the public’s money is spent in a targeted and efficient manner

The participants also grappled with the issue of how to institutionalize a change. Leaving a solid core of good managers at the programmatic level (“in the belly of the beast that has been part of the change process”) is one approach; another is to undertake such a revolutionary change that going back would be extremely difficult.

Questions Raised for Future Breakfasts

Many of the issues raised at this breakfast anticipated the focus of the next Executive Briefing that will consider the challenges of managing internal and external stakeholders and allies.

Additional observations related to stakeholder considerations included:

Achieving a redefinition or transformation of an agency’s mission requires extensive buy-in from a broad spectrum of stakeholders, internal and external and cross the public, non-profit and business sector. A strategic planning process can be a vehicle to generate commitment to such a change effort.

Understanding resistance among stakeholders is important. Does a re-designed system close off opportunities from which they benefited?

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