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Transformation: How Government Can Leverage the Positives of Change to Address the Pressures of Change

Numerous forces are converging on government, leading to a set of pressures that is unlike any we've seen in the past. These pressures include:

- A highly constrained fiscal environment
- A citizenry that increasingly demands online, real-time service, and can take its business elsewhere when providers don't respond well to that demand
- A set of social interactions over the Internet that create coalitions of influence with far greater reach than ever before
- The always-on, 24-hour news cycle that turns small problems into well-known ones in seconds
- The pace of technology and innovation that is increasing each year, in contrast with the relatively deliberate pace of government action

Given these and similar pressures, leaders and managers across the public sector face unprecedented complexity in reaching their mission and program goals. The IBM Center has met with dozens of leaders over the past six months about how best to meet this challenge; we are embarking on a program of research and content that focuses on practical ideas for government in the world that we see today, and will likely see over the next several years.

Our program focuses on six topic areas, which form the centerpiece of our current research announcement:

- Fostering Innovation and Transformation
- Aligning Mission Support with Mission Delivery
- Developing Cost Savings Strategies That Improve Efficiency and Effectiveness
- Making the Best Use of Performance and Results Management
- Managing Risk in a Rapidly Changing World
- Developing New Models of Public Leadership Within and Across Agencies

Individually, research into each of these areas will provide important knowledge about the tools and approaches that work best for government managers. Collectively, they can point a pathway to making changes across a broad array of functions that can help the public sector keep pace with economic, technological, and citizen trends.

To illustrate this connection, consider the example of an entrepreneurial government leader who has taken on a program that works across agencies to provide information and services, moving away from paper and toward the Internet as the means of delivery. Innovation can point to the art of the possible, both in terms of performance outcomes

and a more effective and efficient way to achieve those outcomes; the leader faces various risks (financial, security, legal/compliance) in making changes to the program that result from innovation, but can work with their CFO, CIO, acquisition, HR, and other functional partners to develop a risk framework that complies with government requirements; and a collaborative approach across agencies can foster shared incentives to best serve the citizen.

Government transformation does not usually happen by getting one thing right. Rather, it happens because committed teams within agencies, often working with the nonprofit and commercial worlds that support government, put together a change strategy that starts with understanding mission objectives and proceeds with a plan drawing on multiple disciplines and reacting quickly to new conditions. The Center's recent publication of *Fast Government: Accelerating Service Quality While Reducing Cost and Time*, similarly shows how leveraging different strategies and tools can help government achieve change quickly and cost-effectively—a key success factor in today's world (see the Forum on page 35 for more on this topic)

The world around us is demanding better, faster, and cheaper service in every interaction, bolstered by the advent of new technologies that foster such change, but constrained by fewer resources to implement change. The citizens who are served by government can quickly move to another option, or can report on things that propagate across the globe in real time. Government leaders looking to solve problems in this environment must pull together a strategy and action plan that can bring multiple positive tools of change to the fore and produce real and lasting transformation. ■