

# Leadership for Change: Case Studies in American Local Government



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The PricewaterhouseCoopers Endowment for  
**The Business of Government**

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# Foreword

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On behalf of The PricewaterhouseCoopers Endowment of The Business of Government, we are pleased to present this report by Robert Denhardt and Janet Vinzant Denhardt entitled "Leadership for Change: Case Studies in American Local Government."

In this report, Denhardt and Denhardt profile local government managers from Fairfax County, Virginia, Altamonte Springs, Florida and Fremont, California. All are recognized as outstanding managers of successful change initiatives in their communities. Denhardt and Denhardt build a model of "leadership for change," based on the experiences of these three outstanding managers.

Although the three are geographically separated and face different issues and challenges as manager, they share leadership qualities and methods of management that have helped their communities to successfully bring about change.

This report is important because it moves beyond simply identifying leadership qualities, and details the methods and actions taken by these leaders to lead change, and ultimately to improve the operations of government in their community. From the lessons learned from these local government managers, the reader is presented with a set of steps for leading change in a community. Understanding how these leaders were successful can help other local government managers lead the sometimes difficult process of change. We hope that you find this report informative and helpful.

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# Executive Summary

This study examines the experiences of three highly regarded local government leaders previously profiled in *The Pursuit of Significance*. The managers are Robert O'Neill, then city manager of Hampton, Virginia, and now county executive of Fairfax County, Virginia; Phil Penland, formerly of Deland, Florida, and now city manager of Altamonte Springs, Florida; and Jan Perkins, previously city manager of Morgan Hill, California, and now city manager of Fremont, California. All three are once again engaged in leading dramatic transformations of their local governments.

Robert O'Neill was widely heralded for his innovative approach to leading change as the city manager of Hampton, Virginia through the 1980s and early 1990s. A little over two years ago, O'Neill was hired as county executive of Fairfax County, Virginia, a county of nearly a million people in the Washington, DC area. O'Neill arrived in Fairfax just after the county had been through a fiscal crisis. The culture of the organization was one that seemed content with operating on a day-to-day basis, largely reacting to the board of supervisors. Moreover, the county government was organized in a fairly traditional top-down structure, with communications across departmental boundaries being relatively rare. O'Neill's challenge has been to bring about a massive shift in the culture of the organization, emphasizing open communications throughout the organization, significant involvement of county employees in major decisions, and building more effective linkages with the community.

Another innovator, Phil Penland, has been the city manager of Altamonte Springs, Florida, for 16 years, having previously served as city manager in nearby Deland. Over the course of his tenure in Altamonte Springs, Penland and the city have developed a reputation for innovation and excellence that is the envy of other local governments in the area. Indeed, the *Orlando Sentinel* recently referred to Altamonte Springs as the "premier" city government in the area. Phil Penland's role in creating a solid governmental foundation and then encouraging an extraordinary degree of creativity and innovation is undeniable. Descriptions of Penland's work tend to center on two or three especially important or signal efforts that helped set a tone or establish the culture of change and innovation that characterizes the city of Altamonte Springs today. But what is most striking is the way in which Penland has encouraged a culture in which change is seen as a positive value rather than something to be feared and in which all employees are actively involved in pursuing innovations that make the city work better.

Fremont, California, is a relatively young city, created through joining five unincorporated areas into one jurisdiction about 45 years ago. Yet, despite its youth, Fremont is a large and diverse community of nearly 200,000, the fourth largest in the Bay Area. Jan Perkins came to Fremont as assistant city manager in 1992, after serving as city manager of Morgan Hill, California. After about 10 months, the manager she worked with was fired

and she became acting city manager, then city manager. At that time, Fremont, like many other California cities, was suffering from both economic difficulties and from the state's efforts to pull back the property tax as a source of local government revenue. Yet, while city employees were being laid off and services were being curtailed, citizen demand for quality public services remained high. More important, however, in Perkins' mind, was the fact that citizens had lost confidence in their government. For both these reasons, Perkins and other city officials in Fremont recognized that something dramatically different had to be done. Since that time, Perkins has led a transformation that has centered on building more effective customer service, working internally and externally through the use of interest-based bargaining, and significantly involving citizens in every aspect of the city's governance.

open, free-flowing, engaging, and collaborative, yet firmly committed to the ideal of service to the community.

Based on these case studies, we developed a model of leadership for change that posits a series of five steps to be undertaken by those wishing to successfully bring about change in their communities. They are:

- assess the organization's environment and the need for change.
- plan strategically, though pragmatically, for change.
- build support for the change process both through conversation and through modeling the change process in their own behavior.
- implement specific changes, but in doing so encourage a broader positive attitude toward change and innovation.
- institutionalize the change.

Cutting across these issues, we point out the importance of the manager's learning capacity, especially with respect to knowing themselves and their values, knowing their community, knowing their organization, and knowing their governing body. Finally, we suggest that the form of leadership exhibited by these managers differs significantly from the traditional top-down, internally focused approach frequently employed in public administration in that it is much more

# Introduction

In his book *The Pursuit of Significance*, Robert B. Denhardt profiled a number of important public sector leaders who have been involved in transforming their communities or agencies into streamlined, high-performance organizations.<sup>1</sup> Based on a series of interviews in Australia, Canada, Great Britain, and the United States, he identified five characteristics associated with the work of these “revolutionary” public managers — a commitment to values, service to the public, empowerment and shared leadership, “pragmatic incrementalism,” and a dedication to public service. Several questions raised in response to this research suggest areas for further investigation.

First, while *The Pursuit of Significance* explored the values that these managers held to be important, questions have been raised about the methods that they employed in changing their communities and organizations. Specifically, some have asked whether there is a model for successful organizational transformation that can be identified and followed by public managers hoping to lead change in their organizations. Or, at a minimum, is there a specific set of activities that public managers should undertake that will allow them to approach the question of organizational change in a systematic and comprehensive fashion?

Second, some have suggested that leadership is dependent on the “fit” between the leader and a

specific set of circumstances at a particular time. This raises the question of whether individuals successful in one place through employing a particular set of values and methodologies could successfully manage organizational transformations in other settings using a similar approach. In other words, do the characteristics identified in *The Pursuit of Significance* reside with individuals, or are they only found where there is a fortuitous mix of leadership, followership, values, culture, and other circumstances? Or, to put the issue more practically, what adjustments do managers need to make to adapt their change efforts to new settings? Moreover, is there a model or set of guidelines that might instruct the change process?

Our purpose in this research is to test these ideas through a detailed analysis of the work of three local government executives known for their success in guiding widespread and highly successful organizational changes in their communities. Specifically, in this research we will develop case studies of the recent work of three public managers previously profiled in *The Pursuit of Significance*. Through these case studies of public managers who have successfully led change in more than one community, we can ask whether the strategies they employed previously are “transportable” and to what extent alterations need to be made based on the specific circumstances faced by those who are leading change in public organizations.

Among those managers included in *The Pursuit of Significance* was Robert O’Neill, then city manager of Hampton, Virginia. O’Neill is now county exec-

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<sup>1</sup>Robert B. Denhardt, *The Pursuit of Significance: Strategies for Management in Public Organizations*, Wadsworth Publishing Company, 1993.



utive of Fairfax County, Virginia, and is trying once again to make major improvements in the quality and productivity of his community. Another city manager profiled earlier was Phil Penland, formerly of Deland, Florida, and now city manager of Altamonte Springs, Florida. Penland is another who has sought significant improvements in quality and productivity in both communities where he has served. A third city manager, Jan Perkins, previously city manager of Morgan Hill, California, and now city manager of Fremont, California, is once again engaged in a dramatic transformation of her city government.

In this report, we will examine the question of leadership for change in American local government from three perspectives. First, we will profile the change activities of each of these three city/county managers as they have sought to transfer a set of values and a methodology for leading change into a new setting. Specifically, based on several days of interviews in each community, interviews that involved the city or county manager and eight to 10 other managers, elected officials, or employees well positioned to observe the manager's change activities, we will present case studies of the way in which each of these managers has sought to lead change.

Second, cutting across the three specific cases, we will examine the process of leadership for change. We will present lessons that we think can be drawn from the experiences of these managers (and their direct commentaries on leadership in local government), lessons that hopefully will suggest a methodology for leading change in American local governments. We hope that this set of guidelines, based in practice, might instruct other managers as to how to move carefully and systematically through the change process and how to adapt general models of organizational transformation to the specific circumstances in which they find themselves.

Third, we will examine several key lessons that emerged in the course of our study. What are the most important lessons that grow from their experience? How might these lessons be employed by other managers seeking to enhance the quality and productivity of their organizations? And what kinds of personal and professional commitments will be required to lead change in a positive direction?

# The Case Studies

The communities we visited were quite different in geography, demography, and political culture. The managers we interviewed had different tenures, used different approaches, and focused on different issues. Yet each of the three had been successful in leading change. In this section, we will present a brief overview of the three cases, hoping to provide the background necessary to understanding the more general processes of leadership. In the next two sections, we will focus on the ways in which these different managers went about the change process, looking first at a model of leadership for change, then examining the lessons that other managers might draw from the work of these managers.

## **Robert O'Neill**

### **Fairfax County, Virginia**

Robert O'Neill was widely heralded for his innovative approach to leading change at the local level while he was city manager of Hampton, Virginia, through the 1980s and early 1990s. A little over two years ago, O'Neill was hired as county executive of Fairfax County, Virginia, a county of nearly a million people in the Washington, DC area. O'Neill arrived in Fairfax at a difficult time. The county had just been through a fiscal crisis. The culture of the organization was one that seemed content with operating on a day-to-day basis, largely reacting to the board of supervisors. (Fairfax County is governed by an elected Board of Supervisors consisting of nine members elected by district, plus a chairman elected at large. The next board elections will take place in November 1999.) Moreover, the coun-

ty government was organized in a fairly traditional top-down structure, with communications across departmental boundaries being relatively rare.

In the eyes of his employees, O'Neill had several strikes against him, resulting in a healthy skepticism about his tenure. First, he was seen by many employees as coming from a fairly small jurisdiction compared to Fairfax County (Hampton has a population of about 140,000). Second, bolstered by newspaper accounts that O'Neill was coming to "cut out waste," employees feared layoffs by a potential "hatchet man." Third, O'Neill immediately faced several difficult issues that had been before the board for some time before his arrival (for example, the elimination of compensatory time for senior managers and the possible reorganization of several units in county government). Taking on these issues early in his tenure did not necessarily endear O'Neill to county employees.

On the positive side, however, O'Neill immediately started meeting with employee groups, engaging in a variety of conversations, meetings, and brown bag luncheons in all areas of the county. His message in these meetings was contained both in his words and in his actions: he wanted to open communications with employees, he wanted to listen to what they had to say, and he expected to involve them in major decisions facing the county. Similarly, he began a seemingly endless series of meetings with people in the community, including business groups (such as the Chamber of Commerce), civic organizations, and neighbor-

hood associations. In fact, those close to O'Neill marveled at his capacity to be in meetings from early in the morning until late at night throughout the week. Finally, O'Neill undertook a fairly systematic effort to establish close working relationships and even personal relationships with the 10 members of the Board of Supervisors. Among other things, he established regular meetings with each of the members of the board and also began a practice of calling each member on Sunday evening prior to each Monday board meeting. (A staff member noted that, in order to make this work, you have to learn such things as which members watch the *The X-Files* and which go to bed early!) In any case, members soon learned that O'Neill was someone with whom they could discuss issues and someone who wanted much the same things for the community that they did.

Among the early moves O'Neill made, several were particularly striking in terms of the process of leading change. First, there were several opportunities that presented themselves in which major personnel changes occurred. While O'Neill didn't seek major changes in his executive management team, a large number of department heads (nearly half) resigned within the year following O'Neill's appointment. There is no evidence that anyone was directly fired, but rather that a generation of department heads hired many years ago simply reached retirement age together and found this a convenient time to leave the county. Whatever the reasons for the retirements, O'Neill was presented with the opportunity to hire a number of new people in key positions. (We should note, however, that these appointments were not people "hand-picked" by O'Neill. Rather they emerged through a highly participatory process involving many members of the management team, members of the board, and occasionally representatives of the community at large.) In many cases, however, rather than replacing those who retired, O'Neill used the retirements to restructure the organization, particularly where he felt that the previous organization reflected the strengths and weaknesses of a particular individual rather than the most efficient way of doing business. (In addition to the reorganizations, there are also now fewer deputy county executives, so that department heads have more direct access to O'Neill rather than going through a deputy in charge of several areas.)



#### **About Robert O'Neill**

Robert O'Neill was appointed county executive of Fairfax County, Virginia, in August 1997. Before his current position, Mr. O'Neill served as city manager of Hampton, Virginia, from 1984 to 1997. He also served as assistant manager for administrative services for Hampton, Virginia. From 1981 to 1984, Mr. O'Neill was director of management consulting services, Coopers & Lybrand.

Mr. O'Neill is a fellow of the National Academy of Public Administration. In 1996, he received the National Public Service Award presented by the American Society for Public Administration and the National Academy. He has served as president of the Virginia Local Government Management Association and vice president for the Southeast Region of the International City/County Management Association.

He received a master's degree in public administration from the Maxwell School of Citizenship and Public Affairs, Syracuse University, in 1974 and a B.A. degree from Old Dominion University in 1973.

Second, O'Neill began placing a greater emphasis on community involvement, using his own involvement in the community as a model. While some Fairfax agencies, like planning and human services, were in the community every day, O'Neill felt that more intense and widespread community involvement was appropriate. So throughout his tenure, he has placed a high priority on personally reaching out to the community, including the

development community, professional groups, and civic organizations. In his meetings with these groups, O'Neill tries to open lines of communication and, according to a staff member, doesn't speak to audiences but rather encourages significant dialogue. He listens very carefully to what people say and, as that staff member reported, typically comes back with a long list of items for follow-up. O'Neill has also encouraged departments throughout the county government to play a more involved role in the community, but what has been key so far is the personal model he has established himself.

Third, O'Neill's major effort at internal organizational change has been the establishment of a series of task forces to look into key issues in the organization: Development of a Vision Profile, Compensation and Gainsharing, Piloting the Competition Model, Department Head Evaluation System, Employee Involvement, Flexibility in Personnel Classification, Employee Communication, and Leadership Development. Designed by O'Neill but given board approval in the FY1999 budget, each of these task forces consists of between 20 and 40 county employees selected "diagonally" from across the organization. That is, each group includes people from across the various departments and from the top to the bottom of the organization, though each is chaired by a member of the county executive's staff.

Where it seemed appropriate, a skilled facilitator was brought in to help the groups work through their tasks, but, in all cases, O'Neill encouraged (indeed almost required) a broad effort to communicate fully with county employees on the work that was being done. For example, the task force on compensation identified a set of problems, then took these problems to focus groups of employees just to ask, "Are these in fact the right problems for us to be working on?" More recently, that same group has been making a series of presentations to employees on its key proposals. The various task forces are expected to conclude their work and bring forward a series of proposals over the coming several months.

While it remains to be seen what the task forces will produce in terms of specific substantive rec-

ommendations, what is most interesting from our standpoint is the message that is implied in the process O'Neill designed. Not only was O'Neill seeking solutions to some important organizational problems, but he was communicating to those in the organization that they would be expected to go about their work in a different way. The message to employees was that everyone should communicate with one another across departmental boundaries and up and down throughout the organization. Through the task forces, O'Neill was modeling a set of behaviors that he thought would be important to the organization, and he was doing so in a non-threatening way. O'Neill put it this way: "If we can keep the strength of the specialties we've developed, but also develop flexibility, responsiveness, and adaptability — if we can build an organization that has both those sets of strengths, then that's what we want to do."

Bob O'Neill is still in the very early stages of his tenure in Fairfax County, yet his work provides great insight into one way that a local government manager can bring about substantial change. In this case, the goal has simultaneously been to address some important organizational issues and to model a new way of doing business in the county. The goal is to address some important concerns, but also to establish a new culture, one in which openness and involvement and widespread communication are the norm, not the exception. A month or two into the work of the task forces, during a particularly engaging discussion, a county employee leaned over to O'Neill in a meeting and said: "This is what you did this for, isn't it?"

## Phil Penland

### Altamonte Springs, Florida

Altamonte Springs is a predominately middle class suburban community in the Orlando metropolitan area. Known as a center for retail shopping (especially at the Altamonte Mall), the city has an especially high level of commercial development, and, despite a generally middle class population, it has an especially large number of multi-family dwellings. Phil Penland has been city manager of Altamonte Springs for approximately 16 years, having previously served as city manager in nearby Deland. Over the course of his tenure in Altamonte Springs, Penland and the city have developed a reputation for innovation and excellence that is the envy of other local governments in the area. Indeed, the *Orlando Sentinel* recently referred to Altamonte Springs as the “premier” city government in the area. Phil Penland’s role in creating a solid governmental foundation and then encouraging an extraordinary degree of creativity and innovation is undeniable.

Descriptions of Phil Penland’s work in Altamonte Springs tend to center on two or three especially important or signal efforts that helped set a tone or establish the culture of change and innovation that dominates the city of Altamonte Springs today. Early in his tenure Penland became convinced of the need for Altamonte Springs to develop a core identity or a more clearly defined “downtown,” as opposed to its image as centering around the Altamonte Mall, a large enclosed shopping center. Working with the city commission and with business and civic leaders, Penland was able to create a Community Redevelopment Agency that employed tax increment funding to create a bright and sparkling downtown. The area that became the center of Altamonte Springs actually began with an overgrown drainage basin. Over time the basin became a lake, surrounded by walkways and innovative decor, and boasting shops, restaurants, and an increasing number of office complexes. With the new “downtown,” Altamonte Springs began to take on an identity and cohesiveness that had been lacking in the community prior to that time.

Penland’s work on this project and others early in his tenure was important not only for its impact on the community, but also because it deeply affected his own relationship with the city commission and



#### About Phillip D. Penland

Phillip Penland has been the city manager of Altamonte Springs, Florida, since May 1983.

He began his career in public service in 1974 as the assistant city manager of Deland, Florida, and in 1975 was promoted to city manager.

Mr. Penland holds a bachelor’s degree in political science from the University of Central Florida. He was instrumental in creating the Local Government Leaders in Public Policy Forum program at the Harvard University John F. Kennedy School of Government.

In 1988, he was recognized as the Public Servant of the Year by the Greater Seminole County Chamber of Commerce.

the community. Having moved to the council-manager form of government a couple of years before Penland arrived, Altamonte Springs was in the throes of significant change. Penland saw the time as an opportunity to make things happen. The demographics of the community were changing, the form of government was changing, so change might be possible in other areas as well. With the support of the Orlando newspaper, whose editors were firm believers in the council-manager form of government, Penland and Altamonte Springs began receiving recognition for the important work they were doing and for an increased quality in the level of governmental services. In turn, the city commission began to develop increasing trust in

Penland and his staff, a spirit of trust and confidence that continues at a very high level today.

Internally, Penland and Altamonte Springs were among the very first local governments in Florida or elsewhere to undertake a substantial quality improvement program. With the help of Florida Power and Light, Altamonte Springs began what became the EPIQ program (Excellent People Improving Quality). Basically a quality circles program, though with some variations, the EPIQ program attracted a huge percentage of the city's employees to participate in groups addressing issues ranging from work process improvements to quality of work life concerns. The recommendations these teams have produced vastly improved the quality of the city's work.

What is amazing is that the quality improvement program was not only highly successful in its early days, bringing forth a large number of important ideas that were ultimately implemented, but that the program continues at a high level of activity and involvement many years later. Interviewees largely attribute the program's continuation to two factors: 1) the large number of really good ideas that have come forward, and 2) continued active and vocal support of the program by the city manager. Indeed, the program has been so successful over the years that Penland and Altamonte Springs have resisted the temptation to jump to other fads and have continued along the quality path. Penland himself is seen as an advocate for the program — one staff member even describing his support for the quality program as “rabid.” Indeed, as reported by one staff member, Penland regularly challenges his employees: “If you give 110 percent and you are a member of a quality team, your supervisor will notice, your department director will notice, and I will notice. And will that give you a leg up in moving through the organization? Yes, it will — because it will say you are interested in your work team, you are interested in your work, and you are interested in bettering yourself.”

What's especially interesting is that the approach to problem solving used in the groups and task forces involved in the quality program have become a part of the normal way of conducting business in the city. Penland remarked: “The teams did such good work, such fantastically good work, that the approach

came to be part and parcel of who we are. We are constantly reinventing ourselves. We are constantly entertaining change. We don't have to use the buzzwords. Our teams just find a better way.”

The culture of quality that has been created in Altamonte Springs is matched by a strong commitment to “customer service.” The city regularly undertakes a citizen survey designed to ask citizens about the quality of services they receive, but also to ask about the overall quality of life in the community and how the community can become a place people really take pride in. As part of the survey process, focus groups of citizens are brought together to discuss their views of city government. As they talk, department heads listen from behind a one-way glass. (The citizens know this.) Additionally, all departments are encouraged to develop systematic means of soliciting citizen information about the quality of services. For example, both fire and police officers keep a record of those with whom they interact, whether in an arrest, an emergency medical call, or just a chance encounter. A customer contact card is sent to a random sample taken from among these people, and their comments about the quality of their interaction with the city are noted. Finally, employees throughout the city are encouraged to know enough about various events in the city, so that anyone a citizen talks with has at least some information about what's going on in the city and how services can be accessed.

Perhaps more important than the individual efforts in quality service mentioned here is the fact that Penland and his top management team seem to have created a “culture” of innovation within the city, a culture that is accepted and indeed applauded by citizens, commissioners, managers, and staff throughout the city. People are encouraged to look for innovative ways to approach their work, they are encouraged to try out new ideas (knowing they will be supported even if their good faith efforts fall short), and they are rewarded for their contributions to improving the quality and productivity of city government.

The culture of innovation, a constant interest in change, and the value of exploring new ideas were mentioned most frequently by respondents when we asked about the hallmarks of the city.

But almost as many respondents commented on another pervasive aspect of the organization's culture: a firm commitment to ethics. The city has done many of the formal things recommended to improve the level of ethical behavior in the city (i.e., developing an ethics policy), but perhaps more important, ethical behavior is constantly stressed throughout the organization. Penland talks constantly about ethics and, indeed, no one joins city government without hearing, as part of their new employee orientation, Penland's "lecture" on the importance of ethics. The manager and the top management team are careful to set a good example themselves (Penland insists that he and the top management team be "unfledging models for ethical behavior"), but also to encourage and celebrate attention to the ethical aspects of everything city employees do. "We talk about it a lot," Penland remarks. "If you talk about something a lot, people come to understand that it's important."

Phil Penland's work in Altamonte Springs provides important information with respect to the process of leading change, but is especially important to our research here in that it allows us to see how change and innovation can be institutionalized over a long period of time. Altamonte Springs didn't merely change during the first years that Phil Penland was city manager — though significant changes did occur during that period. The city continues to grow and to change, and indeed the city's interest in change and innovation seems as strong today as ever before, perhaps even stronger. The key message that has become a key to "the Altamonte way" is that change is all around us and if government wants to keep up, we are going to have to find new and better ways of doing things each and every day.

## **Jan Perkins** **Fremont, California**

Fremont, California, is a relatively young city, created through joining five unincorporated areas into one jurisdiction about 45 years ago. Yet it is a large and diverse community of nearly 200,000, the fourth largest in the Bay Area. Jan Perkins came to Fremont as assistant city manager in 1992 after serving as city manager of Morgan Hill, California. After about 10 months, the manager she worked with was fired, and she became acting city manager, then city manager.

At that time, Fremont, like many other California cities, was suffering from both economic difficulties and from the state's efforts to pull back the property tax as a source of local government revenue. Yet, while city employees were being laid off and services were being curtailed, citizen demand for quality public services remained high. More important, however, in Perkins's mind, was the fact that citizens had lost confidence in their government. They didn't feel they could trust the government to do the right thing and to do it well. For both these reasons, Perkins and other city officials in Fremont recognized that something dramatically different had to be done. Under these circumstances, change and innovation were not luxuries; they were necessities.

The change process started early in Perkins's tenure, as one of her council members proposed bringing in an outside consultant (for a half million dollars) to diagnose what might be done. Especially since a neighboring city had just done exactly the same thing and failed to adopt a single recommendation, Perkins felt that greater benefits could be obtained by working with those within the city to figure out how the quality and productivity of the city might be improved. A facilitated workshop session, involving top elected and appointed officials, was devoted to understanding "what we do, how we do it, and why we do it." From there, the question became "How can we do it better? Or, more specifically, how can we become fast and flexible, customer oriented, focused on results, and engaged in important partnerships internally and externally?" Over the past five years, Perkins has led a dramatic change in Fremont's city govern-

ment, a change built around delivering high-quality services to citizens, creating an internal culture built around continuous and employee-driven improvement, a highly collaborative approach to decision making and problem solving, and the creation of partnerships within the city and with surrounding communities.

The city's interest in customer service was given initial impetus by complaints from local developers about how long it took to get permits and other approvals to undertake construction in Fremont. In a time when economic development was a key issue, these concerns were heard loud and clear and the permitting process was significantly improved. Similar concerns were raised in other areas, to the point that Perkins and her top staff began concentrating on developing a serious philosophical commitment to service quality, as well as providing employees with the tools to carry out that commitment. In part, Perkins describes the philosophy as the Nike slogan: "Just do it." That is, the message to employees was that if they saw a way in which the citizens of Fremont could be better served by city government, they should take action. "Just do it." But the philosophy also reflected an approach similar to the Nordstrom's department store service philosophy: We are not only interested in the transaction — the specific product or service being delivered. We are also interested in building a relationship, a relationship between customers and the business or, in this case, between citizens and government.

Movement in this direction was aided by making change a positive force in city government. In part, selling the idea of change was not hard, because the need for change was clear. Certainly the city council saw the need and encouraged the city manager to spread the message. And she did. Perkins recalls, "I just kept persevering. I was sounding the same theme all the time. I kept encouraging groups to take on (improvement) projects. When they did, they would get great feedback. And that was really important." The message now seems to be spread through the organization, to the point that one front-line employee told us that what is new is that Perkins has created an atmosphere where change is encouraged. "Try things," she told us. "If it doesn't work, back off a little, but keep on trying." (The fact that this comment came from a front-line employee is itself sig-

nificant, for another part of the change has been to encourage people *throughout* the organization to be open to taking some risks and trying new things.)

The city's capacity to innovate has also been aided by a much more collaborative approach to decision making and problem solving, an approach cutting across traditional organizational boundaries. Whatever their positions, employees are encouraged to think of themselves as representatives of the city and to do what is necessary to provide citizens with the answers they need. For example, if a planning department employee sees a street light malfunctioning, that employee should take action, rather than just passing off the problem as one for the street maintenance people to discover and correct. Similarly, any employee receiving a phone call about any topic is encouraged to "own" that question until it has been satisfactorily answered.

This attitude is also supported by a strong emphasis on partnerships (or collaborative problem solving) at many different levels in the organization. Early in the process of labor negotiation, for example, both labor and management recognized issues that were important to consider though they extended beyond the traditional concerns for wages and working conditions. Perkins created joint labor management committees to consider these issues through a structured problem solving process known as "interest based bargaining." This collaborative process encourages participants to identify their basic interests (before jumping to solutions) and then to engage in collaborative problem solving to find a way to accommodate the varied interests represented. Interest-based bargaining was so highly successful in labor management relations that the same approach has been encouraged throughout city government. Training in the process has been offered to all employees of the city, and interest-based bargaining has become a standard way of doing business in Fremont.

The same approach to building partnerships through collaborative efforts is used as the city relates to citizens and to other nearby governmental entities. City employees don't just inform citizens about what is going to be done to them, they also go out and ask citizens what they want, then balance those interests with those of the city. But even beyond that, city employees and citizens engage in interest-



based problem solving, even around issues of how to design a process to involve the public. The city engineer told us, “We do more than tell them what we are going to do. We go out now and involve them in the design of the process itself. The process is laid out by the people involved.” Perkins describes the shift in thinking as a shift from government as a “vending machine,” in which you put your money in the slot and take out the product or service (though occasionally not getting what you want and kicking the machine!), to a “barn raising,” in which many people come together to combine their efforts to produce a product or service that all can feel good about.

Building partnerships with other governmental entities is also important. Perkins recognizes that, in many areas, citizens don’t care which department of city government delivers the service, they just want the service delivered in a timely and responsible fashion. Extending that logic, citizens may not even care which local government (or school board or hospital district) delivers the service. So, she reasons, if you are interested in improving public confidence in government, you would do well to work closely with other cities and other agencies. For this reason, Fremont has taken the lead in creating intergovernmental partnerships of all types, many evolving from an annual “Elected Officials Summit,” which brings together representatives from various cities in the region, as well as people from the school district, a hospital district, water districts, etc.

Jan Perkins describes the change process in Fremont as involving waves of change, each wave building over time the quality of the city’s work. Wave I involves recognition of the need to change, building trust and relationships internally, specifying the mission, vision, and values of the organizations, gathering “low hanging fruit”; and beginning education and training around these concerns. The key question here is “Why do we do what we do?” Wave II involves deepening knowledge and skills, improving work processes, reforming the administrative system, building trust and relationships externally, and exploring more entrepreneurial activities. The key question here is “How can we best serve our customers?” Wave III involves rethinking the organization’s structure, making the boundaries between departments more permeable,



#### **About Jan C. Perkins**

Jan Perkins has been the city manager of Fremont, California, since September 1994. She was selected by Fremont in 1992 as the associate city manager and became the interim city manager in September 1993.

Ms. Perkins has close to 25 years of experience in city government and management. She began her career in public service in Michigan local government in 1975 after completing her masters degree. She was the assistant city administrator/ community development director of Adrian, Michigan, before becoming the assistant city manager of Grand Rapids, Michigan. She then became the city manager of Morgan Hill, California, before moving to Fremont.

Ms. Perkins holds a bachelor’s degree in sociology and a master’s degree in public administration from the University of Kansas. She was also awarded a certificate from the Program for Executives in State and Local Government from Harvard University in 1987.

providing seamless service delivery, and deepening trust and relationship both internally and externally. The key question here is “Who does what?” Finally, Wave IV involves partnerships with other agencies and groups, integration of the community’s vision and the organization’s vision and creating interdependencies between the community and the organization, steering and rowing, and asking the question, “What is next?”

# Steps in Leading Change

The case studies presented outline the particular accomplishments of the three local government managers whose work we examined. What is obvious, of course, is that each of the three took on quite different tasks — from compensation to downtown revitalization to the development process — yet each was successful not only in that particular area but in creating an attitude or culture in which change is not only accepted but valued. What is striking, however, is that, despite the differences, each of these managers used a similar “methodology” in bringing about change. They did certain things in a certain sequence. In our view, detailing these steps or elements in the change process should be useful in understanding and bringing about change in other local governments. In this section, therefore, we will examine a model of change suggestive of the steps undertaken by these managers to lead change in their communities. In the next section, we will look at some of the key lessons that these managers and their staffs shared with us concerning the change process in local government today.

Based on this research, we would argue that public managers who are successful in leading change in their organizations do undertake similar specific and largely sequential activities. The steps we will outline should not, however, be taken as discrete in the sense that one step must be fully completed before another is undertaken. Rather the steps are often overlapping and iterative, more like what Jan Perkins referred to as waves of change. But with

this caveat, we would suggest that public managers interested in leading change must:

- assess the organization’s environment and the need for change.
- plan strategically, though pragmatically, for change.
- build support for the change process both through conversation and through modeling the change process in their own behavior.
- implement specific changes, but in doing so encourage a broader positive attitude toward change and innovation.
- institutionalize the change.

## **Assess the organization’s environment and the need for change**

The first thing each of the managers whose work we analyzed did upon coming into the community was to try to learn about three areas: the governing body, the organization, and the community. Their key advice in this stage was straightforward: You have to listen, listen, listen! You have to listen to the governing body. You have to listen to your employees. And you have to listen to the community.

Obviously, managers moving to new communities encounter many different circumstances. For example, it makes a difference whether you’ve been there (say, as an assistant city manager) or whether

you are just arriving. Is the organization falling apart or just in need of fine-tuning? Is there consensus among elected officials on matters of vision and philosophy? What are the expectations of the governing body with respect to the manager? What is the level of involvement of the community in the government — and vice versa? All these are issues that have to be assessed before starting a change effort. If you discover a clear vision and consensus in the community, that leads to one strategy. If there is a crisis atmosphere and significant conflict, that leads to another. For a certain amount of time, Bob O'Neill advises: "Just keep your mouth shut and listen. Try to capture what is the dynamic in the community and the organization."

Jan Perkins described this period as one in which she specifically listens for the questions others were asking before making their decisions. If staff members are dealing with capital improvements, do they only involve other staff? Do they also ask whether members of the community might want something different? And if so, how do they go about involving the community? Listening for the right questions can give you the right answers. And, depending on what you learn, you can experiment with different responses. During this period, the "successful manager tries lots of different hats and a lot of different exposures." You can listen and learn but you can also "test the waters" with respect to possible solutions.

The listening/learning period can take a long time (these three managers described this period as taking up to 18 months) and is a difficult one, especially when the manager would like to establish some early successes. Several staff members were surprised by how much time their managers took in assessing the situation, but thought in retrospect that had been a good way to proceed. One of her staff members described Jan Perkins's style during this early period in this way: "You have to go slow to go fast." You have to spend a lot of time doing your homework. You have to find out what employees are thinking, that is, what is the organizational culture. You have to learn the expectations that the governing body has, and how you can work most effectively with them. And you have to get a sense of the community. Who is involved? How are they involved? How can they be more fully involved?

Similarly, one of Bob O'Neill's department heads commented, "It's been a lot slower than I thought. And I think Bob is very smart and savvy in doing that. He's not willing to act precipitously. There's been some criticism for going too slow, but he's certainly not indecisive. He doesn't mandate change. He just gently guides you in the right direction." And Phil Penland was recognized as being "realistic in knowing it doesn't take a day or two." You have to think long term.

Because there is so much to learn and because what you learn during this period is so critical to your later strategies and, hopefully, successes, the early period is very important. But it's also difficult personally, because of the stress and anxiety it produces. For one thing, it just takes a lot of time and energy. In answer to a question about how she gathers information, Jan Perkins commented, "I do it all. I ride in police cars. I go to every work group in the city. I visit all the fire stations. I schedule meetings all over the place — just to listen to what people are saying and hear what they are doing." And that takes an enormous amount of time and energy.

This period is also difficult because the manager is constantly on display. One commented, "When I came here, you had to be on all the time. Every movement you made; every body twitch; everything was being interpreted by everyone. There's a huge anxiety that builds up based on that. Once you've been there a while, the attention drops. Or at least you are not as sensitive to it." It takes a substantial amount of self-confidence, as well as physical stamina, to maintain the rigors of the early months on the job.

Phil Penland was also particularly helpful in emphasizing that what works in one community may not necessarily work in another. A manager needs to adapt his or her style and approach to new conditions. Penland put it this way: "You have to gauge the community and what will work. When I came from Deland, I had to change my style. They didn't like change. If there was a criticism it was that I was too conservative. I really wasn't. I just understood what they would do and wouldn't do. You have to speak their language to move them along."

One popular recommendation recently has been that a new manager should try to capture the “low-hanging fruit,” that is, make those changes that are easy and that demonstrate early success. All of the managers we talked with admitted to picking that fruit. (We should point out, however, that the low-hanging fruit is not always policy related. Significantly involving employees in an organization where that has not been the norm may itself be low-hanging fruit.) But in any case, “It’s there to be picked. You do it.” But there were caveats as well. Most important, as these managers pointed out, you don’t want to miss the fact that you have long-term issues that you need to work on. You can’t just work on the easy problems. And you have to be sensitive to the fact that gathering low-hanging fruit is often more of a political strategy than an organizational development strategy; that is, while you may earn political points in this way, the long-term impact on the organization is likely going to be minimal.

### **Plan strategically, though pragmatically, for change**

The three local government leaders we studied were consistently recognized for their ability to think strategically and conceptually. They seem to have a sense of where the organization and the community are going and how the various parts have to fit together to make that happen. Indeed, to some employees, this capacity seems quite remarkable. For example, Phil Penland’s fire chief felt that Penland “always has the big picture in mind, even though he may not immediately share it with us. He moves at a different level, which sometimes can leave me wondering where he’s going. But when I finally start to put the puzzle together, it makes sense. He sees things the rest of us don’t see.”

Similarly, Bob O’Neill was described as a strategic, conceptual manager, not just a “day to day” manager. Employees in Fairfax County felt that, until O’Neill’s arrival, their work was “just getting through the day and doing whatever the board had asked us to do at the last meeting. There was not much discussion of where we are going and where we want to be. A lot of the issues that have now come to the surface were starting to form during

that time. The health of the organization was not being watched. The community and how it viewed county government was something that we weren’t that concerned with, except providing services on that particular day. All of this was bottled up and Bob said a few key things. It’s been uncorked.”

Of course, the things O’Neill said had to do with strategically focusing on those things that make a difference. In his case, the admonition to managers and employees was to create a more efficient and creative organization. He tells his top managers quite simply to ask, “What is it you’re doing to assure that your organization is better tomorrow than it is today? If you don’t do that, then what’s the value of senior management, senior leadership?” Similarly, Jan Perkins concentrated on citizens and customers, quality and innovation, while Phil Penland was able to make change a positive force in his community. In each case, the manager’s role was to see the big picture, then translate that picture into words and actions that would make a positive difference in the community. The words ultimately chosen were simple but they gave focus to the work of the organization and its employees in a way that made sense to them.

While known for their ability to think strategically, these leaders were careful to point out that you can’t think of everything in advance. Rather they followed a strategy referred to in *The Pursuit of Significance* as “pragmatic incrementalism”: “Change occurs through a free-flowing process in which the manager pursues a wide variety of often unexpected opportunities to move the organization in the desired direction.” Though the manager’s vision for the future is clear, the exact steps to get there are not laid out in advance. Rather the manager takes advantage of chance and opportunity to move in the right direction. In this sense the manager is like a surfer who would like to end up safely on the shore, but knows that a great deal of cleverness and spontaneity will be required along the way.

The managers we talked with clearly employed this approach; indeed, they advised against being overly structured in planning change. Jan Perkins put it fairly directly: “Don’t overplan. Things are changing so rapidly that any plan that is too

detailed today simply won't fit the circumstances tomorrow. Just create the outline, the structure. That's enough." You may have a set of values that you carry with you and you may have a sense of where you want the organization to be and where you want it to go. But your success also depends on the situation, on luck, and on opportunity. She added, "If you are going to be a good leader you have to take all that into account. You may be able to do a little something over here and then you do a little something over there, but all the while moving in the same direction."

Bob O'Neill used a sports analogy to make this point. He points out that in football you call plays in a huddle, then hope that everyone does exactly what they are supposed to do. In local government, he continued, "We're playing soccer. There are no time-outs, no time to plan each individual move. So we have to build a capacity for the players to make a decision on the fly, based on the set of circumstances, consistent with values and constructs that we have put together. In today's world I think we'll be much more successful playing soccer than playing football."

In this process, the manager depends on luck and opportunity, but also on an intuitive sense of how things need to come together. Every manager knows the importance of good timing, but these leaders pointed out that timing is not merely accidental; rather it comes from the manager's having a sense of the big picture and knowing when things need to happen. The big picture is always in the forefront: For example, they are always trying to make something happen that's going to improve what they do. O'Neill explains, "There are certain things that require other players to be participants and so you have to assess opportunities and whether you are likely to be successful. You have to know your stakeholders and where they are. You have to find the level where you can work. So there are times when we focus on the internal and times that we focus on the external and visible. You just get that sense." And, continuing the sports metaphor, O'Neill reminds us that great football running backs like Walter Payton and Barry Sanders cut away from people they can't possibly have seen. They simply felt it. "Intuition makes the great running back." And a great leader.

## **Build support for the change process both through involving everyone you can and through modeling the change process in their own behavior**

All of the managers we talked with followed a strategy of open communication and significant employee involvement in the change process. While the particular approach chosen differed from place to place — from O'Neill's task forces to Penland's quality improvement teams to Perkins's collaborative problem solving — what was most significant was the manager's commitment to involving people throughout the organization and the community in the change process.

O'Neill's task forces provide a good example. While the task forces dealt with important substantive issues facing the organization, it was clear that O'Neill also wanted to use the task forces to demonstrate a "new way of doing business," one in which there would be high levels of employee involvement and open communications up, down, and across the organization. "How you go about it is two or three times more important than the technical or substantive part of it," he commented. "If we do this substantively well, but don't engage the workforce and don't communicate about what the changes are, it will fall on its face. We can do it less well technically, but communicate it well, and it will be enormously well received. And that's our choice. If I have to make a sacrifice, I'll make it on the technical side. I can fix that."

A part of the manager's role in leading change is to generate or at least identify good ideas that the organization can pursue. Phil Penland spoke of this process as one that is multi-faceted. "A lot of ideas come from this office. Many come through brainstorming with department heads. And the best ideas for operations come from employees. And we spend a lot of money sending people to conferences, hoping they will pick up something they can bring back here." One of Penland's staff members pointed out Penland's own role in encouraging innovation. "Phil gets chagrined when he sees another city doing something we should be doing or should have thought of. So he encourages an attitude we think of as the Altamonte Way. We

want to be leaders, not followers. Phil praises innovations and reinforces the idea that change is good.”

The manager’s own role in generating ideas should not be underestimated. Penland, for example, tries to stay current with the latest management thinking in business as well as the public sector. He then tries to find what is written and shares that material with others, especially his department heads. He commented, “I read a lot about things going on elsewhere, especially in the private sector. I try to turn the ideas, to adjust them so they will work here in government, in Altamonte Springs. I try to find what is written and share that information. We then set aside time at the end of staff meetings. What are we doing already? What might work?” The manager’s office can be an incubator for good ideas, but they need to be shared widely through the organization to eventually take root.

One of Bob O’Neill’s department heads suggested that O’Neill seems to like to shake things up a little and then let people figure out the right direction. “He doesn’t tell you how it’s going to come out. He doesn’t make it easy to get from this point to this point. But that’s good. There’s not a grand plan laid out for you. He probably always knows the answer. But I think he wants you to figure it out.”

Jan Perkins pointed out that the manager has to act as a coach, but also has to model good ideas and indeed an attitude that encourages the search for new ideas. “You have to provide leadership by walking the talk. It’s important that people believe that the world can be different if you want it to be. People have to know that how we have done things is always open to improvement. Sometimes you just have to say ‘time-out.’ Is this how we want to be solving this problem? You have to resist the temptation to just order the answer.” But as a staff member commented, “Jan is very good at recognizing obstacles and removing them so that we can get to where we need to be.” Perkins and several staff members felt that early in the change process in Fremont, they had pushed too hard. They wanted to get people involved but it seemed forced at first. Once they eased up a little, then they started seeing the results. “When we stopped pushing it and started modeling, that’s when people really got it.”

## **Implement specific changes, but in doing so encourage a broader positive attitude toward change and innovation**

All of those we talked with recognized the importance of putting change in context for their employees. As one manager put it, “It’s helpful for people to understand that change is not just my weird idea, it’s something that’s being thrust upon us.” Certainly people recognize change in the world of technology, but there are also changes in the workforce, such as family medical leave, telecommuting, and job sharing. And there are new global economic institutions and the pressure on public institutions to do more with the dollars they have. As one department head in Fairfax County put it: “If you are aware at all of those changes that are going on, how could you not expect that those would impact your workplace? You have to let people know the idea of change isn’t just something that a new executive is bringing in. You are going to be constantly buffeted by a changing world. So you might as well prepare yourself to embrace change, because change is part of your life.” Consequently, a key message in all three communities we visited was the need to continually improve ourselves. We have to do better every day. We have to change how we do business. We have to recognize and embrace change as an opportunity.

Soon people throughout the organization understand how important change is. We asked several front-line employees what the message was that they were getting from the manager. The answers were often similar. “It’s not like we go out every day and say what can we do differently. But we look for opportunities. We never go back. We always keep a little bit. We learn something.” Another staff member noted a change in the way people approach one another as well as the way they approach their jobs. She said, “I see cultural change here in terms of how people approach problem solving. Everybody has ideas. But you have to create an environment in which there is not deference to authority, hierarchy. To hear someone say ‘do what you’re told’ smacks in the face of change. You have to create a climate in which people feel comfortable saying things that might improve the work.”

A part of that climate is setting expectations with respect to risk and opportunity. All three managers want their employees to understand that there is no penalty for trying something, even if you fail. There is no penalty for taking risks as long as they are taken for the right reasons. And that's an idea that is energizing. As Penland put it, "It emboldens people; it emboldens me!" At the same time, the managers we talked with understood that there is a fine line between encouraging risk and discouraging risk adverse behavior. It is the latter they propose. O'Neill pointed out that for the city manager or county executive, a willingness to take risks is part of their "leadership profile." You may have to stick your neck out on occasion, but you have to figure out when it's worth it and when it's not.

O'Neill put it this way: "When you say take a risk, I think what you have to say is that what we're talking about is a calculation of risk." One of Penland's department heads described Penland as a risk taker, but not a gambler. But in any case, the primary problem these managers see is getting people away from their natural predilection for risk-averse behavior. Employees need to understand that "you have to push where you are all the time."

## **Institutionalize the change**

One question that came up repeatedly in our discussions was to what extent were the changes that had occurred institutionalized, that is, a part of the organization's profile rather than a particular manager's program. Generally, the sentiment seemed to be that after about five years of solid organization development work, the changes would be solidly in place to the point that they would probably stay, even if the manager were to leave. One staff member in Fremont commented, "I think (the changes we've made) would stay in place, though it's hard to know what a new manager or new council would bring. Someone would have to really work to change things. They probably could dismantle what we've done, but it would be difficult." But clearly there will be greater opportunities for the changes to remain in place if the manager remains with the organization. It's not surprising that all three managers we studied are committed to their communities for the long term. Jan Perkins, for example, underlined the impor-

tance of "continuity in the manager's position" for changes to have the positive effect in the community that you desire.

What seems most important in institutionalizing the change process is to make changes in the organization's culture as well as in specific policy areas. Once ideas such as involvement and communication, quality and innovation, collaboration and engagement become embedded in the culture of the organization, people will begin to automatically look for ways to extend these values. They will become attuned to new opportunities that they previously wouldn't even have recognized as opportunities. They will begin to ask such questions as "How can we communicate more effectively? How can we come up with better ways of doing things? And how can we more effectively engage the public in the work of government?" Establishing questions like these as the norm rather than the exception seems to be essential to the process of institutionalization.

# Leadership and Learning

We can draw many lessons from the three case studies presented here. But it's hard to avoid the conclusion that the single most significant element of leading change in American local government today is the manager's capacity to learn. More than anything else, these three managers and those around them emphasized the importance of the manager's taking time early on to learn everything possible about the community and the organization before making changes. Although some decisions may be thrust upon the manager early in his or her tenure and some unique opportunities such as personnel changes or reorganizations may present themselves, the general lesson seems to be that the manager's initial investment of time and energy in learning the community and the organization will pay off in the long term. That is, to the extent that the manager's learning is successful, later changes will be far better informed and stand a much greater chance of succeeding. There are four areas of learning that seem most critical and that form important lessons for future leaders.

## **Know yourself and your values**

The managers we studied were not merely doing a job; they had each made a personal commitment to their communities and their organization. It was a commitment that expressed deeply held personal values and it was a commitment that meant that other aspects of their lives would often have to compete for attention. Jan Perkins spoke of the values that she carried with her. "I start with fundamental values. Wherever I go I take these with me. They have to do with a deep belief in the democra-

tic way, in democracy in local communities. I really do believe if we're going to have healthy communities, people who live and work in those communities need to be a part of finding solutions. It's really just a core value I have. In government, it means that we can't assume that we know it all. We know some of it, but there's a whole lot of other stuff out there that people know or value or feel that's very valuable data." Each of the managers with whom we spoke expressed similar deeply held values, values about democracy, values about local government, and values about the important role of public service in our society. Their work had indeed become an expression of their selves.

In many cases, their commitment to a core set of values (and their commitment to the kind and amount of work needed to actualize those values) meant that these managers would have to make sacrifices in other areas of their lives. The demands of meetings from early in the morning until late at night, day after day, takes its toll on one's personal and family life, and other managers or students need to be clear about the demands of leading change. Leading change of the type we have described is more than a full-time job and should be recognized as such. It is hard, demanding, and stressful, both physically and psychologically. Again, for the managers we studied, a very strong set of values drove their work. Other managers lacking such a commitment would likely find the demands of leadership too high. But for these managers a set of core value commitments made the sacrifices worthwhile.



## Know the community

As we saw in the case studies, these three managers and many of their staff members spoke of the importance of their being involved in the community and being knowledgeable of nearly everything happening in the community. The purpose of that engagement is not merely to help move particular issues along, although that is not unimportant. One manager, encouraging his employees to become more involved with the community and more active in listening to citizens, put it this way: “Why would you want to go out into the community and tell them what to do? You know it won’t work. Why pick a fight and then get forced into doing something you don’t want to do anyway? You don’t give up any of your professional values by involving the citizens. In fact, in the long run, you are likely to be more successful than you would have been the other way.” Though it appears time-consuming, public engagement can in fact be a very effective long-term strategy for achieving organizational goals.

But in addition to the practical benefits of citizen involvement, the managers we talked with held a deep personal commitment to the involvement of the community in the work of government. Phil Penland talked about the importance of those in the community defining the kind of community they would see as ideal, the kind of place they would want to live and to work and to invest. Similarly, Jan Perkins commented, “We see the trees that need to be trimmed. We see the potholes. But the way we go about it may differ from what the community wants. We need to listen. We need to engage the community in everything we do.” Not only because it helps, but also because it’s the right thing to do.

## Know the organization

As we noted earlier, each of the managers we studied emphasized the importance of getting the best possible people involved in the organization, then encouraging open communications and sincere employee involvement throughout the organization. All three managers took advantage of opportunities early on to bring the right people into the organization. Rarely did that involve firing people. Indeed, Bob O’Neill noted that people often distinguish between a strategy of change

through getting rid of people and change through developing the skills of those who are there. O’Neill and others came down firmly on the side of developing existing employees.

But where vacancies do occur, there is the opportunity to consider how the organization might be restructured and how new people might be brought in to meet the current needs of the organization. These managers largely saw reorganizations as symbolic, unless it occurred where the previous organization had been built around the skills and abilities of a particular person who had now left the organization. One staff member in Fremont reported, “Every time someone would leave, Jan would see that as an opportunity to reassess whether the organization was structured at its best.”

And once the structure and the people are in place, the manager has to simply get out of the way and let them do the work they can do. Phil Penland noted that it’s worth a great deal to attract and retain good people. “We have good department heads. We have people in the ‘skill positions’ who are head and shoulders above their peers in any other organization around here. We have more skill here than you will find in much bigger organizations. Now we pay a lot more than other cities. But it works.” It works for the community and it works for the manager, because as Penland noted, one definition of leadership is that “real leaders are ordinary people who have an extraordinary staff.”

## Know the governing body

The relationship between a manager and the governing body is absolutely critical to bringing about successful change. As one manager put it, you want a board that is either engaged in the change effort or at least neutral toward it. You can’t bring about change with a hostile governing body. Jan Perkins’s city council is an example of a governing body actively involved in the change process, even from the early days of planning for change. But even so, Perkins talks about the importance of constantly communicating with the board and cultivating their trust. And in part, trust is built by delivering the goods. Both Perkins and Penland, given their somewhat longer tenure in their communities than O’Neill, seem to have established such confidence among members of the governing body that

their councils are quite receptive to their bringing specific and well-developed proposals forward (as opposed to a set of alternatives). Perkins told us that the Fremont council has “developed an expectation that we will have worked out all the kinks in a project before we bring it to them.” Penland recalls from his early days in Altamonte Springs, “When I first came here I hadn’t gotten the feel of the community and I would take alternatives to the commission. One commissioner came to me and said, ‘You know, we’re looking for leadership from the city manager. I don’t want a menu. We’re paying you to make a recommendation.’ So I began to do that and still do.” These managers seem to prefer that style, but they recognize that while the governing body should not be involved in internal management, they reserve the right to “take our heads off if we’re wrong!”

Being fairly early in his tenure in Fairfax County, Bob O’Neill is still working to build trust and confidence among the members of his board. The key seems to be that the board come to recognize, as O’Neill put it, “we’re trying to accomplish what they are and that ‘we add value’ to the process.” One manager pointed out, however, that “(the political world) is a world of anecdotes, not a world of analysis,” so it’s important for the manager to work to build a personal relationship with members of the governing body and also to work among various constituencies in the community to create support. “If a board member walks down the hall or goes to a community meeting and asks someone how it’s going and they say ‘terrible,’ then I’m in trouble. So I work with those groups that are likely to be asked. In addition to the board member’s own interest, their constituents’ interests are important.”

The relationship between manager and governing body is an important topic in council-manager governments. Whereas the traditional description of the council-manager relationship posited a fairly strict separation (at least around some issues), O’Neill reports that he enjoys the fact that both “sides” bring important perspectives to the table. “Elected officials bring a very different set of perspectives and values than we bring. The sharper the divide between the policy/political context and administrative, the quicker you get in trouble.

I want to muck around in their world and they ought to be able to muck around in mine. The dynamic of that produces a better result. Is the potential for misbehavior there? Absolutely. Is the potential there for all the problems we thought about in graduate school? Yes. But there is an important perspective offered by the board. We get solutions and approaches from the board that are terribly constructive. Do I always agree? No. Do they? No. That’s fair. So I want them actively engaged, not a disconnected board of directors. I want them to understand the difficulties of what they are facing. Our staff comes up with textbook answers that are perfectly right, but they don’t understand the political dynamic.”

In many cases, the political world and the technical/administrative world seem to be separate cultures, and some have recommended that one important aspect of the manager’s role is to translate back and forth between the two cultures. Generally, these three managers agreed, but O’Neill pointed out that the work of translating often needs to go well beyond the manager’s office. “We need translators between the political and the technical world, that’s true, but if it’s just me, we’re in trouble — especially in a bigger system. The staff needs to be involved with the board, with stakeholders, and with each other. That’s where we’ll get the best results.”

# Conclusion

The type of leadership demonstrated by the three managers who were the focus of this study is clearly different from the traditional top-down, internally focused management that has long characterized public management. In the older view, the leader was expected:

- to come up with good ideas about the direction the community and the organization should take.
- to decide on a course of action or a goal to be accomplished.
- to exert his or her influence or control in moving the community and organization in that direction.

These three managers seem to model a somewhat different style, one in which the leader's role is:

- to help the community and the organization understand their needs and potential.
- to integrate and articulate the community's vision and that of the organization.
- to act as a trigger or stimulus for group action.

The new leadership for change in American local governments is a much more open, free-flowing, engaging, collaborative form of leadership than that used in the past. But, based on the experiences and successes of those managers who have been our focus here, it is an approach that reaps tremendous benefits for not only the managers but also for the public they serve.

Certainly other managers might well benefit from the experiences of these three managers, not only in terms of the specific approaches they took in leading change, but in the way they pursued change. As we have shown, there are specific steps that each of these managers took to bring about change. But cutting across these steps is the important relationship between leadership and learning. Other managers wishing to be more effective in bringing about change in their communities would do well to consider what they have learned and what they might learn about themselves and their values, the community, the organization, and the governing body.

In the end, once again, as in *The Pursuit of Significance*, we must also comment on the relationship between leadership and public service. The three local government leaders whose work we studied have demonstrated immense capabilities for bringing about change in their communities and their organizations. But the change is not at all random. Rather the changes these managers are pursuing are the kind that makes a difference in the lives of citizens. The work of these managers is not merely technically competent; rather they are doing something significant, something worthwhile in their communities. In the work of these managers, we see that the grand ideals of public service are alive and well in American local government — and, we suspect, throughout public service at all levels of government.

# Appendix

## Methodology

The research reported here was based on a series of semi-structured interviews conducted by both authors in the three communities. In each case, we interviewed the city manager/county executive first, asking for an overview of the community and of their efforts to bring about change. We then interviewed eight to 10 other people, all situated to observe the work of the manager in leading change. These people included primarily department heads in city government, but also members of the governing body, members of the manager's immediate staff, representatives of employee unions, and front-line employees.

In these interviews we asked about the manager's approach to leading change — essentially what he or she had done, when did they do it, and what

effect was it having in the organization. We asked not only about substantive changes that were underway in the communities and in the local governments, but also about the process by which the different managers tried to bring about change. Following these interviews, we held a final interview with the city manager/county executive in which we asked more generally about his or her approach to change and about what advice they would give to others involved in trying to bring about change in local government. The interviews were transcribed, then used as the basis for developing the material in this report. Though we have sought to maintain the anonymity of all the interviewees, with the exception of the managers themselves, we have used quotation marks to indicate direct quotations, even where we have not identified the person who made the statement.

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