

# Cutting the Red Tape in State, Provincial, and Local Government

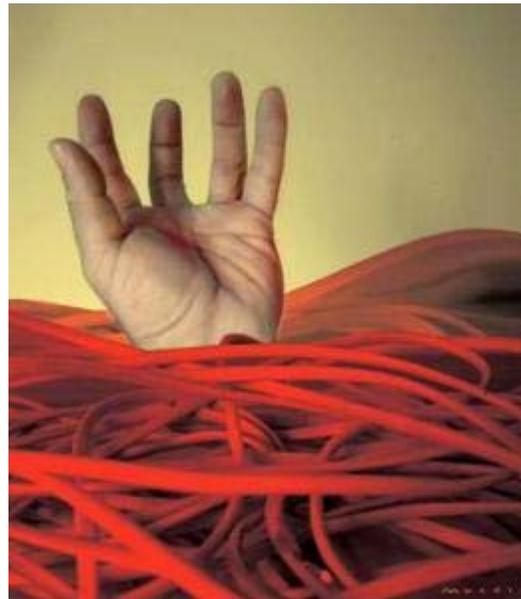
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**By Nick Anderson**, Senior Partner, PDS Group LTD, December 2010

Over recent months, we have covered what creates successful and sustainable change in the corporate world. Why this focus for our business community? Why should it concern you?

**Studies continue to show that up to 70% of all change initiatives fail. Why?**

Certainly, the issues and challenges organizations face today are more complex than ever before. But still most leaders don't appreciate the need for high-involvement change strategies to lower resistance and generate buy-in to change. Without such strategies to engage and involve people, organizations often fall short of delivering promised benefits. Even worse such shortfalls negatively impact productivity and morale. Add to this the time and money wasted and we should be concerned.



Now, let's move to this month's theme. **How to cut the red tape in State, Provincial and Local Government.** Why? Many people voted for change last October or November because they didn't see things changing, but how much more difficult is it to change these organizations? For Example **Naheed Nenshi's** "cutting the red tape" podcast that contributed to his election for **Mayor of Calgary**

The first thing leaders have to cope with is more complex politics. On top of internal politics that exist in any organization they also have the political dynamics of executives, elected representatives and their appointees.

Second, most change is frequently opposed by at least some proportion of the electorate, population and political class. Change is difficult and unpopular for some of those affected. What this means is that when the @#\$% hits the proverbial fan, it doesn't quietly go away – it explodes and everybody knows about it (especially if the press, opposition and those adversely affected are doing their jobs). For good or ill, whether it is effectively managed or poorly handled, change in government is far more public.

Third, the addition of an audience to any activity increases the strain on performers. Few audiences are larger, more demanding, or more critical than taxpayers. Few activities draw a larger crowd than those that purport to 'change' something. Few elected officials have had to cope with viral social media.

***So, it makes me think how does anything get done?***

Aside from major crises like the attack at Pearl Harbor, the Cuban Missile Crisis and more recently 9/11 such disparate interest groups are not motivated to act in concert. Like any newly elected body, they want to be the "New Broom" and give the electorate what they voted for. Unfortunately, they frequently lack sufficient understanding of how to implement change. Too often they have limited understanding of the complexities, intensity and resources needed to overcome organizational and political inertia.

In practical terms, as reality sinks in, they learn the insufficiency of resources or political power to push things through. In reality, most of those newly elected are astonished to learn how little a mayor, governor or even the President can do unilaterally. Of course, politicians don't help themselves by making unrealistic promises during campaigns.



Consequently, they are drawn into launching their changes prematurely by using normal decision-making processes. This is sometimes called "***Death by Committee***" as the necessary compromises and dilutions occur just to get things done. The reality is that the actual machinery required to implement change is the very same which is traditionally most opposed to it. For example, in Calgary, the newly elected mayor, **Naheed Nenshi** campaigned on

["cutting the red tape"](#) especially reducing the rules on planning and zoning. Guess who will implement these changes? The very officials who administer the current rules will have to streamline the permit process and advise those elected on interpretation of the new regulations.

But it's only natural that in trying to get things done, the path of least resistance is adding rather than replacing departments, people, processes and regulations. The outcome is invariably another layer of barnacles encrusting the organization's hull and slowing progress.

**Where did you think the term "Red tape" came from?**

It is used to refer to the seemingly endless parade of paperwork that accompanies official matters. Originally, thick legal documents were bound or tied with red tape. By the 19th century the term had become pejorative referring to "***any official***

***routine or procedure marked by excessive complexity which results in delay or inaction."***

It is the process of "layering regulatory barnacles" that builds up unnecessary rules, paperwork, licenses and approvals that make conducting your affairs slower, more difficult, or both.

Here are some examples **"Rules That Refuse To Die"**

During the Boer War, a British artillery gun crew consisted of 5 men. 1 man carried ammunition, one man loaded the gun, and one man fired the gun. The other 2 men stood at attention. An efficiency expert was brought in to find out why. It turns out that the 2 men standing attention were there to move the horses. The problem was that the British artillery no longer was using horses.

In England (1963), a taxi driver was charged under Section 62 of the Town Police Clauses Act, 1847, for leaving a taxi-cab, unattended in a side street where, apparently, there was no traffic of any kind. Section 62 reads..."*If the driver of any such hackney carriage (taxi) leave it in any street....without someone proper to take care of it, any constable may drive away such hackney carriage...and the horse or horses harnessed thereto, at some neighboring livery stable..."*

In Calgary Alberta, there is still a by-law that requires businesses within the city to provide rails for tying up horses.

*And where else but in California...it is illegal for a vehicle without a driver to exceed 60 miles per hour.*

***How do these complexities affect managing change in such bureaucracies?***

This regulatory layering effect tends to develop **"Manager Experts"**. They are the people who have captured the organization's wisdom. This often leads to a condition where they tend to excessively focus on procedural trivia rather than on overall performance, quality and results. This focus on "low-level" trivia often delays decisions, clouds overall goals and objectives, and restricts the flow of information between employees.

Unfortunately, such managers rarely see anything wrong in their behavior. They often rebut criticism by seeing themselves as "structured" or "organized. **"Manager Experts"** then fall into the trap where they not only tell a subordinate what to do, but they dictate how to do it. Ultimately, such managers then delegate accountability for failure but not the authority to take alternative, successful actions. This is compounded during distressed economic times and government cuts—the pressure to keep your head down and not take risks is acute. Rare is the government employee willing to innovate or try new things with the potential risk of losing one's job as a result. It's much safer and easier to play a waiting game and keep your head down. And above all, guard knowledge jealously.

**In a time of turbulence and change, it is more true than ever that knowledge is power"**

**John Fitzgerald Kennedy quotes (American 35th US President (1961-63), 1917-1963)**

Regardless of managers' motives, potential effects include:

- Resentment and mistrust in both "vertical" and "horizontal" relationships
- Interference with existing teamwork and inhibition of future teamwork
- Disengagement, often to the point that employees label their manager as "control freaks."
- Suppression of creativity and constructive criticism that could otherwise lead to internal reform
- Increased turnover, as subordinates feel the only way to change their workplace environment is to leave.
- Damage to the organization's reputation, as those who felt they had to leave have few reservations about speaking out frankly. The resulting damage may even increase insecurity among management, prompting further micromanagement to cope with this insecurity.

***What can new leadership do to counteract this negative spiral?***

By the time new political leaders arrive on the scene they are facing an uphill struggle. Usually, this culture is widely internalized as "standard operating procedure", compounded by employee distrust of the new leadership. Now, you can see why newly elected leaders might not consider loosening the reins as a viable course of action.

Getting rid of this must be a "***root and branch***" approach to be successful. Essentially:

- The head of the organization must have the authority, independence and then represent all divisions simultaneously so factions and fiefdoms are not emboldened.
- The leadership team must exhibit the attitude and specific actions that demonstrate complete disinterest in factional or political positions – they must be seen to serve the organization's best interests and its citizen's charter.
- These attitudes and actions require a "***loosening of the reins***" throughout all divisions, even at the very times when individual managers feel most tempted to seize and maintain personal control. For example, during times of hardship – for instance when all divisions are under scrutiny as potential targets for cutbacks.



*The first two criteria I see the need for, but can you give examples of “loosening the reins”?*

It comes down to aligning and realigning expectations to navigate change obstacles. It may be too steep to suggest that such a process makes change easy (or popular) in a

bureaucratic setting, but it can make change management easier. The simple reason is that aligning expectations maximizes output by streamlining input: it creates efficiencies by removing inefficiencies. Politically speaking some voters will like a particular change, others will not – but all of them appreciate efficiency in government’s bottom line.

Establishing an **Accountability Culture** must ensure from the outset that any change effort is capable of objective measurement, and that “policing” is seen to be fair, consistent and unflinching. It has to be that way to handle the inevitable denial and “finger pointing” between subordinate managers who retain a vested interest in the status quo.

The essential foundation for accountability is when stakeholders understand or realize each others’ expectations.

It sounds simple, but managing the complexities of multiple stakeholders’ expectations can be daunting; especially as it requires a high degree of trust in the intentions of the other...something that seems to be in short supply, certainly in American politics.

Initially it starts with a general flow like this:

- Develop a consensus of those alignment components with all Leaders & Stakeholders – in this case, those about “loosening the reins” across all divisions.
- Coach Leaders in generating performance expectations for each alignment component
- Provide analysis and feedback to the leadership team, isolating key initiatives to embed change and head off resisters
- Develop sufficient trust and transparency as the means to eliminate factional conflicts
- Use accountability and evidenced based management as the means to accomplish and maintain momentum
- Facilitate managers to coach others to reach higher performance standards that meet their expectations
- Develop a reward system to reinforce the change.

## **The Heart of Changing the Status Quo – Enabling Delegation**

The core of “**loosening the reins**” lies in Managers being expected and required to delegate responsibilities to others who have the ability to “hold the reins.”

Enabling others to do a job for you while ensuring that:

- They know what you want
- They have the authority to achieve it
- They know how to do it.

Communicating clearly:

- The nature of the task
- The extent of discretion
- The sources of relevant information and knowledge

To get to the state where effective delegation can flourish people need to be aligned.

### **What is alignment?**

#### **Clear Expectations**

- Validating & agreeing statements about what two people expect of one another
- Agreeing on measurable deliverables that will evidence fulfillment of each expectation.

#### **Mutual Accountability**

- Accepting responsibility & authority for agreed upon expectations between two people, for tasks performed & results achieved
- Accepting positive or negative consequences of that performance.

#### **Real Alignment**

Real “loosening of the reins” ranges from the formal to informal. Yet for any change effort to stick, managers and leaders have to constantly reinforce the need for effective delegation. This inherently involves coaching, particularly when expectations relating to effective performance are made explicit. It is the responsibility of the Originator of any expectation, usually the Receiver’s Manager, to gain agreement to it, and the Receiver’s to give the evidence they are going to meet it. This is a very effective way of reaching mutual understanding so that the rating of performance and coaching is objective and “loosening the reins” becomes a reality.

***So, it seems that government might also practice some of the key management practices we've talked about in past blogs***

That's right, but of course, the common sense of that action may totally escape our political ("P" or "p") leaders, even though they may have practiced some of it in a former life. What is more difficult for those managing change in local or provincial government is the current political landscape. It bears the scars of intrigue and scandal. People both in the USA and Canada are looking for greater transparency and simplification. Without these two, their positive judgment as to the fairness and honesty of governance will be unlikely. For example, Google "political scandals Canada" and you get 336,000 hits including **Dar Heatherington** – forced to resign from **Lethbridge City Council** in 2004 after being convicted of **public mischief**.

***So, what would your "Tip of the Month" be?***

I have a lot of time for Naheed Nenshi in his inclusivity and transparency in Calgary; he is a breath of fresh air to those dusty city halls. He knows that the heavy lifting starts now.

My advice to him and other recently elected representatives would be to ensure that [expectations](#) between stakeholders are publically available so people can see just how implementation is progressing before concrete results are demonstrated. I recommend that a progress report is issued to show:

- What expectations have yet to be discussed
- Which expectations have been agreed and what is being delivered as a result and by when.
- Which expectations have been discarded (really important to stop doing things if you are to cut red tape)
- Which expectations are unresolved for either or both the executive and elected officials to debate

**If you want to know more about how to implement such changes contact [nanderson@pdsgrp.net](mailto:nanderson@pdsgrp.net) or visit [www.pdsgrp.net](http://www.pdsgrp.net)**