
INVESTING

in Canada:

**ITS PEOPLE;
ITS GOVERNMENT;
ITS PUBLIC SERVICE**

**Rebuilding Trust With Citizens
19% Is Not Enough**

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Ottawa, Ontario, Canada

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19% is Not Enough

Although some governments in Canada may exceed this level of citizen satisfaction, it is not a good enough satisfaction level for most senior executives

Most Governments Are Customer-Blind

Democratic governments exist to serve their citizens. Businesses exist to make profits. And yet it is business that obsessively seeks new ways to please people. This may be the ultimate indictment of bureaucratic government.

Business Success Measures

- Fear of going bankrupt
 - Fear of product obsolescence
 - Beating the competition
 - Shareholder return on equity
 - Return on investment
 - The voracious search for new products
 - Time to market
 - Market share
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What Is Good Government?

A decent, happy place, with air to breathe, with a place to stand in the sun, a place for children to run and play and learn—a place where people of all ages can become lifelong learners—a place where black, brown, white, yellow, and red people from all economic and ethnic groups in our society can live together in peace and harmony.

What Is Good Government?

What Is Our Collective Vision of Good Government?

How Will We Know One When We See One?

What are We Reinventing Toward?

- Possible Answers are:
 - A government that, **in harmony with other societal institutions**, contributes to the improvement of the quality of our lives
 - A government that helps citizens achieve their desired outcomes
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Possible Outcomes of Good Government

1. Restoration of public confidence in government
 2. Safe neighborhoods
 3. Responsive to natural disasters or civil emergencies
 4. Quality core services at low per capita costs
 5. Planning, designing, financing, and maintaining **good infrastructure**
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Possible Outcomes of Good Government

(continued)

6. A greater sense of ownership by citizens of their governments
 7. Customer/user satisfaction
 8. Employees who have pride in their work
 9. Fiscal wellness
 10. An ethical and non-corrupt government
 11. Re-election
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Basic Assumptions We Used to Make About Government

1. We exist to provide services
 2. Citizens are demanding more service
 3. Government buildings and procedures need to be intimidating to average citizens in order to maintain control and make democracy work
 4. Only taxes fund government services
 5. Once we provide a service, we rarely terminate that service
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Basic Assumptions We Used to Make About Government *(continued)*

6. We need to do it all ourselves
 7. The services that governments provide are so unique that only governments can provide them
 8. Red tape and mountains of paperwork are a fact of government life
 9. We used to believe only governments can exercise 'police powers' and regulate
 10. Governments cannot make a profit
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Trends Driving Government Change

- September 11, 2001: The Attack on New York
 - The emergence of other service providing institutions
 - Technology
 - The need to regain public confidence
 - Loss of trust in government
 - Challenges to regulation
 - Changing ethnic make-up of society
 - Globalization
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Old Paradigm:

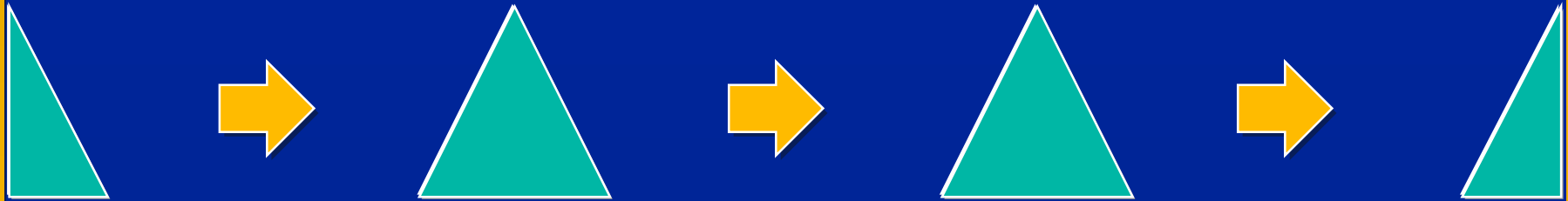
- NATIONAL
- PROVINCIAL
- LOCAL

New Paradigm:

- GLOBAL
 - REGIONAL
 - NEIGHBORHOOD
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Political Environment

Elected
Officials/Appointees



Government
Organization



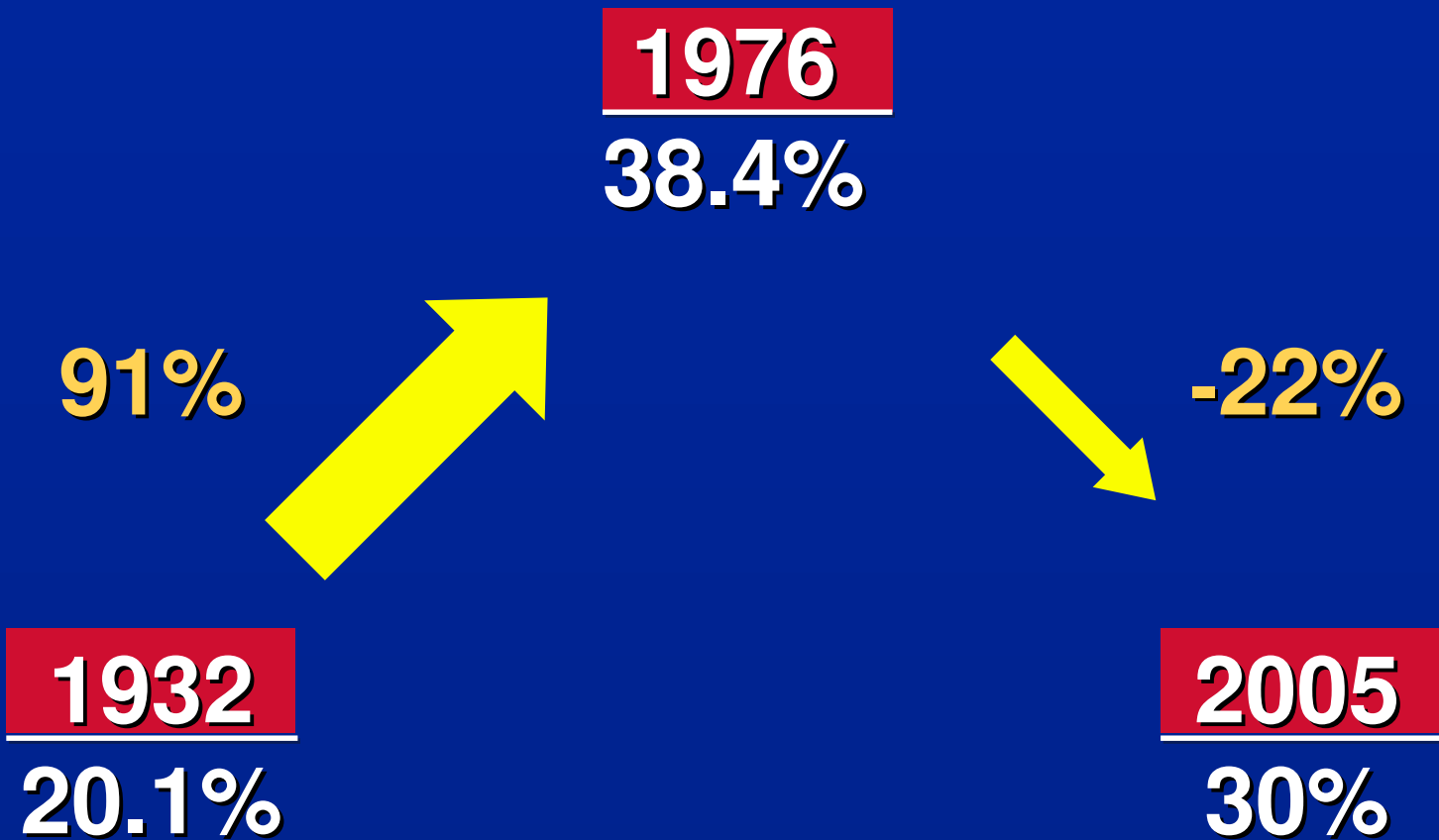


NEXT 10 MILES
RIGHT LANE
CLOSED
FOR NO
APPARENT
REASON

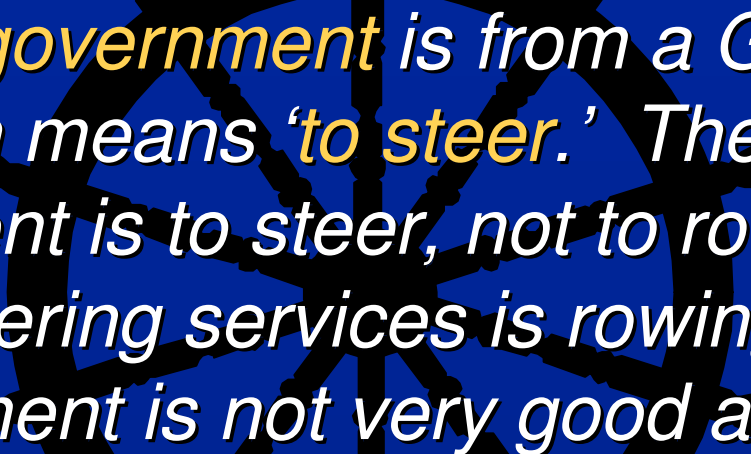
The Evolution of Authority



Roosevelt Era



Steering Rather Than Rowing



*“The word **government** is from a Greek word, which means **‘to steer.’** The job of government is to steer, not to row the boat. Delivering services is rowing, and government is not very good at rowing.”*

– E.S. Savas

Challenge the Service Presumption

*Leadership in the governmental sector
requires courage like never before.
In previous eras it was assumed government
was here to provide service. Now every
leader and employee in the governmental
sector needs to have the courage to challenge
that assumption
in every aspect of the job.
If we don't challenge it, the public will.*

**We cannot afford a
vacuum-tube
government
in a micro-chip world**

We Need a Government Revolution

**“Edison didn’t set out to
improve the candle”**

-Christopher Whittle

FOUR WAYS **NOT** TO CHANGE GOVERNMENT

1. Bring in Private Sector Executive Talent
 2. Bring in Academics or other Do-Gooders
 3. Use Consultants to Produce Studies
 4. Have Politicians Run as Outsiders
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Politicians Usually Focus on the Four “P’s”

Problems, Politics, Policies, Programs

- Rarely do they focus on incentives to improve the management of government.
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How to Reinvent Government Effectively

*Empower the public employee...
at all levels.*

What is Reinvention?

- *It is* replacing bureaucratic systems with entrepreneurial systems
- *It is* about creating public organizations that habitually innovate
- *It is* about creating a public sector that has a built in drive to improve
- *It is* governments that become “self-renewing systems”

Acknowledgment: “*Banishing Bureaucracy: The Five Strategies for Reinventing Government*”, David Osborne and Peter Plastrik

What Reinvention is *Not*

- *Not* about reinventing politics
 - *Not* about cutting waste, fraud and abuse
 - *Not* synonymous with “Privatization”
 - *Not* about running government like a business
(i.e., different motives, funding sources, and market structures)
 - *Not* raising taxes
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What Reinvention is *Not* (continued)

- *Not* a stand-in for simply making government more efficient
 - *Not* reorganization; not moving boxes on an organizational chart
 - *Not* just re-engineering or TQM
 - *Not* victimizing public employees by “downsizing” or “rightsizing”
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Prerequisites for Reinventing Government

- Absence of anarchy
 - Stability in societal institutions
 - Trust in government and the essential fairness of its institutions
 - Low citizen tolerance for corruption
 - Crisis or a “sense of crisis”;
i.e. a burning platform
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Prerequisites for Reinventing Government *(continued)*

- Transparency of all government transactions
 - Professional civil service
 - Leadership – political will and courage
 - A growing middle class
 - Continuity of leadership
 - Capability of investment in reinvention strategies
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Not Prerequisites for Government Reinvention

- The absence of a dictatorship
 - A tradition of democracy
 - Competitive political parties
 - A bill of rights
 - A focus on human rights
 - A free press
 - An activist citizenry
 - A strong interest in voting
 - A healthy or growing economy
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Culture Change

- | | |
|--------------------|-------------------------|
| • Local focus | Global focus |
| • Incremental | Radical |
| • Bureaucratic | Customer driven |
| • No | Yes |
| • Serving | Empowering |
| • Operational | Strategic |
| • Doing it all | Stimulating all sectors |
| • Process-oriented | Results-oriented |
| • Rule driven | Flexible and innovative |
| • Hierarchy | Participation/teamwork |
| • Price | Value and quality |
| • Spending | Earning/competitive |

“There is nothing more difficult to take in hand, more perilous to conduct than to take a lead in the introduction of a new order of things because the innovation has for enemies all those who have done well under the old conditions and lukewarm defenders in those who may do well under the new.”

- The Prince by Machiavelli (1469-1527)

Context

- **US Federal Government Spending:**
\$2,800 Billion
 - **Federal Employment:** 1,800,000 civilians
 - **Organization:** 15 Departments, 130 other independent Agencies
 - **Legislature:** Congress has 200 active committees
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USA Federal Government Reform Efforts

- ❑ There were eleven government-wide management reform efforts during the 20th Century
- ❑ Congress passed a series of cross-cutting management laws in the 1990s
 - ❑ Chief Financial Officers Act of 1990
 - ❑ Government Performance and Results Act of 1993
 - ❑ Procurement Reform laws in 1994 and 1995
 - ❑ Clinger-Cohen technology investment law in 1996
- ❑ All recent Presidents have had a management reform agenda
 - ❑ Reagan – Reform '88
 - ❑ Bush I – High Risk Areas, SWAT teams
 - ❑ Clinton – Priority Management Objectives, Reinventing Government
 - ~~❑ Bush II – President's Management Agenda~~

Overview

- Government Reform in the US in the Past Decade
 - The National Performance Review
 - The National Partnership for Reinventing Government
 - The President's Management Agenda
 - Contrasts Between NPR and PMA
 - What's Next?
 - Resources
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The National Performance Review

- Started 6 weeks into Clinton Presidency
- Based on set of principles, guidelines
- Staff of 250 civil servants at White House, plus teams in every agency
- Advice from business leaders: focus on customers and listen to workers
- 1,200 recommendations -- reduce “overhead” by 252,000, fix systems, and save \$108 billion



How NPR Was Set Up

- Articulated principles and an inspiring vision
 - Set ambitious deadlines
 - Created teams of civil servants
 - Facilitated a consensus-building “tollgate” process
 - Personally involved the Vice President
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NPR Principles

Put customers first ... Set 4,000 customer service standards, measured progress, Conversations with America

Empower employees ... Reduced overhead, created 850 partnership councils, created 350 reinvention laboratories, front-line recognition: 1,400 Hammers

Cut red tape ... eliminated 640,000 pages of internal rules, procurement cards, travel reform

Create partnerships ... Environmental, worker and food safety agencies now partner with business

NPR Implementation Approaches

- Change the culture by changing the conversation:
 - *Create a government that is results-oriented, performance-based, and customer-driven*
 - Workers know work better than managers or politicians
 - Customers know what they want better than anybody else
 - People are capable of things they (and you) never dreamed of
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Implementation Approaches (continued)

- Go around bureaucracy to deliver message
 - Work with those who want to help
 - Use inspiration, not perspiration
 - Recognize success -- Hammer Awards
 - Create Reinvention Labs
 - Track agency progress
 - Communicate via Web, interagency networks
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National Partnership for Reinventing Government – 1998 -2001

- Refined NPR Vision: [America@OurBest](#)
 - Goal of Reinvention:
Restore Trust in America's Government
 - Mission of NPR:
In time for the 21st century, reinvent government to work better, cost less, and get results Americans care about.
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NPR's Revised Goal

Restore trust in America's government
by providing--

- Best Best value for each taxpayer dollar
 - service for each customer and regulated business
 - Best workplace for its employees
 - Best legacy for our future
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Government Culture Began to Change

- Federal Employees see it day-to-day
 - 84 percent satisfied if in reinvented organizations
- Program Customers see the difference
 - 60 percent saw improvements between 1999 and 2000
- Results are beginning to focus attention
 - first Results Act reports show shift in strategies

Levels of Government

Federal

Provincial

Local

Typology of Government Organizations

Organizational Type	Examples
Policy	School Board, Planning Office
Regulatory	FCC, Securities & Exchange Commission
Compliance <ul style="list-style-type: none">– External Compliers– Internal Compliers	Police Department; OSHA Auditors; Inspectors General
Service Delivery <ul style="list-style-type: none">– External Customers– Internal Customers	Public Works Department School District Data Processing Office Maintenance Department

Levels of the Game

- Governance systems
- Administrative systems
- Organizations
- Work processes
- People

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The Hierarchy of Leverage

Levels	Examples
Governing System	National, State, Provincial, or City Government, Education, Health Care, or Welfare Systems
Administrative System	Budget & Finance, Personnel, Procurement, Auditing, Planning
Organization	Municipal Department of Public Works, U.K. Employment Service

The Hierarchy of Leverage *(continued)*

Levels	Examples
Work Processes	Permit Processing, Benefit Processing, Fire Fighting, Complaint Handling
People	Manager, Supervisor, Road Crew, Police Officer, Work Teams

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Positive Outcomes of Reinventing Government

- Government works better
 - Government costs less
 - Can add to economic competitiveness
 - Increases productivity
 - Increases employee morale
 - Increases citizen satisfaction
 - Increases societal equability
 - Is more respected
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OUR GENERATION'S TASK

“[From 1875 through the 1930's social] innovation took the form of creating new public-service institutions... The next twenty or thirty years will be very different. The need for social innovation may be even greater, but it will very largely have to be social innovation within the existing public-service institutions.

To build entrepreneurial management into the existing public-service institutions may thus be the foremost political task of this generation.”

- Peter Drucker, *Innovation and Entrepreneurship*, 1985

“I am not an advocate for frequent changes in laws and constitutions, but laws and institutions must go hand in hand with the progress of the human mind. **As new discoveries are made, new truths discovered and manners and opinions change, institutions must advance also to keep pace with the times.**”

Words of Thomas Jefferson

from the Jefferson Memorial

“We need a new government for a new century, humble enough not to try to solve all our problems for us, but strong enough to give us the tools to solve our problems ourselves.”

– President Bill Clinton’s Inaugural Address
January 20, 1997
