

Leadership in the New Reality

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The new reality in which local agencies operate is opening innovative doors for efficient service delivery, quality customer service and collaboration and sharing resources within and amongst agencies. Conversations are occurring in public agencies across the country which were unheard five years ago.

Through the recession beginning in 2007 local agencies have seen their revenues and staff shrink, yet demand for most services remained (planning may be the one exception). Unlike most past recessions, however, a recovery from this recession is not expected to result in staffing levels or revenues returning to pre-2007 levels. This is the new reality: providing local services in new paradigms.

Despite cities, counties and districts operating with fewer resources, they are finding innovative strategies for success in the new reality. These groundbreaking changes help bring financial and service-level stability – even improvements – to local agencies, but they also require leadership skills that move beyond solving technical problems. The new reality is also new leadership territory. The leadership skills and experiences from the past are helpful, but many of the challenges now faced – particularly in service delivery – requires adaptive solutions and an adaptive environment. It requires letting go of familiar ideas and practices. We have not been here before.



Technical Problems versus Adaptive Challenges¹

People turn to their leaders to find solutions to the challenges faced. Ron Heifetz, a former emergency room doctor, uses the analogy of a broken bone. We go to the hospital with a broken bone, and the doctor knows exactly the steps to take to solve the problem. It generally requires little change or effort on the part of the patient (with the exception of some pain and a cast for a while) to solve the problem. The same is true for local agencies. There have been financial crises in the past, and management and the governing board had technical solutions to fix the problem: freeze hiring, short term borrowing, eliminate vacant positions, cut travel and so on. All solved the problem with limited requirements for significant change by the people involved.

Heifetz, Grashow and Linsky refer to these as the technical problems facing the organization. To a great extent many agencies continued through the current economic crisis implementing further technical solutions – positions have been downsized, services reduced, costs cut, reorganizations made. While difficult decisions to make, the fiscal and operations problems are being resolved through the application of management expertise and through the organization's current structures, procedures and ways of doing things. But sustainable changes organizations will need to thrive in this new era for local government – to become a viable, high performing and financially sustainable organizations – require more than technical solutions.

¹ From: *The Practice of Adaptive Leadership: Tools and tactics for changing your organization and the world.* Ronald Heifetz, Alexander Grashow, and Marty Linsky. 2009. Harvard Business Press. Boston

Not Resistance to Change, but to Loss

Organizations are much like organisms; they tend to prefer the current situation to trying something new where the consequences are unpredictable and likely to involve losses for key parties. It's not necessarily that organizations or people resist change. It's when change involves real or potential loss, people hold on to what they have and resist the change. That has stymied many technical solutions, or worse, left organizations stuck in a storming phase of change.

Local governments are struggling with how to reform themselves. Many are beginning to recognize there is a fundamental shift required to break from the past. The emerging interest in shared services, facilities, resources and even 'functional consolidations' may on the one hand be a technical solution, but for these to be successful and sustainable they will require a different approach to leadership to address the adaptive challenges.

Heifetz et. al. describes adaptive challenges as those that can only be addressed through changes in people's priorities, beliefs, habits and loyalties. Making progress with these challenges requires going beyond any management expertise to mobilizing discovery, shedding certain entrenched ways, tolerating losses, and generating the new capacity amongst agency employees and governing boards to thrive anew. Continuing Heifetz's' earlier hospital analogy, a patient who suffered a heart attack or discovered they have high blood pressure cannot simply be an observer as the doctor makes technical solutions. Yes there may be technical surgery or drug solutions, but the adaptive challenge for the patient and his or her family is a fundamental change in their behavior. This is not something the doctor can do, but requires the patient to be involved in the change. These changes require letting go of familiar habits and behavior. And it's not always successful.

It is the same for organizations. Preparing an organization for the adaptive challenges it is

now facing may be the most difficult and important next step. It is the adaptive elements of changing the ways an organization does business that most threaten the success of the technical solutions. Moving both organizations and their governing boards to shared decision making, shared services, or shared facilities requires letting go of the familiar and addressing adaptive challenges.

Dispatch Center Case Study

I discovered this a number of years ago when I helped a county move to computer-aided dispatch for sheriff, fire and ambulance.



Everyone involved – dispatchers, officers, fire fighters, decision makers – agreed the old card and radio system was inefficient and dated. Everyone agreed a new computer-based system was needed. The technical solutions

(technology, grant funding, training) were relatively easy to identify and after some work implemented. What was not understood were the adaptive challenges, particularly for the dispatchers themselves. It was assumed training and application of management expertise would be sufficient to move dispatchers to the new system. It wasn't. Not by a long shot and as a result the county lost some of its best dispatchers. What was missed?

What we did not understand was the need to recognize the losses placed on the dispatchers and help them work through those, while at the same time helping to conserve all the good that we wanted to carry through to the new system. What we came to understand was that despite the antiquity of the old system, the dispatchers had pride in their work, had created "work-around" processes which made them efficient, and most importantly had confidence they knew exactly what to do every time the phone rang. All of those things were being taken away as the team moved to the new system. In exit interviews with the

dispatchers who left, the number one reason is that they feared someone would die because they would make an error the new system.

Start the Conversation

The adaptive challenges of implementing new paradigms in municipal service delivery are considerable. Addressing them begins with engaging staff and elected officials in a conversation of what personal and organizational elements need to be left behind, should be retained, or need to be created. Often this includes a conversation about the losses of authority and control created by shared decision making regarding those services or facilities. This is hard work, as Heifetz states, "... because it challenges individuals' and organizations' investments in relationships, competence, and identity. It requires a modification of the stories they have been telling themselves and the rest of the world about what they believe in, stand for and represent."



The leadership required to move organizations to deal with adaptive challenges is difficult, and at times risky, work. You will be challenging individuals' and organizations' investments in relationships, competence and identity. Be prepared to help people identify and acknowledge the losses as well as the ideals being carried into the future. Expect a period of disturbance – conflict, frustration, fear of losing something dear. Some will look

for opportunity to resist the loss, by renegeing on a shared services agreement, for example.

Adaptive Leadership Practices

Three leadership practices can help. 1) Manage yourself through the process. Understand your own losses. Step away from the fray and take an objective look at what is happening around you. Manage your reactions to the resistance by others and recognize it may be resistance to loss not the change. Take care of yourself. 2) Help people around you tolerate the discomfort they feel. Recognize the losses and the grief process people are experiencing. Remind them of what's being carried forward. 3) Keep an eye on the shared purpose and outcomes. It provides guidance, substance and inspiration when success looks bleak.

Building the individual and organizational capacities to address adaptive challenges requires the leadership of those who can see past the symptoms of resistance to the shared goals. To help competent work forces and governing boards undergo adaptive change and examine some of the tough questions: what to conserve, what to discard, and how to leverage the strengths and innovation to create the organizational adaptability to thrive in changing environments. It is not possible to enjoy the rewards of achieving the shared purpose and goals without enduring the pain as well. Perseverance and an optimistic focus on the outcomes make the pain worthwhile. Remember the ultimate good you provide your community by assuring sustainable and effective public services in a new era.

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