SUMMARY

AGENCIES DISCUSS LEADERSHIP STRATEGY FOR SUCCESSFUL CHANGE

The Institute for the Study of Public Policy Implementation Leadership Forum January 13, 2003 brought together leaders from federal government agencies, consulting groups, labor unions and academic institutions to identify strategies for leading organizational transformation in the federal government.

Frank Partlow, Chief of Staff, Government Printing Office, discussed the lessons he has learned in his role leading the dramatic cultural and business changes taking place at GPO, where new digital communication technologies are forcing the agency to find new ways of working and address difficult questions.

“At GPO, the agency leadership got it right: first figure out where you’re going, then identify employee concerns and address them quickly. This is the key to employee acceptance and participation in organizational change,” said ISPPI Director Robert M. Tobias. “The importance of leadership and communication, followed by action, in implementing organizational change cannot be understated.”

Successful organizational change efforts are characterized by a strong vision of the end result, consistent, open communication between leaders and employees, and quick action taken to address employee concerns, participants agreed.
Introduction and Discussion by ISPPI Director Robert Tobias

“What is the leadership strategy necessary for leading successful transformational efforts?

Introduction:
ISPPI Director Robert M. Tobias opened the meeting with an overview of the mission and goals of the Institute and the Leadership Forum, followed by a group discussion of the barriers to implementing needed organizational change and potential strategies for overcoming those barriers.

The barriers to implementing an organizational transformation can arise from all levels of an organization. For example, one culprit common to many agency leaders is a culture that values and rewards technical or professional expertise over managerial expertise which leaves them ill-prepared to deal with the challenges of implementing change, such as responding to employee concerns about job security, confronting performance issues and helping staff members adjust to working in a new environment.

A second barrier is resistance among the rank and file employees who often carry the baggage of prior false promises and failed efforts. Employees have heard the rhetoric about change, employee empowerment, and reforming work processes before, and seen few or no results. This barrier is often echoed among mid-level managers, who additionally may view change efforts aimed at “flattening out” the organization, or “empowering employees” as threats to their own job security.

Finally, the goals of political leaders are often pre-established before taking office and may not match pre-existing long term goals of agency. If political leaders merely announce change efforts without acknowledging and dealing with the pre-existing long term goals, career civil service employees may simply attempt to wait out the tenure of the appointee without implementing the announced changes.

These barriers can only be overcome if they are addressed directly and openly. Agencies must recognize that technical skill does not necessarily translate into effective leadership, and provide senior managers with the training and support they need to lead their staffs through a significant organizational change effort. Agency leaders must also address past transformational efforts by acknowledging the failed efforts and seeking meaningful input from rank and file employees as well as middle management concerning how the new effort will avoid the pitfalls of the past and create a common understanding of the impact of the change effort on the existing workforce. When Bruce James took the helm of the Government Printing Office as the Public Printer in October 2002, he, like so many other top political appointees, announced his intention to transform the agency, updating its business model to meet new, twenty-first century demands. What set James apart from others, however, is that he backed up those words with action.

In less than two years, James and his management team at GPO have made significant strides toward accomplishing this goal, including rolling out a new strategic workforce plan and implementing a revised performance system. GPO is on a path to systematically reform itself. Frank Partlow, GPO’s Chief of Staff and the driving force behind this transformation effort.
Frank Partlow, a retired Brigadier General, former college professor, newspaper columnist and management analyst, came out of retirement to lead the transformational change effort underway at GPO under the leadership of Public Printer Bruce James. With more than twenty-five years experience as an executive in the military, federal civil service and private sector, Partlow stresses the importance of leading by example and commitment to achieving the mission in his role at the agency.

It is GPO’s mission to “keep America informed.” The agency was established to fulfill the public’s right to know about government activities, as well as providing the printing services central to accomplishing much of the work of government. Government documents are printed by GPO, and copies of all documents are stored at federal depository libraries throughout the country. The agency has 2,700 employees, more than 50 percent of whom are non-white, non-professional (blue-collar), and retirement eligible; 1,686 of GPO’s employees live in Maryland.

Unlike other congressional agencies, GPO is not funded by an appropriation. Instead, the agency charges its government customers for printing services, and its funding comes from a “revolving fund” based on this income. New digital communication technologies have dramatically reduced the demand for GPO’s printing services, however. In 2001 and 2002, the agency lost $40 million, and only was able to finish in the black for 2003 after a retirement buyout of 319 employees.

It is not only new technology that threatens the livelihood of GPO. In 2003, $2 billion was appropriated to federal government agencies for printing; only $80 million was printed by GPO. This means that nearly $1.6 billion is being spent by government agencies on printing elsewhere - GPO is losing its customers!

Some may argue that technological developments have made the GPO obsolete: there is no longer a persuasive case for a federally-funded printer. However, as discussed above, GPO is more than a simple printing clearing house: its mission is to “keep America informed,” by making copies of government documents available to citizens. So the question GPO faces is how to accomplish that mission, and make money, in this new technological world. Perhaps the answer is to seek a congressional appropriation rather than charge a fee-for-service; Partlow and other agency leaders view this as an option of last resort, however. Employees recognize that the changes being implemented today are designed to save the agency, not threaten their jobs.

Typically, organizational change efforts are undertaken by following the “SWOT” formula: leaders first establish a long-term goal, and then identify strengths, weaknesses, opportunities and threats to achieving that goal. The action plan is thus “deductive”. GPO has followed this formula to a certain extent, relying on the facts above to shape its strategic plan.

However, Partlow argues that change action plans should also be “inductive,” based on responding to the needs of employees and addressing longstanding problems as much as it is based on the outside forces impacting GPO. Rather than waiting for the “powers that be” to delineate the strategy, managers, employees and leaders should take action to correct the things that need to be corrected – to “grab the low hanging fruit” In conjunction with the development of its strategic plan.
The first step in following this strategy was to survey employees to find out what is important to them. The second step was to take action to respond to these concerns, and finally to communicate the results to employees.

Responses to the employee concerns highlighted in the survey were outlined in a “Year in Review” document provided to all employees. These included:

1) Reorganization of the senior management team to both streamline management and better align the senior leadership with agency staff. Before the reorganization, 21 senior managers reported directly to the public printer. This created a top-heavy organization and left the agency’s chief executive with too many “management” responsibilities and not enough time devoted to the “big picture” of leading GPO into the 21st century. In addition, although GPO’s workforce is highly diverse, its executive team was not. The reorganization established two new executive positions – the chief of staff and the deputy public printer or chief operating officer, responsible for the day-to-day management of the agency. A management council of 11 senior managers was also created to advise the public printer on issues of strategic importance.

2) GPO underwent an image overhaul, including marketing outreach to federal agency leadership, seeking public speaking opportunities for GPO leaders and media exposure. The 2003 Annual Report of the agency embodies the image overhaul, producing it on CD-ROM rather than the traditional paper format.

3) The agency filled its employee communication void by establishing an office of employee communication, which launched an employee intranet and held town hall meetings with employees.

4) GPO established a new employee recognition program based on responses to the employee survey. The program provides additional time-off to recognize employee accomplishments and contributions above the call of duty.

5) The agency expanded its training budget and revised its guidelines for approval of training expenditures dramatically; prior to the overhaul, training could only be approved if it helped an employee improve in his/her current job, and provided only $86,000 for 3,500 employees. The revised plan requires that training expenditures be aligned with the overall agency mission, and expands the training budget to $1.5 million for the current 2,700 employees.

6) An emergency action plan was developed and distributed to employees.

Solving some of the longstanding problems of the past has made it possible to focus the organization on creating a new future by building credibility in GPO that the leadership did not intend to dismantle the agency; rather it intended to do everything possible to save GPO. And leadership credibility is critical grease necessary for a successful transformational effort.
Closing Discussion

“What strategies did I learn today that I can use to address the barriers to needed transformational change in my agency?”

- Partlow’s “inductive” change action plan, based on responding to known problems rather than waiting for a “deductive” strategy is empowering: every member of an organization can lead change within his/her sphere of influence.
- The importance of one-to-one conversations between managers and employees in identifying and allaying employee concerns about change.
- Regardless of the “bottom-line”, employees can be motivated to support and initiate change by appealing to their desire to contribute to the overall agency mission.
- The importance of communication and leading by example during organizational change efforts.