Effective Public Management in Turbulent Times:
What does it take?

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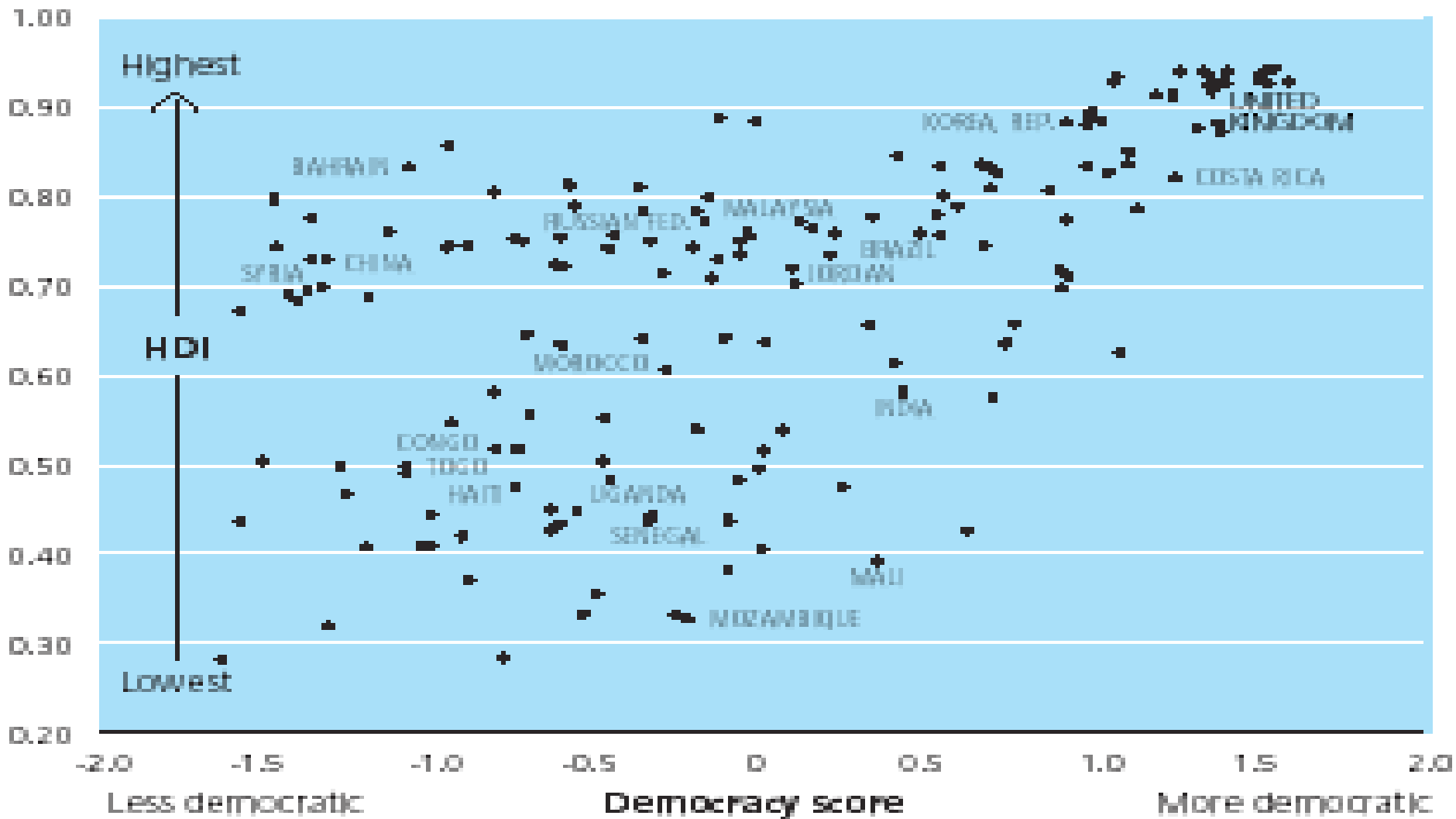National University of Singapore

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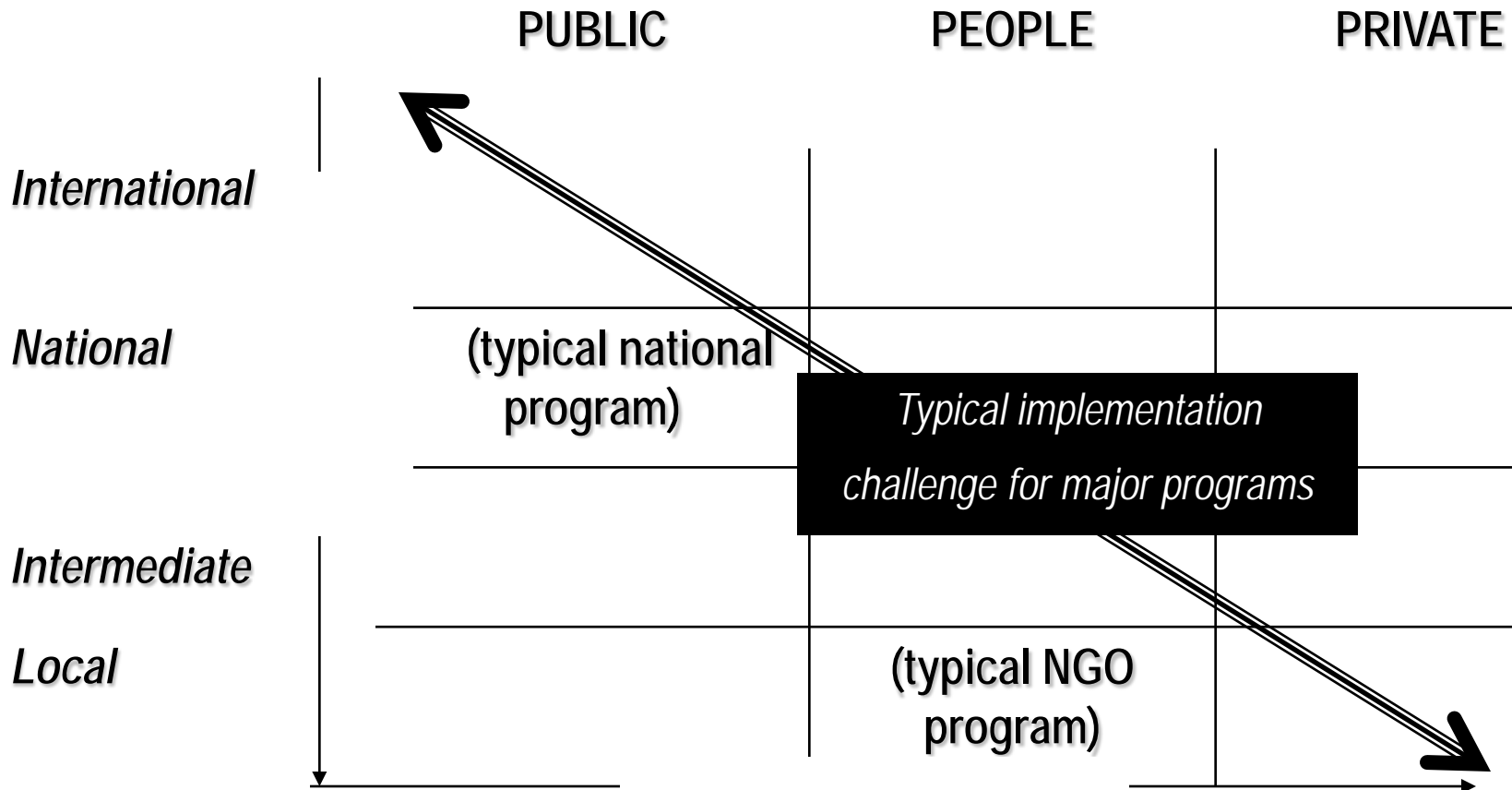# Three basic messages about public management in turbulent times

Point 1:

'Government' is shifting to 'Governance'

Human development index

Scatter plot of Human development index (HDI) versus Democracy score.

- Y-axis (Human development index): 0.20, 0.30, 0.40, 0.50, 0.60, 0.70, 0.80, 0.90, 1.00
  - Labels: Highest, HDI, Lowest
- X-axis (Democracy score): -2.0, -1.5, -1.0, -0.5, 0, 0.5, 1.0, 1.5, 2.0
  - Labels: Less democratic ... More democratic

Country labels visible in plot: BAHRAIN, SYRIA, CHINA, RUSSIAN FED., MALAYSIA, KOREA, REP., UNITED KINGDOM, COSTA RICA, BRAZIL, JORDAN, MOROCCO, INDIA, CONGO, TOGO, HAITI, UGANDA, SENEGAL, MALI, MOZAMBIQUE

The changing landscape

PUBLIC   PEOPLE   PRIVATE

International

National   (typical national program)

Typical implementation challenge for major programs

Intermediate

Local   (typical NGO program)

Point 2:

'Government' *more* **important than ever…**

…but we have to think in new ways about critical capacities.

A 'strategic triangle' of governance capacities needed in the new environment

Analytical capacity:

Effective Policy Design
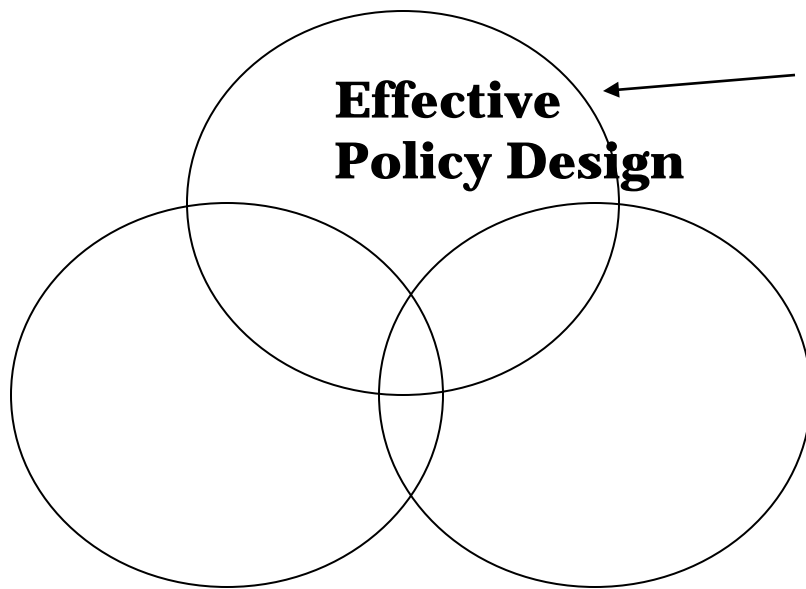
Continuous scanning of environment

Problem identification and prioritization

"Evidence-based policymaking" – thinking ahead, thinking across, thinking again

"Pick important problems and figure out what will solve them"

Political capacity:
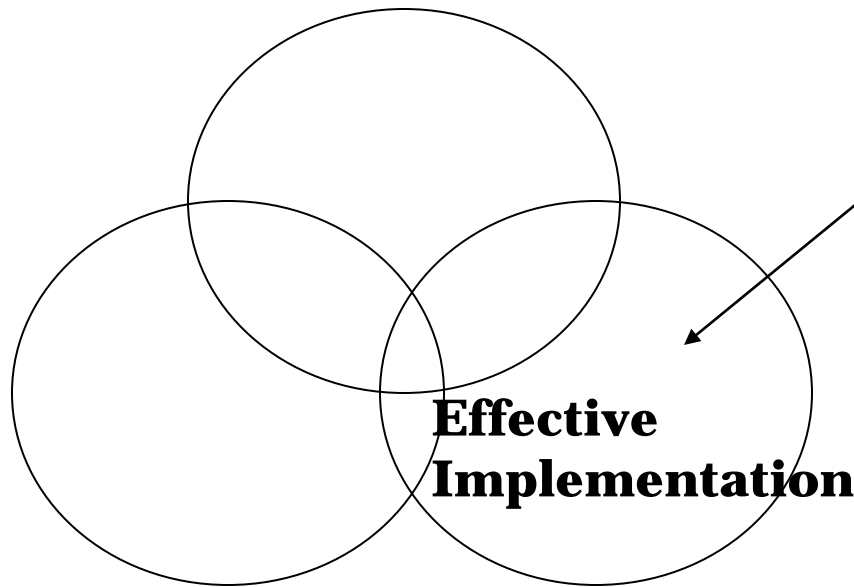
Building stakeholder support

Getting authorization from higher levels to proceed

Engaging the public and non-government actors

Keeping support active long enough to get things done

Managing conflicting opinions and demands

Effective Stakeholder Support

Effective Implementation

Operational capacity:

Building effective organizations – good structure, good "hardware" (infrastructure, equipment) and good "software" (people, culture, motivation), good leadership

Implementation in networks: mobilizing and deploying resources effectively across sectors and organizaitions
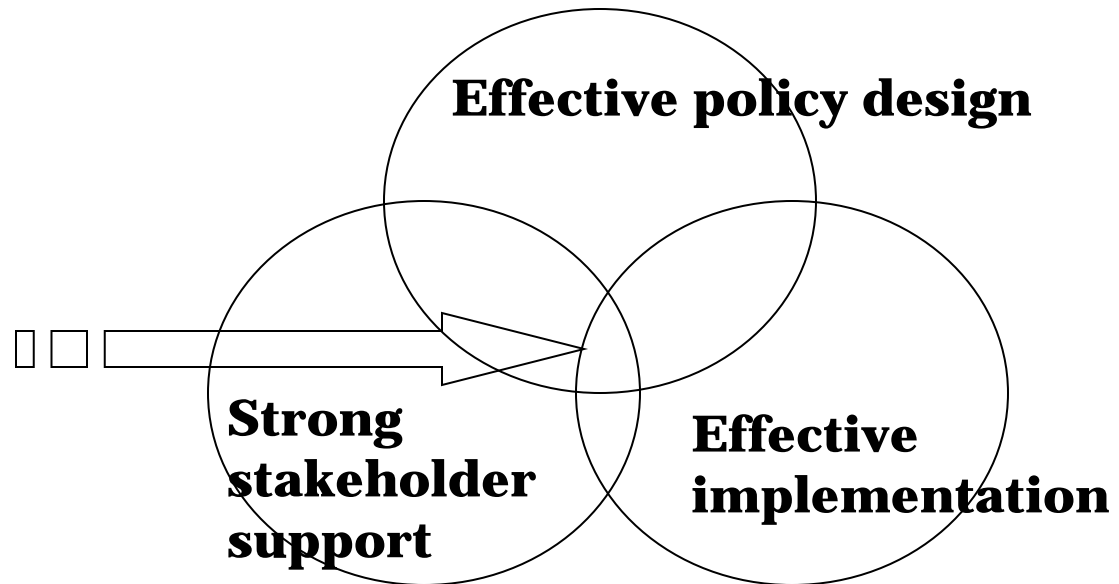
May need to build new capacities to solve new problems

Making course corrections

The hard part:
Touch all three bases

Effective policy design

Goal: Expand the overlap

Strong stakeholder support

Effective implementation

(consider what happens if you miss)

Example 1: US military post-cold war

Example 2: The decentralization trend in public governance

Nato intelligence chief condemns failings of US in Afghanistan

Report denounces lack of local knowledge

By Matthew Green in Islamabad

Nato's top intelligence officer in Afghanistan has issued a scathing critique of US military intelligence gathering, warning a failure to understand local communities has deprived commanders of information needed to contain the Taliban.

Major General Michael Flynn, a veteran US intelligence officer depicted commanders cocooned in bases surrounded by analysts with only a hazy grasp of the concerns of the people the west has vowed to protect.

"Moving up through levels of hierarchy is normally a journey into greater degrees of cluelessness," wrote Maj-Gen Flynn and his co-authors in a report released yesterday. "US intelligence officers and analysts can do little but shrug in response

to high-level decision-makers seeking the knowledge, analysis and information they need to wage a successful counterinsurgency." He said analysts often felt their jobs were "more like fortune-telling than serious detective work".

The report will renew concerns over the capability of US intelligence in the wake of a suicide attack that killed seven Central Intelligence Agency personnel in Afghanistan last week and the attempt to blow up a US airliner on Christmas day.

The report was published as officials sought to ascertain how a Jordanian man reported to be an al-Qaeda double agent was able to infiltrate a military base in eastern Afghanistan last week and inflict the biggest death toll on the CIA in one day in more than 25 years.

The report was commissioned by the Center for a New American Security, a US think-tank, before the latest incidents, and

focuses on the US military and civilian analysts employed by the department of defence.

Written in a tone bordering on exasperation, the report quotes one US officer as saying: "I don't want to say we're clueless, but we are. We're no more than fingernail-deep in our understanding of the environment."

The report said intelligence officials and analysts are "ignorant of local economics and landowners, hazy about who the powerbrokers are and how they might be influenced ... and disengaged from people in the best position to find answers".

Maj-Gen Flynn's report is a departure from the traditional approach to military intelligence as chiefly a means to discern the intent of opposing forces, instead stressing the need for officers to understand the cultural complexities of their hosts.

**www.ft.com/afghanistan**

Example 2: Decentralization trends

- Traditional view: World Bank (see next slide)
- But…
  - multiple ideologies: which problem are you trying to solve? Bloated government? Inefficiency? Low responsiveness to different local needs? Low participation of citizens?
  - Uneven support…center may <u>say</u> it wants decentralization, but does it really <u>mean</u> that?
  - Uneven implementation capacity, including at center
- Expect oscillation, not unidirectional process

From *East Asian Decentralizes* (World Bank, Oxford University Press, 2005)

"...the key question is no longer whether to decentralize. It is how best to design intergovernmental structures...to achieve optimal results. [...] Though East Asia's decentralization has come later than in some other parts of the world, it is now here to stay."

Point 3:

Cultivating systems *and* leaders in the new public sector is what it will take to be effective...
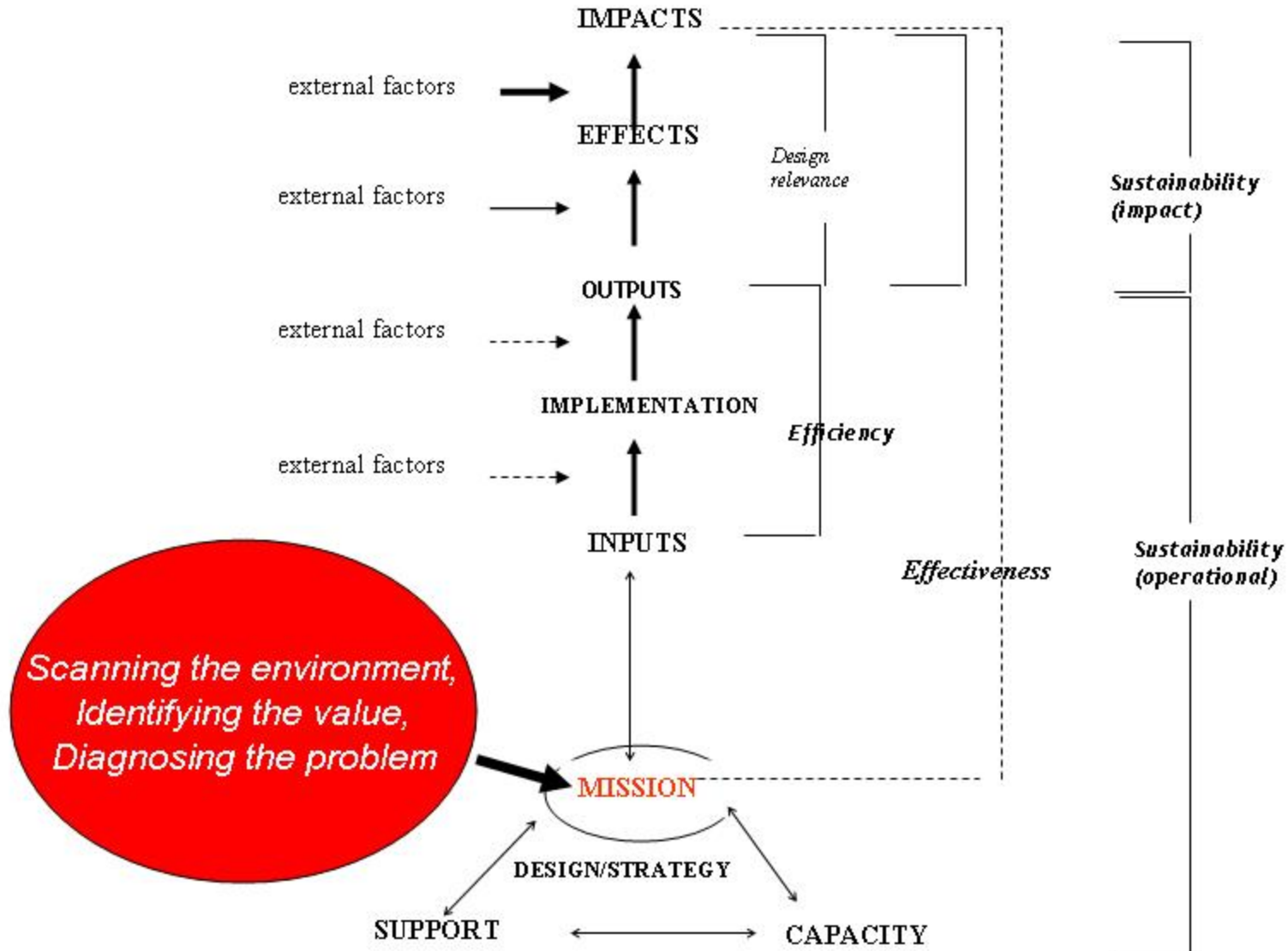
Policy design
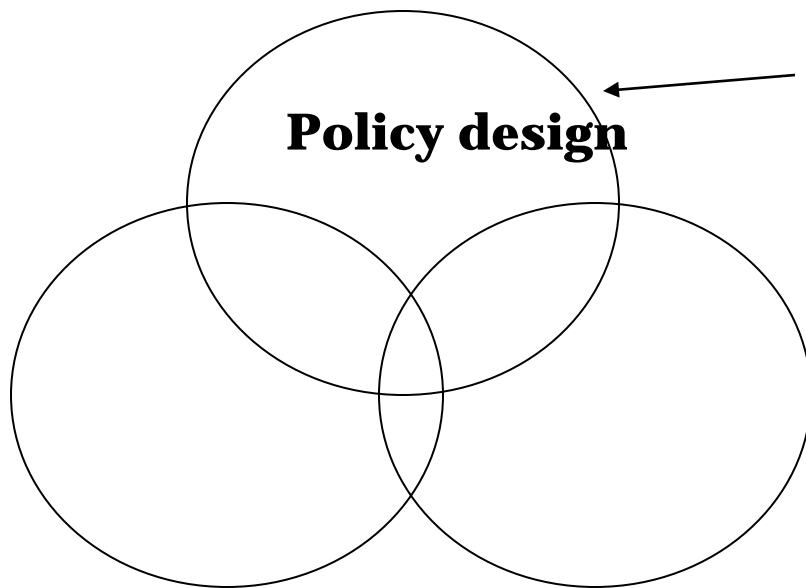
Analytical role:

Systems: "Evidence-based policymaking"

People: Imagination, heart, and analysis (especially, on how to get from inputs to impacts)
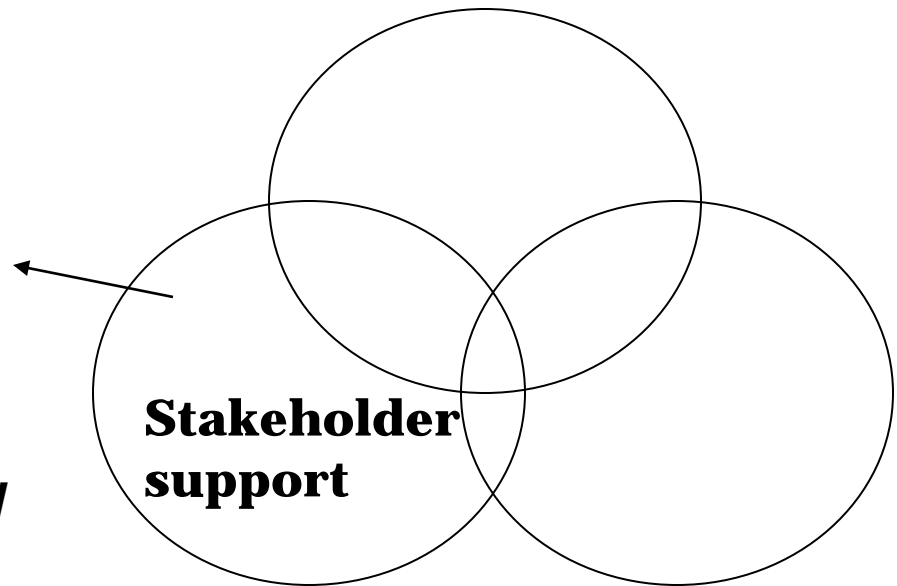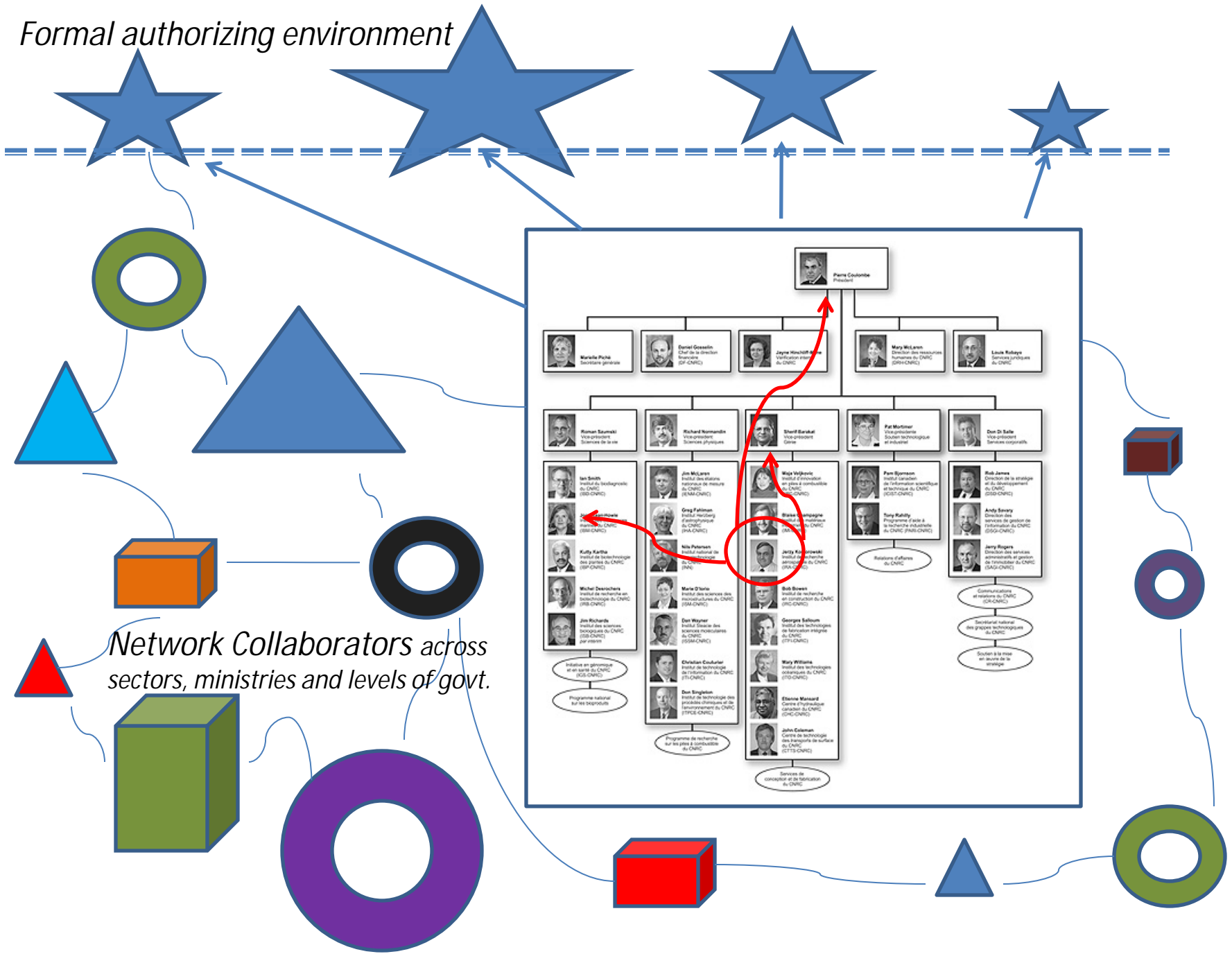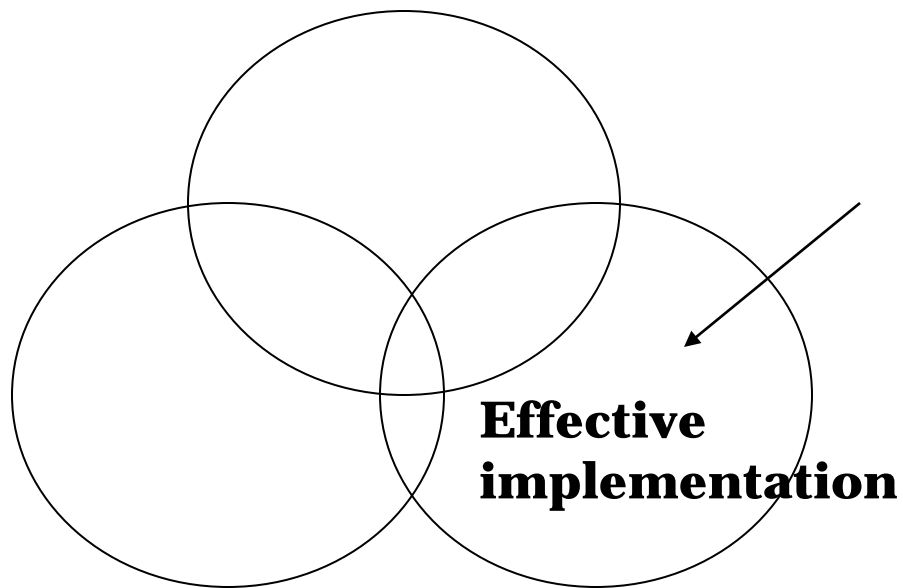
Mobilizing Support:

System: Moderating and channelling conflict

Leaders: Building support within and outside of organization, vertically and horizontally

Stakeholder support

Formal authorizing environment

Network Collaborators across sectors, ministries and levels of govt.

Effective implementation

Operational capacity:

Systems: Cross-sectoral coordination, budgeting, monitoring etc.

Leaders: Sustaining change, developing deep understanding of implementation

Questions for the Thai case study

a) What are – or what *should be* – the objectives of the project? Is there any contradiction or tension between the various goals?

b) Whose support is essential for the project to succeed? Do they have different interests?

c) What capacities are necessary to implement the program well? At present, are those capacities sufficiently present in the system?

For everyone: *Suppose you are responsible for managing the program at the national level -- give two key recommendations for its improvement.*

Effective Public Management in Turbulent Times:
Part 2: Innovations and Change Management

The Challenge of Working Effectively Across Organizational Boundaries in Introducing Innovations

Overview

- Case study: Mumbai slum rehabilitation as an example of Public-Private Partnership

- Thinking about coordination problems across organizations, sectors, and even international boundaries

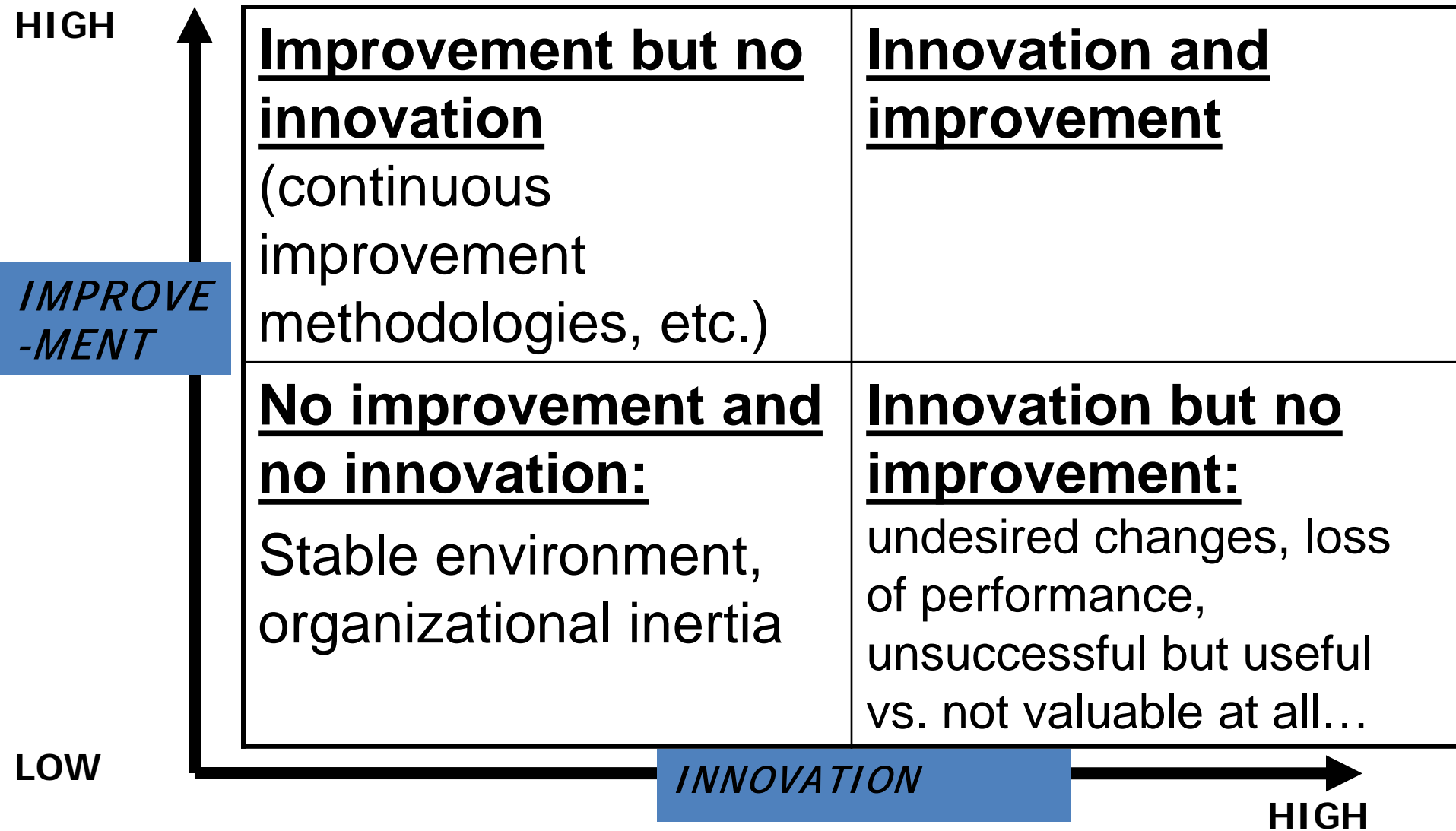- A framework for action: Do's and Don'ts of change management

Questions about innovation:

- What are the characteristics of an innovation? Why does innovation happen?

- Are there innovations that are not successful? Why?

- What are the special challenges of transferring innovations across country contexts?

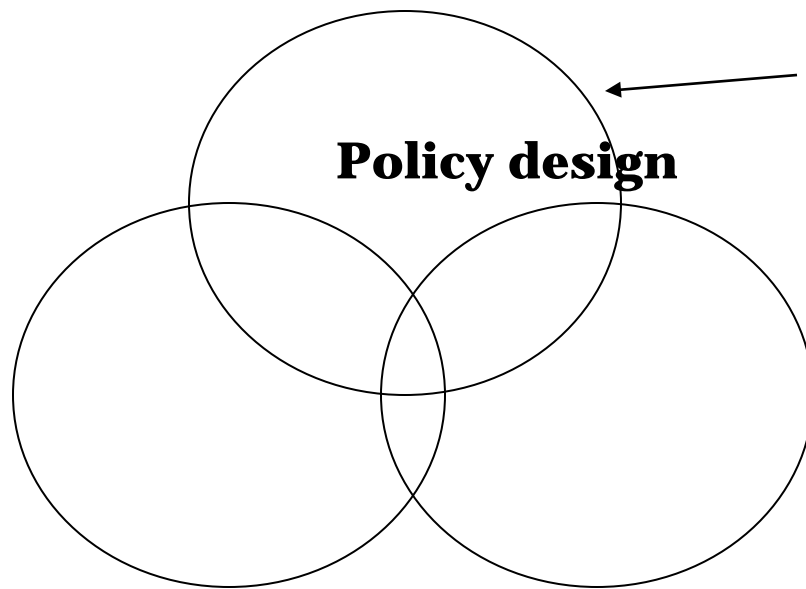- Are there ever missed opportunities for innovation? Why or why not?

Key aspects of innovations:

- "Those changes worth recognizing as innovation should be…new to the organization, be large enough, general enough and durable enough to appreciably affect the operations or character of the organization" (Mark Moore *et al.*, 1997, p. 276)

Innovation vs. Improvement

HIGH	**Improvement but no innovation** (continuous improvement methodologies, etc.)	**Innovation and improvement**
IMPROVE -MENT	**No improvement and no innovation:** Stable environment, organizational inertia	**Innovation but no improvement:** undesired changes, loss of performance, unsuccessful but useful vs. not valuable at all…
LOW	**INNOVATION**	**HIGH**

Review: A 'strategic triangle' of roles in managing innovation
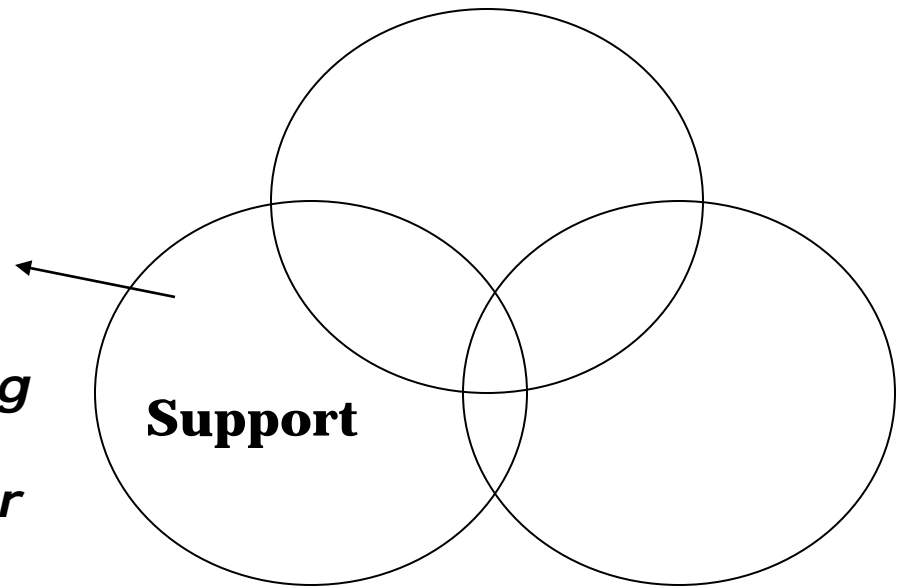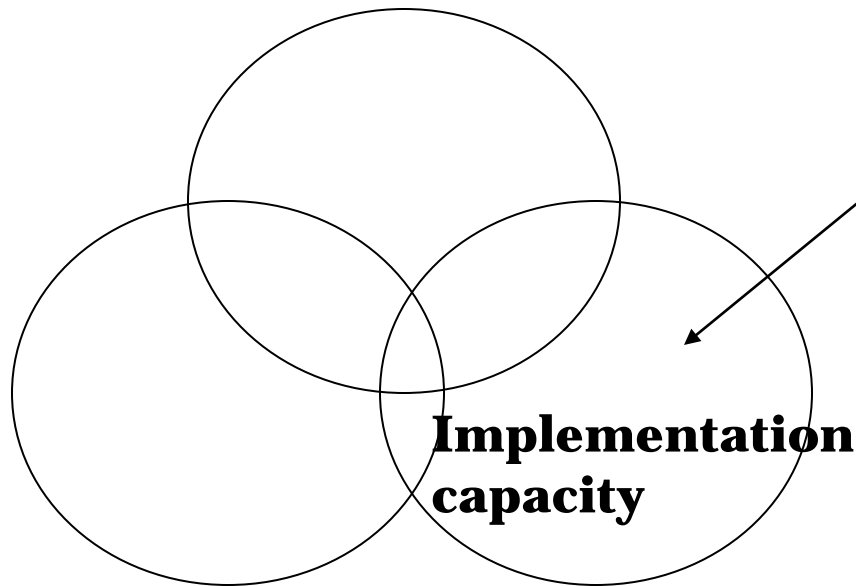
Policy design

"Entrepreneur + analyst" role:

Identifying new needs and new opportunities for creating value

Advocate role:

Gaining authority to implement, identifying sources of financial and manaerial support, enlisting the help of multiple stakeholders, steering clear of resistance

Support

**Implementation capacity**

Manager's role:

Developing organizational capacities necessary to implement program – human, infrastructural, and in terms of organizational structure and work processes

Making course corrections

The Strategic Management Challenge:
'Covering' one or two of the bases is not enough.

Policy design

Goal: Expand
the overlap

Support

Implementation
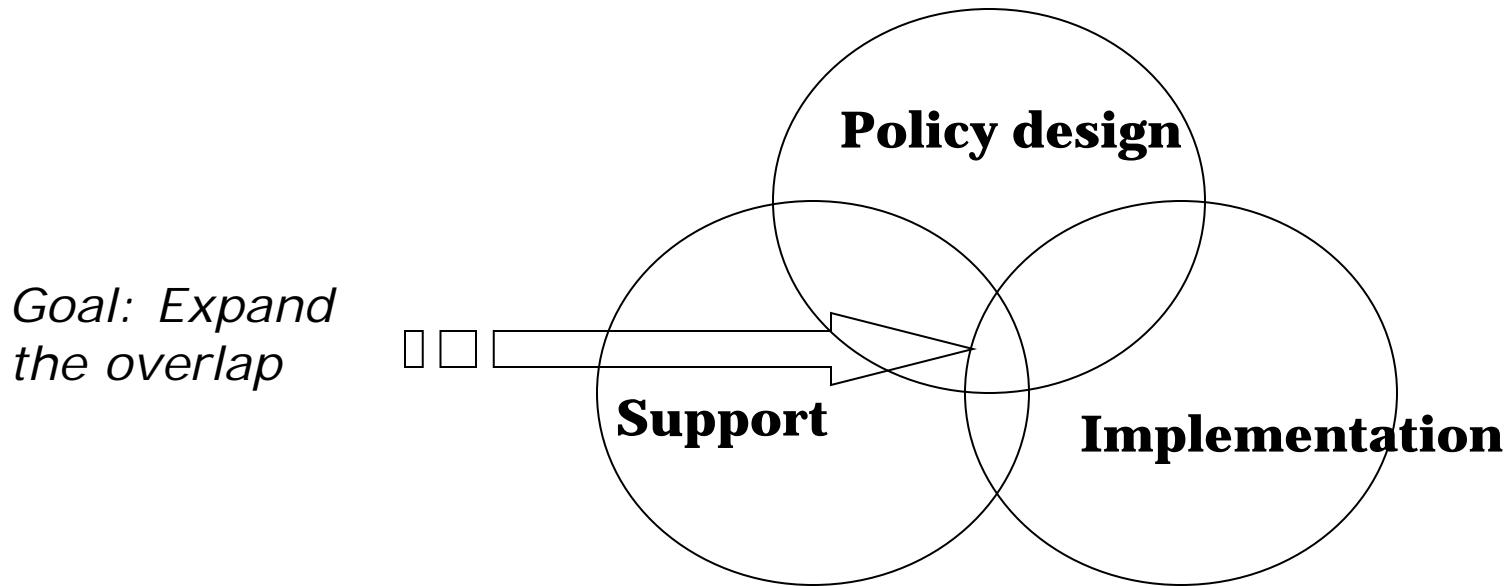
A critical challenge: coordination

- Developing, sharing and mobilizing support for a vision of change is highly dependent on mobilizing stakeholder support and coordinating across multiple kinds of organizational – and increasingly *sectoral* – boundaries.

Review: New settings in governance innovations are heightening coordination challenges

PUBLIC   **PEOPLE**   **PRIVATE**

International

National   De-cent-rali-za-tion   (typical national program)

Typical coordination challenge for major programs

Intermediate

Local   (typical NGO program)

Public – Private Partnerships
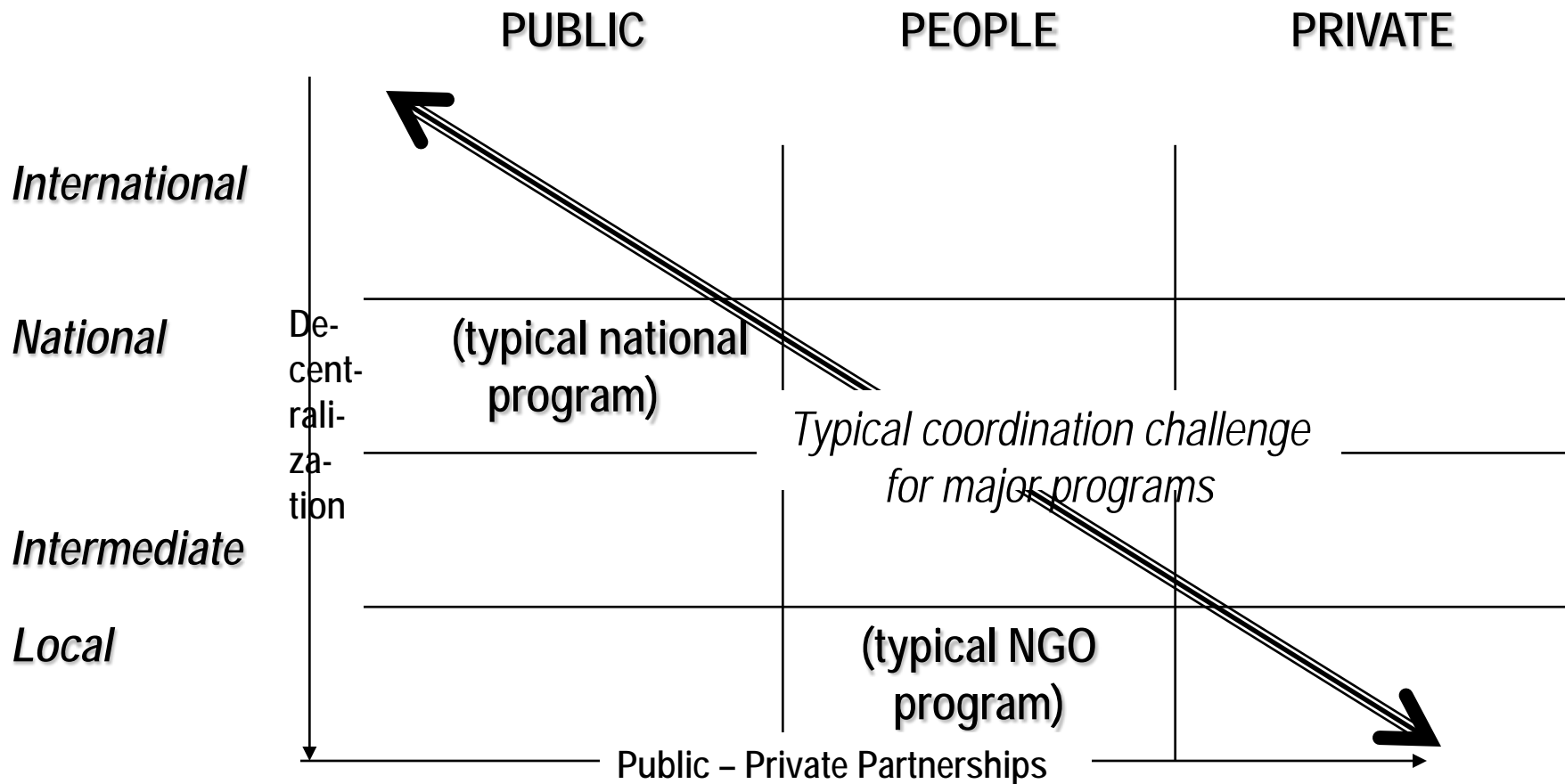
Settings of coordination challenges

- Intra-organizational or inter-organizational? (Latter more difficult)
- Same unit of government or vertically across levels of government (latter more difficult)
- Within non-profit sector or involves partnerships with citizen groups, govt or private sector? (Latter more difficult)
- About production of an agreed commodity or must negotiate purpose of endeavor? (Latter more difficult)

Addressing emerging problems or initiating innovative solutions inherently tends to increase the number of actors and sectors involved – both an opportunity and a difficulty.

Addressing interagency coordination problems

- Why is it so difficult to mobilize cross-agency collaboration?
  - Different organizational interests
  - Different organizational cultures
  - Lack of consensus on what is to be done
  - "Transaction costs" – communication, travel
  - Competing priorities
  - Centralization within organizations, slow decision-making processes, multiple veto points

Network capacity as a critical constraint in *intersectoral / interagency* settings for innovation

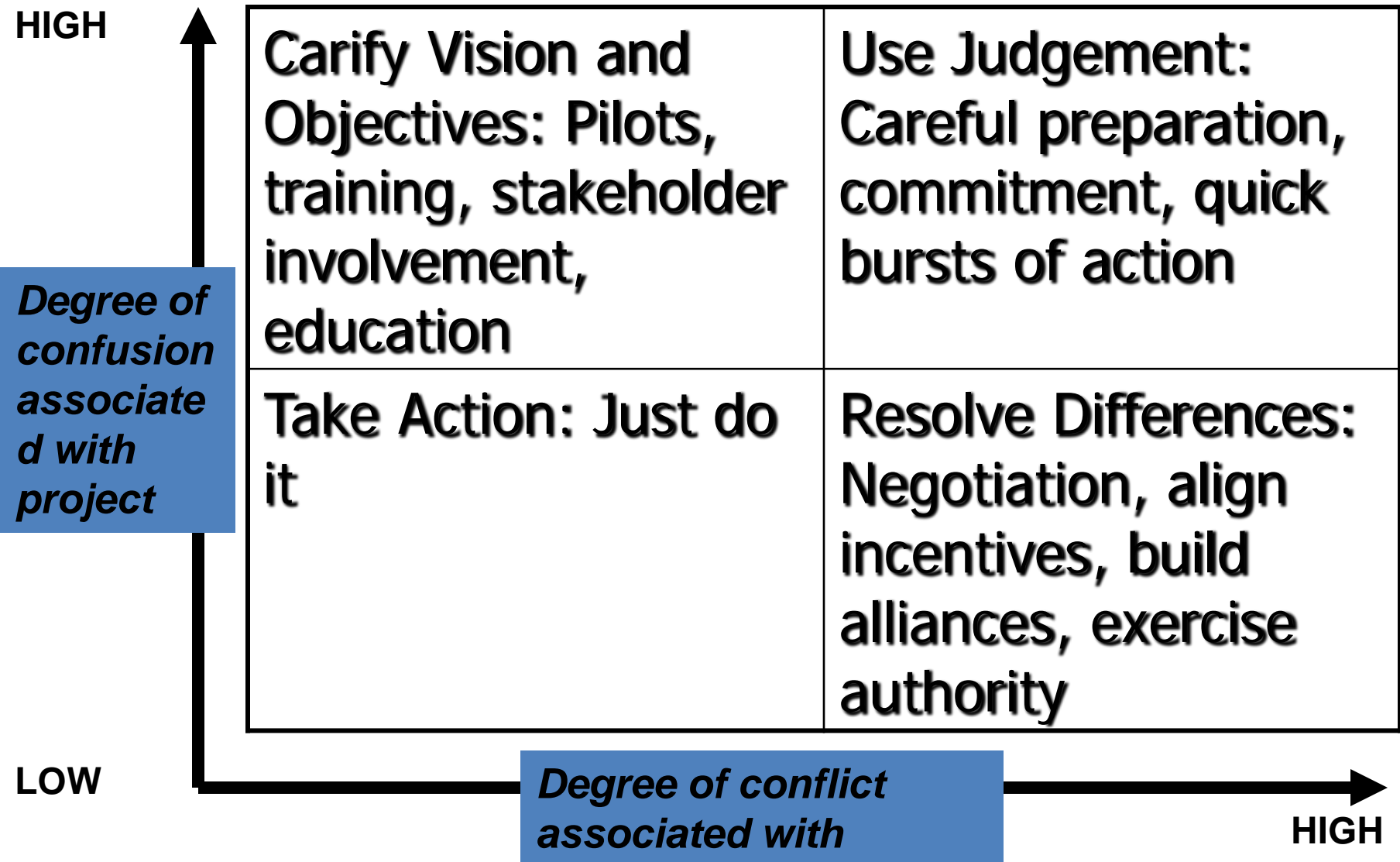| *Types of coordination*	**Obstacles to coordination**		
	Threats to autonomy	*Lack of task consensus*	*Vertical-horizontal conflicts*
Information-sharing	Low (Sharing sectoral plans and information as logical first step)	Medium-high (May need to generate many types of information that may not be routinely collected)	Medium (National and local actors may have widely divergent capacities to generate and share information)
Resource sharing	Medium-high (Frequent reluctance of agencies to pool resources to meet aims that may extend well beyond agency's perceived mandate)	Medium (Difficulties securing agreement on uses of pooled funds and resources)	Medium (Complexity of intergovernmental resource mobilization, particularly where wide capacity gaps across local gov'ts exist)
Joint implementa-tion	High (Harmonization of SOPs coupled with joint commitment of resources demands shared operational control.)	High (Joint action demands high degree of consensus or, in absence of consensus, depends on hierarchical authority – a scarce resource – to compel participation.)	High (Joint implementation requires high network orchestration capacity and adaptiveness, which in conditions of high mutual interdependence is difficult.)

The Mumbai case

- Read the case and analyze the case describing the attempts of SPARC, a non-governmental organization, to upgrade slum housing in Mumbai.
  - Who were the main actors and what were their different motivations, cultures and resources?
  - What is the cause of the problems that the partners are experiencing working together?
- *What should Sheila Patel do now (at the end of the case)? Be prepared to discuss your specific recommendation in class.*

Stakeholder analysis as fundamental

- Stakeholder analysis:
  - Identify relevant actors
  - Assess motivations, beliefs, interest in issue
  - Assess resources, influence
- Draw out implications of above
  - What kind of support / cooperation do I need?
  - What are the obstacles to building support?
  - Is there a "zone of cooperation" that is obtainable? What resources do I have to influence the stakeholders?

Leadership dimensions: Implementation leadership matrix

HIGH

Carify Vision and Objectives: Pilots, training, stakeholder involvement, education	Use Judgement: Careful preparation, commitment, quick bursts of action
Take Action: Just do it	Resolve Differences: Negotiation, align incentives, build alliances, exercise authority

Degree of confusion associated with project

LOW

Degree of conflict associated with

HIGH

Change management: the ultimate leadership challenge in introducing innovations

- "There is nothing more difficult to take in hand, more perilous to conduct, or more uncertain in its success, than to take the lead in the introduction of a new order of things. Because the innovator 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." (N. Machiavelli, from *The Prince*)

Change management in the public sector

ANTICIPATED BENEFITS

Ability to = Dissatisfaction + Vision + Notion of feasible first steps >
promote
change (Inertia + Resistance)

UP-FRONT COSTS

Change management problems: 8 fatal mistakes to avoid

- Not having a clear vision
- Not enough sense of urgency
- Not creating a powerful enough guiding coalition
- Undercommunicating the vision by a factor of ten
- Not removing obstacles to the new vision, in the organization's structure and systems
- Not systematically planning for and creating short-term wins
- Declaring victory too soon
- Not anchoring changes in the corporation's culture

Adapted from John Kotter (1996) Leading Change (Harvard Business School Press

How can you use strategic triangle to be a better manager?

- Need to <u>rethink</u> what we are doing in changing environments: pick important problems, figure out what you need to do to fix them

- Assess <u>feasibility</u> of proposed reforms

- Need for stakeholder <u>support</u> – you can't accomplish anything on your own

- Need to build strong organizations <u>and</u> networks

- Help you to <u>distribute your attention</u> each day

- Help you to <u>assess your own strengths</u> and weaknesses as managers

Star Trek TOS - Charlie X vs. Spock.flv

Bringing the lessons home: The personal leadership challenge

- Exercising effective leadership ultimately depends on changes in your own attitudes and behavior.

- Where do you see your own strengths and weaknesses in terms of the strategic triangle? How can you build on your strengths and overcome or work around your weaknesses?

Thank you!

- It has been a great pleasure to discuss these important issues with you.

- If you would like further information, or if I can be of any service in the future, you can always reach me at fritzen@nus.edu.sg.