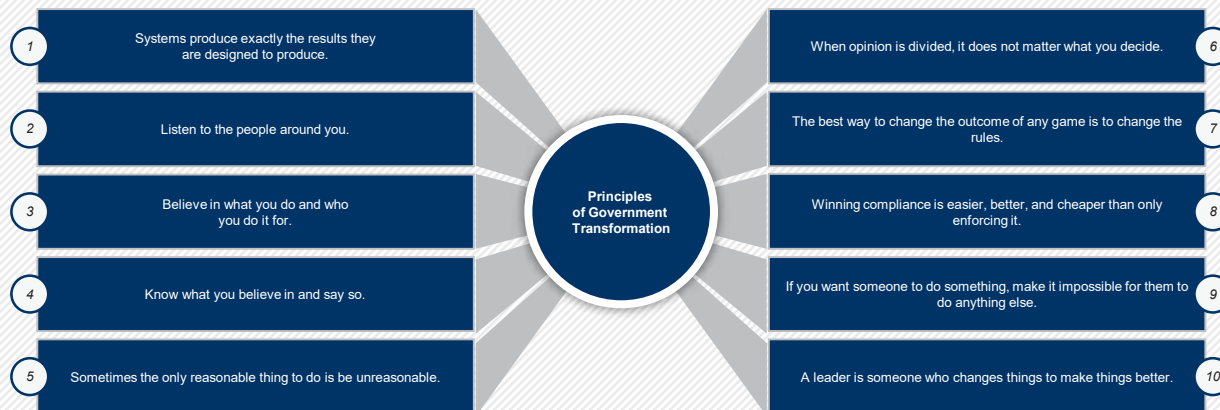


10 Key Principles of

GOVERNMENT TRANSFORMATION

10 Key Principles of Government Transformation



Contents

- **Overview**

- **Principles of Government Transformation**

- **Templates**

Change in the Government sector is a critical endeavor—this deck discusses 10 key principles to manage Government Transformation

Presentation Overview

Transforming the fundamental way the public sector operates is a challenging venture. This presentation talks about 10 principles to deal with Government Transformation, compiled by Peter Hutchinson, based on his experiences learned throughout his life—particularly during the last 40 years of his service dealing with the government sector.

These principles are:

- 1 Systems produce exactly the results they are designed to produce.
- 2 Listen to the people around you.
- 3 Believe in what you do and who you do it for.
- 4 Know what you believe in and say so.
- 5 Sometimes the only reasonable thing to do is be unreasonable.
- 6 When opinion is divided, it does not matter what you decide.
- 7 The best way to change the outcome of any game is to change the rules.
- 8 Winning compliance is easier, better, and cheaper than only enforcing it.
- 9 If you want someone to do something, make it impossible for them to do anything else.
- 10 A leader is someone who changes things to make things better.

The slide deck also includes some slide templates for you to use in your own business presentations.

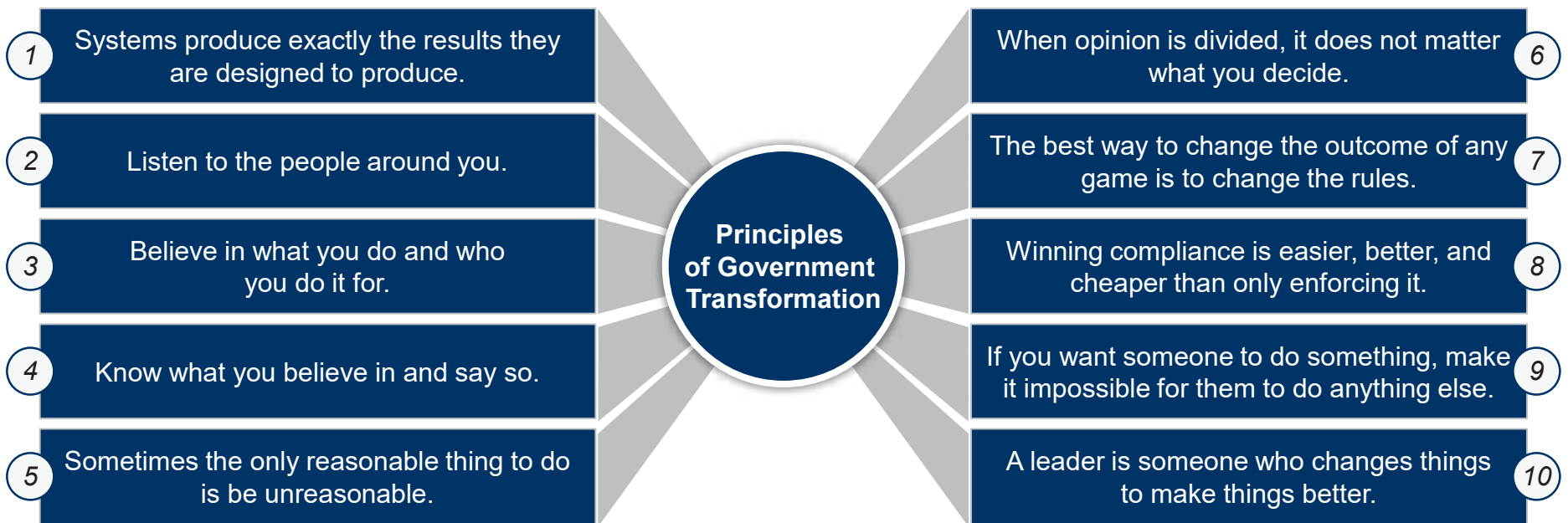
These principles were developed by Peter Hutchinson, Manager Director of Accenture's Public Services Strategy practice.

These principles are based on lessons learned unexpectedly and sometimes the hard way

10 Principles of Government Transformation

Transformation in the government sector is a challenging endeavor. Changing the way government departments work involves a reinvention of government functions and the way they operate.

This presentation talks about 10 principles to deal with Government Transformation. These principles are particularly useful in leading Change initiatives:



“Every day for the rest of your life, learn one new thing,” is a useful piece of advice for officials leading Government Transformation.

Source: 10 Lessons for Leading Government Transformation, Accenture, 2016

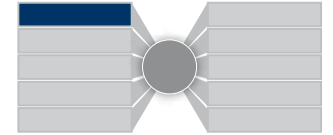
Contents

- **Overview**

- **Principles of Government Transformation**

The outcomes of a system are what they are designed to produce

Principle 1



Principle Systems produce exactly the results they are designed to produce.

DESCRIPTION

No matter what, the systems produce exactly the results they are designed to produce—even if they are irrational. If a system is designed to encourage spending money, measures to achieve cost savings would not work. The quest for different results will be accomplished only with a different design.

EXAMPLE

A commissioner of finance during a major budget shortfall was tasked by the governor to implement a solution to curtail costs. The commissioner proposed several recommendations that included deferring planned pay raises for a full year. The governor valued the plan, but was not pleased with deferring the planned pay increases. He asked the commissioner to meet the union shop stewards to gain their commitment on the plan.

The commissioner was convinced that he could win them over with his numbers and presentation. The union shop stewards started chuckling when the commissioner presented. “What’s so funny?” asked the commissioner when he finished. One of the stewards answered that the commissioner does not know what he is talking about.

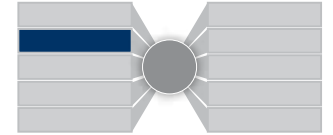
In May each year, they were accustomed to painting every building in the department and spending all the money in the budget before June (end of the fiscal year). The officials would recover any leftover allocation telling them that if they didn’t need this money this year they won’t need it next year. And thus the budget cuts.

The stewards were being punished to do what was right. So all the speeches about savings were not going to work, since the system wanted them to spend the money.

It is the job of the leaders to create a system to allow and encourage people to give their best for the people they serve.

Often there are circumstances in the everyday life when we need all the help we can get

Principle 2



Principle Listen to the people around you.

DESCRIPTION

Paying heed to the people around you can keep you from falling flat on your face. The people around are knowledgeable about the business, environment, rules, processes, people, culture and norms, and their input and recommendations are critical and should be considered seriously.

EXAMPLE

A new school superintendent was trying to visit all 100 schools in his district.

One morning, he had arranged to take the bus to school and was joined by a television crew and a newspaper photographer. The kids couldn't resist the temptation to show off, thus the ride turned into a fun house.

By the time he arrived at school, everything was at a fever pitch. The students and the superintendent lined up and started down the aisle to get off the bus. When the superintendent got to the front, he expressed his gratitude to the bus driver for staying calm under such noise and pressure.

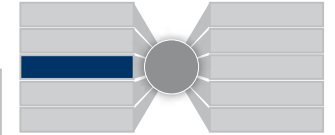
The driver looked up and uttered, "You're welcome. Don't forget to use the hand rail."

The superintendent did not pay attention to the driver, missed both the hand rail and the first step, and slumped face down on the sidewalk.

Leadership requires listening carefully to those around, who can and want to help.

It is no less important to believe in what you do and who you do it for

Principle 3



Principle Believe in what you do and who you do it for.

DESCRIPTION

Leadership in the government as well as corporate sector means focusing the passion of an organization on what really matters — meeting the needs of those we serve. This can be characterized as focusing on mission over means, and on results over reasons.

EXAMPLE

A school auditor went on a visit to a school one day where he met children from the second grade. He asked one of the kids, Amisha, if she liked her school.

She replied, “Yes, I love my school.”

The auditor ask Amisha the reason for her fondness. The kid attributed her teacher as the foremost reason for her love for school.

The auditor did not hesitate a second to ask “what is it that you like the most about your teacher?” Amisha told him, “She is proud of us!”

The auditor was speechless. It was the passion and commitment to purpose of the pupil (inculcated by the teacher) that made the most difference.

Believing in people inculcate a self-belief among the people.

Truth prevails—it is not only the right thing to do, it’s easier to remember

Principle 4



Principle Know what you believe in and say so.

DESCRIPTION

Every so often, people are enquired about their candid opinions and perceptions over something. They should know what they believe in and should be open about expressing it. If they don’t know what they believe in, no one will believe in them.

EXAMPLE

A person once ran for a governor.

While at the state fair one day, trying to meet a large gathering of people, a tall man—wearing coveralls and smoking a cigarette—asked the governor candidate about his stance on smoking.

The would-be governor did not smoke, and didn’t want others to smoke too. He knew there was a “right” answer to please the person. But, the governor candidate had in mind the words of his wise ex-boss who always motivated his people to tell the truth no matter what.

So, the governor candidate replied, “Whether you smoke or not is your business. But if you get sick and run out of money and the state has to pay for your care, it becomes my business. Smoke if you want, but expect that the price of cigarettes will include taxes to pay for the care of those who end up sick and broke.”

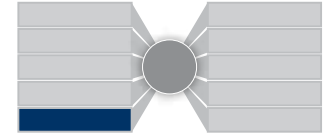
The governor candidate then paused to hear the other person’s reaction. The tall man voiced, “I don’t agree with a word you just said, but I am going to vote for you because you told me what you thought and not what I wanted to hear.

The honest views of the governor candidate were highly regarded and appreciated.

The leaders are often asked about what they think and what they stand for—they should know what they believe in and express it.

At times, unreasonable options make perfect sense

Principle 5



Principle Sometimes the only reasonable thing to do is be unreasonable.

DESCRIPTION

At times, there is no reasonable solution available, or the available solution is too time intensive to manage an issue at hand, which if not resolved promptly can lead to bigger problems in future. In this case, it is helpful to explore and analyze all other options which might seem unreasonable or unworkable at that point. This is often the precursor of innovation and reinvention.

EXAMPLE

A new school superintendent was surprised to find out that there was not any curriculum to guide the teachers and hence the inconsistency in their teachings. There was a dire need for a uniform curriculum, but the problem was how to get one.

The superintendent had a meeting with the staff and teachers union and sought their suggestions to solve the problem. They recommended a five-year plan, commencing with the formation of a taskforce of 100 people, dividing them into discrete teams based on subject areas, establishing learning objectives, and so on.

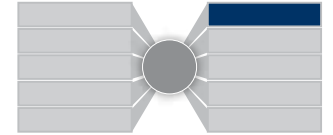
The superintendent, on hearing this, went berserk. “We can’t wait that long, there has to be a faster way. I don’t care what’s reasonable, we need a curriculum now,” he blurted out impatiently. The teachers got irritated and one of them called out, “If you don’t want to do what’s reasonable, what do you want to do?” The superintendent did not know himself and that was the purpose of calling the meeting.

Nonetheless, the circumstances required him to make something up really quick. He articulated that he had observed curricula already available at some of the school districts, and that they could adapt the best one among those to suit their needs, if there wasn’t any reasonable way to develop a curriculum promptly.

That unreasonable option was executed—and it brought accolades to the team when they presented the new curriculum at the start of next school year.

When you know you will be criticized, you are free to do what you think is right

Principle 6



Principle When opinion is divided, it does not matter what you decide.

DESCRIPTION

When emotions run high and the opinion is equally split between “for” and “against”, it does not matter what you decide since your decision is going to be considered wrong by those who don’t like your decision. The negative criticism should not influence decision making, which should be based on sound analyses of data and facts.

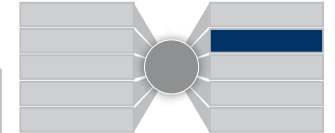
EXAMPLE

Unusually cold weather had forced the governor to close all schools in the state the previous day. The administrator of one of the schools was alone in his office answering calls from parents and other officials enquiring whether the school would be open or closed the next day. It was 25 degrees below zero that day. It was the administrator’s call to make the decision. In the morning, the calls were from people who wanted the school to remain closed the next day. However, by mid-day the direction of the calls changed, suggesting the school to open. By the end of the day, opinions were almost equally divided, leaving the administrator wonder how to get out of this mess. He knew for sure whatever he decides he would be yelled at. Then it occurred to him that he didn’t need to be scared of all the possible criticism, as he knew for sure that it would happen. He decided to do what he thought was right for the children regardless of the consequences. For him, the best place for the kids was school, so the school was open the next day.

The certainty that something is going to happen liberates one from the surrounding anxiety and facilitates in decision making.

Archaic rules of business often play a critical role in creating hindrances in operations

Principle 7



Principle The best approach to change the outcome of any game is to change the rules.

DESCRIPTION

Incentives do matter a lot: But a desire for different results warrants changing the rules of the game. Incentives are no doubt phenomenal in triggering behaviors, but if the behaviors are not in accordance with the organizational objectives, changing the incentives is indispensable.

EXAMPLE

A commissioner of finance who was responsible to keep the operating budget in balance was also managing a capital budget.

He had a budget of \$500 million available for bonding—the state sold the bonds and paid the debt service while the agencies and schools spent the money—and against that budget he had received capital requests of around \$4 billion.

He wondered at the sheer number of requests and was confused as to which requests to approve and which ones to turn down.

Then it struck him that it's the system that was encouraging all these applicants. Bonding was then free to the agencies and schools, and anything free attracts attention. So, the schools wanted more from the budget, and the more requests they had the greater their odds of winning.

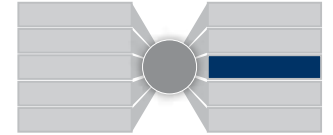
The commissioner realized that if he desired a different result, he needed to change the rules. Before approving any applications, the commissioner enforced a new rule—institutions that wanted bonding money would pay one-third of the debt service.

Within two days of implementing the new rule, half of the requests disappeared.

Every process dealing with resource allocation is filled with incentives that drive behavior—if the behavior is creating problems, change the incentives.

People follow or violate laws because of their behaviors and mindsets

Principle 8



Principle

Winning compliance is easier, better and cheaper than only enforcing it.

DESCRIPTION

Making compliance less about the rules and more about results is really beneficial. In general, people tend to abide by rules. It is best to support and motivate them to win their compliance, which is far easier and beneficial than enforcing it by force.

EXAMPLE

The following are three facts needing explanation:

① **A vast majority of people pay their taxes on time.**

Why? Because people say it is the right thing to do and if they don't they will get punished.

② **The vast majority of people never obey the posted speed limit on highways.**

Why? They violate the speed limit thinking they would be considered the slowest people on the road. There is actually a speed limit, a standard that most obey, but it is just not the one on the signboards.

③ **Majority of people recycle their trash.**

Why? Generally we are not required to recycle and nothing will happen to us if we don't. But why are people willing to voluntarily recycle? Recycling originated when it became a new social norm. Some adopted it when their children knew about its importance in schools, for others it started when they were given colored bins. The bins served as a self-reporting and peer pressure mechanism, when people took their recycling trash to the curb making sure all their neighbors were going through the drill.

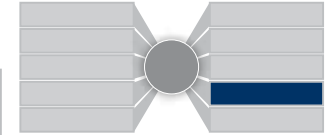
The government spend a lot of time trying to get people to follow laws and rules, often relying only on enforcement to make them conform. However, compliance among people can be achieved as:

- Most people comply voluntarily — encourage them with just a little social pressure.
- Some individuals can't abide by for one reason or the other — support them.
- Some people would not comply—enforcement is mandatory to make this category conform.

Social norms, peer pressure, motivation, and enforcement are all methods to achieve compliance—the right method should be selected in a particular case.

Leaving people to choose from a wide array of selection can leave no one satisfied with what they get

Principle 9



Principle If you want someone to do something, make it impossible for them to do anything else.

DESCRIPTION

By making it mandatory for the people to exercise the option of selecting from their top 3 choices, any system can manage to ensure a vast majority of people getting one of their desired choices.

EXAMPLE

A parent called the local superintendent to get a good school ready for his daughter. The superintendent responded by challenging the parent to solve his problem.

Parents in the city could choose which school their kids would attend, but only 60% of the families exercised their selection prerogative and thus only half of them got one of their top choices. The superintendent wanted to figure out how to get everyone to choose and ensure most people got one of their top choices.

Given the system design, it didn't matter if people didn't choose as their kids would be assigned to a school anyway. The system had two major design flaws:

- Choosing was voluntary.
- The system had no idea which school people might choose so it could not adapt its offerings to match their desires.

The two flaws were fixed by making it impossible for parents to enroll their kids without making a choice first, examining people regularly, and analyzing the results of the selection process to create more opportunities that people wanted.

The solution was implemented, and within two years almost all families were getting 1 of their top 3 school choices.

A mandatory selection out of a few options, regular review of people's choices, and analysis of the selection process results can create more desired opportunities for people.

Leadership necessitates making the required changes for improvement

Principle 10



Principle A leader is someone who changes things to make things better.

DESCRIPTION

Responsibilities of a leader are not only to lead, coach, direct, guide, and manage people and endeavors, but also transform operations, processes, people and organizations towards development and betterment.

EXAMPLE

A superintendent was visiting a school when he met a second grader who gave him the best job description for his work.

In a classroom full of diverse and excited youngsters, the teacher introduced the visitor by telling them that he was the school superintendent and asked if anyone knew what a superintendent did.

One little boy replied, “He is in charge of Super Nintendo!” The teacher explained to them that he was the leader of our schools and asked them, “Who knows what a leader is?” In the corner, a little girl was bursting with eagerness to answer. Her response was shocking for her age. “A leader is someone who changes things to make things better,” she said.

The superintendent was stunned, as if he was learning what leadership meant for the first time. He hustled back to a meeting of school leaders — about 100 principals and other administrators.

As he ran in, he shouted that he had both good and bad news. “The good news is that the school superintendent has a new job description. The bad news is that the second graders, their parents and teacher already know. They want to know if we know. So let’s get on with making the changes that will make things better.”

Learning is not dependent on age: Even children can teach us knowledge and wisdom.

