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A Strategy for Tough Times: Bold Ideas, Collaborative Leadership

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In these Tough Times, Government Officials Can't Hide, Can't Give Up and Can't Go It Alone

Pick up a newspaper in any city across the country and you are likely to read about budget distress in government.

Jennifer Steinhauer writing in the *The New York Times* on March 17, 2008, noted that, “About half of the state legislatures nationwide are scrambling to plug gaps in their budgets, shot through by rapid declines in corporate and sales tax revenue, distressed housing markets and a national economy on the verge of a recession.” She went on to observe that, “Programs for the elderly are being slashed in Maine. Government jobs are being eliminated in New Jersey. Prison construction has been put off in Virginia. Some schools in California will end their music programs.”

As time passes, government officials are choosing from an even more dire menu of options. The Associated Press reported in early April that California, Kentucky and Rhode Island are among eight states that are considering releasing prisoners early to provide some financial relief.

In response to tough fiscal times, governments typically cut budgets, raise revenues, monetize assets or scramble in search of one-time gap fillers. To weather the storm, government leaders typically close ranks and take cover – but that is no longer enough.



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Being a public official has always been a difficult job and it's not likely to get easier. Compounding economic issues are the pressures of a competitive global economy, citizens who insist on greater government accountability, an increase in service needs from an aging citizen population, and the 24/7 demands of the "Google/YouTube" society that monitors and comments on every action taken or word uttered by public officials. All of these issues further complicate the challenge of governing effectively.

Challenges to Weathering this "Perfect Storm"

The current fiscal crisis illuminates other external pressures and internal structural obstacles that government leaders today must deal with. Effective leadership depends on recognizing and tackling the challenges below.

Silos

Silos impede effectiveness. This archaic business architecture that served government well in the past has become a barrier to the integrated policymaking and decision making required today.

Governments operate in an increasingly complex, inter-linked world, facing not only local and national pressures but also global ones, such as terrorism and climate change. Meeting these challenges requires collaboration and cooperation among governments, better information to address critical issues and more responsive technology. As the demands of government grow, the structure must evolve to be responsive. Internal shared services organizations can free formerly siloed operations up to collaborate. They can also have the unexpected benefit of improving information flow, allowing better decision making, increasing efficiency and reducing duplication.

Beyond the program

A program focus hinders service. With the silo structure, governments have found it more expedient to align resources around programs rather than around the specific services customers demand, which often cut across several silos. With the customer as the focal point, government should serve as an "electronic window" through which customers expect – and gain – easy access to any government services. Because government departments today rarely "act as one," this requires good planning and deep collaboration.



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Changing workforce

An aging workforce creates gaps. Baby Boomers are retiring and the new generation is much less career-focused. It will be challenging to fill some jobs, especially in the back-office, making it more difficult to keep services functioning smoothly. Dealing with this issue demands a dual approach: create jobs that attract people; and find creative ways to handle the workload.

Interactive fulltime government

24/7 information demands call for interactive government – Governments face an increasing demand for accountability and openness. The response requires better information management processes, more information shared willingly, and improved technology to facilitate access. Governments need to automate the process. Providing “lots of information” should be the default position. A strategic information-sharing plan is essential in the Google/YouTube era in which citizens operate in “real time,” and demand the same from their government.

In the run-up to this year’s Presidential election, it is clear that citizens want real change and a voice in bringing about that change. For the first time, commonly available technology not only supports but facilitates two-way communications between governments and the people they serve.

So how do leaders deal with this?

- **Embrace technology**
- **Pick a champion, a “with it” operational executive, to lead the way**
- **Then get out in front and be proactive – and take the following steps to plan for success.**



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Plan for Success

Tough times are here. But the bright side to tough times is that people are more willing to accept fresh ideas. What may have been dismissed before gets a hearing now.

New forms of collaboration become possible and new relationships are forged.

The notion of working for the common good becomes more important.

The public and private sectors find common interest in working together to share cost, risk and reward.

Tough times call for strong leadership, collaboration and bold ideas. Creative thinking isn't an option; it's a necessity.

But before making any changes, senior agency executives should do some preliminary planning based on three main priorities:

Refocus on core functions. Identify which services are most important to focus on the strategic, mission-critical responsibilities of the organization.

Find partners for non-core functions. Allow staff to do what they do best, while specialists in non-government agencies or the private sector assist with other areas, such as technology and some business processes.

Identify new sources of funding. If funding for IT architecture, infrastructure, systems and training is necessary, determine the investment strategy. Also, consider and identify new partners who are able to invest while governments are constrained by budget limitations.

Acting on this plan takes creativity, foresight and fortitude. It also requires the help of many colleagues and friends, both new and old.



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Maximize Resources with Partners

Facing unrelenting pressures, government today must invent new measures and systems to replace those which no longer do the job.

But government can't do it alone. Leaders need to work with experienced partners to maximize resources. With the additional resources - through these partnerships, governments not only gain expertise, but stretch budgets farther to better meet the expectations that rise with advances in technology.

In fact, technology is an area where partnerships can be the most effective and cost efficient. This is particularly true in efforts to meet the growing demands of the federal government for electronic health records and the biometrics and database records necessary for ID purposes.

States are increasingly turning to partnerships to support shared and managed services, especially financial management systems and application management services and the publication and distribution of documents.

In many cases, government agencies improve their bottom lines by investing in such partnerships. For example, a partnership between a state government and CGI to implement and host a Medicaid claims auditing process has recouped millions of dollars. And, with the Commonwealth of Virginia, CGI helped design and implement and continues to maintain eVA, a Web-based government-to-business system that funnels purchasing activities through a single electronic portal. As a result, Virginia has reduced processing time by up to 70 percent; order processing costs by up to 50 percent; and delivery time by up to 25 percent.



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Make Partnerships Work

Once the areas where collaboration can be the most effective are identified, it pays to keep in mind that value, not cost, is most important in the selection process. Choose the most respected leader in the field – a company with a proven track record – and look for partners who offer flexibility, such as alternative funding approaches.

Despite the benefits of added expertise and shared resources, public–private partnerships in any area of government can be problematic. Some states have stumbled because they didn't seek the preliminary support of all the stakeholders, such as legislators, unions and agencies. Here are additional steps that help make a partnership work.

Demonstrate support from the top. Leaders at the top of the agency should be committed to the partnership. If not, the rest of the organization will not support it. Form a coalition of trusted advisors and then broaden it to include other trusted partners. Choose advisors and partners based on their skills, proven track record and leadership ability.

Manage change. Consider the internal and external political environment. Then develop a business vision and change management strategy. Embrace technology and pick an internal champion of change to lead the way. Identify barriers to change and address them early.

Seek active involvement. The organization should not only monitor but also actively participate in the work done by the private partner. Taking ownership of projects improves oversight and allows the agency to make more informed decisions. Find balance; remember that micro-management and bureaucratic procedures can slow progress.

Communicate constantly. Articulate needs and challenges clearly to all partners and affected parties– agency staff, the public, the press, unions, vendors and others who have a stake. If the partnership is not presented to the public properly, misperceptions may damage the partnership and harm the agency's reputation.

To be sure, none of these steps guarantee success. But with the current fiscal crunch and an unknown economic future, the only thing certain is that the demands for government services and the need for technologically advanced systems will continue. The way to be sure of not falling behind is to team up with a partner that can keep leaders moving ahead.



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Embrace Bold Leadership

The inspiration and motivation for change comes from the top. Leaders grapple with many issues, none of them easy. Just getting staff to accept change or the public to understand it is a considerable effort.

Change starts at the top. Being open to important moments of change is all important. Yet taking a risk is not easy. This is especially true today when the microscope of the Internet – with its blogs, posted videos and incessant trolling for news – subjects leaders to constant public scrutiny and second-guessing. On the other hand, technology may also be used to set the stage for action and encourage acceptance of new directions.

Technology has changed the nature of public service. And what are the important characteristics of a strong leader in the age of Web 2.0? A willingness to collaborate is key to making oneself available to new opportunities – as is the close observation of other leaders, from whose examples much can be learned.

Tough times call for strong, innovative leadership. An open mind, flexibility and adaptability are vital to the pursuit of new solutions; and perseverance will be necessary to carry them out.



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