

S U P P O R T I N G H I G H P E R F O R M A N C E G O V
E R N M E N T
Leading Large Scale Change

February 26, 2008

Building What It Takes To Manage Large Scale Change: Leadership Development in City Government

Panelists:

Michael J. Farrell Deputy Commissioner, New York Police
Department

Martha K. Hirst Commissioner, Department of Citywide
Administrative Services

Joel I. Klein Chancellor, Department of Education

Edward Skyler Deputy Mayor for Operations, Office of the Mayor

Robert W. Walsh Commissioner, Department of Small Business
Services

Moderator:

Dr. Robert J. Thomas Executive Director of Accenture's
Institute for High Performance Business

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Supporting High Performance Government: Leading Large Scale Change

“Building What It Takes To Manage Large Scale Change: Leadership Development in City Government”

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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 strives to:

- Encourage the exchange of ideas between senior managers of complex change programs and those emerging leaders charged with undertaking similar efforts.
- Support 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.
- 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. The session held on February 26, 2008 entitled “Building What It Takes To Manage Large Scale Change: Leadership Development in City Government” focused on the strategies for identifying and cultivating leadership in city agencies.

Background and Context

It is impossible to achieve large-scale change without the right leadership. This briefing focuses on leadership development in City government. It looks at various programs within New York City and how several agencies are addressing the challenge of leadership development.

- Michael J. Farrell, Deputy Commissioner, Strategic Initiatives, New York Police Department
- Martha K. Hirst, Commissioner, Department of Citywide Administrative Services
- Joel I. Klein, Chancellor, Department of Education
- Edward Skyler, Deputy Mayor for Operations, Office of the Mayor
- Robert W. Walsh, Commissioner, Department of Small Business Services

Moderator: Dr. Robert J. Thomas, Executive Director of Accenture's Institute for High Performance Business and author of several books on leadership development, including *The Talent Powered Organization*.

Recognizing Leadership: Qualities of Effective Public Leaders

As a preamble to the discussion on the challenges and opportunities of leadership development in City government, the Executive Briefing begins with a discussion by panelists of the qualities of effective leaders in City government. Asked by Robert Thomas to name the top two qualities of effective public leaders, the panelists identify five essential qualities of effective public leaders: good judgment, communication, the ability to inspire, entrepreneurial courage, and self-awareness.

- Good Judgment: Commissioner Hirst raises the first of these essential qualities: good judgment. She clarifies further that by ‘good judgment’ she means a kind of judgment that is not only useful in one particular agency context, but in fact, a generalized type of good judgment that is useful in and adaptable to a variety of circumstances and contexts: “[P]eople need to have good instincts and you can see that all the time.” Citing two examples of effective leaders, Hirst notes that “Chancellor Klein was not in education previously, and Deputy Mayor Skyler has a large portfolio... These people have diverse experience, but they have seasoned judgment. They will make good decisions.” Effective leaders are those that, placed into a variety of agencies or confronted with a range of problems, will continue to exercise and exhibit good judgment.
- Effective Communication: Following judgment, Hirst raises a second essential quality: communication. Leaders need to be both “good listeners and talkers... so people know what’s going on throughout their organization and the communities around them.” By listening, leaders are able to leverage the knowledge and experience of their staff, as well as consider any concerns or resistance among their staff. Skyler remarks, “It is not about paying lip service, it’s about listening and understanding things, even if the decision is yours to make.” By talking, leaders can garner buy-in into their efforts and direction. As Robert Walsh notes, effective communication can actually transform perspectives and mindsets: “[It’s] not just speaking, but changing how people perceive problems to begin with.”
- The Ability to Inspire: Related to effective communication is a third quality, introduced by Michael Farrell: the ability to inspire. Farrell further describes this quality as “the ability to get people to buy-in to the direction that you have set out and enthusiastically pursue it, throughout all levels of the organization.” This is echoed by Chancellor Joel Klein in his discussion on transformational leadership as the highest aspiration of public leadership: “Transformational leadership is about convincing people that there is a future not locked to their past. It is very hard to convince people.” Those leaders that can convince their staff and teams, however, are ultimately able to generate lasting changes that can have outlive the leaders themselves. Klein notes, “You’ve got to build [change] into the culture... Think about John F. Kennedy and the ‘man on the moon.’ What was

so powerful was that this happened even after he was no longer the leader because he created something larger than himself.” Leaders that have the ability to inspire can get buy-in from personnel who may seem marginally important: “The President went to NASA when everyone said it was impossible and asked the janitor what he does, and the janitor said, ‘Mr. President, I am working on putting a man on the moon.’”

- **Entrepreneurial Courage**: A fourth quality of effective leaders the panel raises is that of entrepreneurial courage, defined as the willingness to take risks. As Klein observes, “You’ve got to try things. If you don’t try things, if you use a four corner offensive approach, you will keep getting the same outcomes that you’ve been getting for the last fifty years. A top leader is someone who wants transformation.” Moreover, Klein notes the importance of being “unafraid to make some mistakes” even in the often media-scrutinized environment of City government. Unfortunately, such willingness to take risks is all too rare. Walsh, for instance, recalls how he “talked to someone and asked them to become an Assistant Commissioner, and he said he didn’t want that, didn’t want the exposure and...the visibility that comes with that.”
- **Self-Awareness and Humility**: Fifth and finally, panelists raise the importance of self-awareness among leaders, in particular, the ability to recognize one’s own limitations and the need to leverage the strengths of others. As Klein eloquently puts it, “[A]n effective leader sees...as well within as without. If you don’t get that, you can’t be [a leader] and relationships won’t work. We all have blind spots. If you don’t understand yourself, can’t build structures and supports, you’re not going to get the job done. If you think you are a one-man messiah who can lead then you don’t know much about leadership.” Deputy Mayor Ed Skyler describes this quality slightly differently, but no less effectively: “The first thing I tell people is, ‘Don’t be a jerk.’ If you’re not respectful of people whether you agree or not, you won’t be able to lead because no one is invested.” Leaders, Skyler explains, must fend against arrogance and egotism: “Just sitting there and saying that we’re going to do this is not enough. Your will is not enough to get a project done.” Klein summarizes the point well: “A leader is someone [who recognizes] that what we are doing together is more than what we could do individually.”

Identifying and Cultivating Leaders in City Government

Having articulated the qualities of effective leaders, the panelists’ shift their focus on the challenge of developing effective and capable leaders. In this discussion, the panelists reveal three critical components of this challenge, the first being that of identifying potential leaders, the second being that of cultivating leaders, and the third being the organizational question of where to prioritize leadership development.

With regard to the first challenge, panelists enumerate a number of ways that potential leaders can be identified, emphasizing the importance of identifying potential leaders early in their careers. Hirst suggests how the civil service exam itself can be used to identify individuals with leadership qualities: “A number of agencies begin [cultivating leaders] through the development of their workforce starting with the civil service exam.

[Leadership] is an important consideration...in the testing we do; testing for the right qualities.” Farrell seconds this notion: “You get them in to take the civil service exam for a lot of reasons—screening.” He also adds how leaders can be identified even prior to entry into civil service, mentioning programs like the Police Cadet Corps and the Urban Fellows program: “Getting college students to get interested in careers in policing, to provide enhancing experiences, and career paths to get them to become future leaders. You do this at the entry level and throughout the senior level of the organization.”

Once identified, the panelists claim, potential or emerging leaders can be cultivated and developed through two different approaches. First and most obvious are the formal training programs. Hirst points to a number of programs, both “agency-based and citywide,” which provide training and leadership development. Farrell cites the Police Management Institute as the NYPD’s own agency training program for leaders and managers. In addition, graduates of this program, he informs the audience, worked last year to create two new programs “dedicated to the development of leadership at the entry and senior levels.” One of the challenges associated with these formal training programs is that they are often the first to be subject to budget cuts in times of deficits. Doing so, Klein believes, is “a mistake” that comes from flawed thinking. Rather than making the decision to fund leadership programs based upon whether excess revenues are available, government should use the same logic as the private sector and base the decision on whether they “are getting the return on their investment. In good times and bad, no company can afford to lose talent.” Farrell agrees and notes how in the NYPD, such leadership programs have been preserved: “We’ve been fortunate to not subject those kinds of programs to the vagaries of the budget...The clear manifestation of this is Mayor Bloomberg’s support for the new Police Academy...It’s very important to make investments in people” through such formal training programs

A second and no less important approach to cultivating leadership, the panel suggests, is through the less formal means of mentoring. As Klein states, “The most important value is to be mentored.” Such mentoring, he notes, currently takes place at all levels of City government from the Mayor all the way to line staff: “For me, working for Mike Bloomberg, who you learn from and you mentors you, that gives you critical qualities.” Moreover, mentoring helps cultivate leaders in two ways, first by imparting the wisdom from experienced leaders to new and emerging leaders, and second, by providing those emerging leaders with the opportunity to practice their leadership skills. In order to develop new leaders, Klein advises, “Hav[ing] them mentor somebody...breathes a sense of real leadership.”

A third challenge is identifying the levels within government and within agencies at which leadership development is critical. This holds true for both the Department of Education as well as the Police Department. Klein reflects, “People talk about a good school system, but there is no such thing. There are only good schools...It’s fundamental to focus at the school level. We need to create leadership at the school level.” He adds, “If the most empowered person is the superintendent, the system will run for the superintendent. If the principal is the most empowered person...change will happen for schools.” Klein “changed the principal’s role from that of an agent of bureaucracy to that of the CEO of the school, and that changed who became attracted to the job.” He then describes how this new

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paradigm of principal-as-leader created the “culture change to attract leaders who really want to lead”: “Those principals that are selected for a leadership institute are the principals that are proud and excited and folks want to be mentored by them.” By simply shifting the focus of agency leadership development to a particular level, Klein and the Department of Education were able to achieve something akin to a self-fulfilling prophecy and cultivate a new set of leaders.

For the NYPD, the initial focus on the wrong agency level for leadership development led to problems: “In the 1980s, community policing had the idea that officers were leaders. Conceptually, it made sense and had a lot of appeal. But officers are not at a level to leverage the kind of change and resources to solve problems.” Farrell recalls that the NYPD administration was “Frustrated by the inability to find the next cadre of senior leaders.” Eventually, however, the NYPD finally recognized where leadership is most critical and effective: “We realized that in our case, the precinct commander, who is essentially like a principal, has the resources and is close enough to the ground. Empowering them with flexibility to get the job done in a legal, honest, and appropriate way is important and this was something recognized in the late-1980s.” The identification of the correct level for leadership development eventually gave rise to the successful Police Management Institute.

Developing Leaders through a Culture of Leadership

The final and perhaps most interesting idea introduced by the panelists is that of promoting leadership and developing leaders in City government by creating a culture of leadership. The premise of this notion is that individual leaders emerge and are recruited when the practice of leadership is encouraged through the City’s management culture. And panelists agree that creating this culture of leadership begins with the Office of the Mayor. For his part, Deputy Mayor Skyler is able to identify at least three ways the Mayor has contributed to this leadership culture: “[T]he Mayor attracts leaders by letting them lead rather than micro-managing them. He finds a balance between marching orders and letting them define priorities and decision-making, and giving them the tools to do so along with the accountability that goes along with it.” On the one hand, the Mayor allows leaders to make their own decisions and set their own priorities. At the same time, he also provides them with the tools to make good decisions. And lastly, he makes them accountable for their performance. Panelists cite such technological improvements as ComStat, 3-1-1, and the focus on student performance through test scores as concrete examples of the Bloomberg Administration’s emphasis on accountability.

To these elements, the panelists add a fourth condition that is essential for promoting a culture of leadership: tolerating mistakes. Klein explains that the Mayor has helped to set the standard for accepting that mistakes will come with taking on new challenges: “[H]e understands. You will get things wrong, but you should learn...Michael Bloomberg says that if he thinks you’re the right person for the job, he will back you up...That’s the way you generate an entrepreneurial environment...That’s how you develop leadership at all levels.” Walsh agrees that in the current City management culture: “You can make mistakes. When you do, there is someone backing you...But there is a lot of creativity certainly.” This kind

of risk-taking and tolerance of mistakes ultimately trickles down from the Mayor down to other leaders, for instance, from the School Chancellor down to school principals.

To decision-making, promoting risk-taking, tolerating mistakes, and holding leaders accountable, Hirst adds a final ingredient to creating a culture of leadership: “There is a balance we need to strike between fresh ideas and homegrown management.” In other words, creating a culture of leadership entails finding and encouraging “new ideas” while encouraging the blend and leveraging of timeworn experience and new ideas. Such experience can be found among longer-term government workers, those so-called members of ‘permanent’ government who “know the heart and soul of their agency...[and] the complexity of government.” The key, Hirst contends, is “to find that right mix.” In his advice to emerging leaders, Skyler notes the importance of respecting experience: “You’re smart and think you know it all, but if you don’t respect the experience of people who have points of view, you’re going to be a disaster.”

Conclusion

The Executive Briefing panel provides several important insights about how to develop leadership in City government. Interestingly, the panelists’ conversation identifies three ways of considering this challenge. First, panelists discuss ways to identify potential new leaders both from within the ranks of government and from outside of government. In doing so, they suggest five essential competencies and qualities to seek: good judgment, effective communication, the ability to inspire, entrepreneurial courage, and self-awareness and humility. Second, the briefing introduces two ways to cultivate leadership, both through formal training programs as well as through mentoring. Meanwhile, the panel notes the importance of focusing these leadership development efforts at the right levels within agencies and government. Third and finally, the briefing shifts to a discussion not about developing individual leaders per se, but rather about how to promote the practice of leadership in general: by creating a culture of leadership. Panelists mention some possible elements or ingredients needed to create such a culture: encouraging independent decision-making, promoting risk-taking, tolerating mistakes, holding leaders accountable to performance, and balancing new ideas with experience. Taken as a whole, the briefing provides a glimpse into some of the ways by which the Bloomberg Administration has produced effective leaders and achieved the successful practice of leadership.

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