

## Management Insights

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## A Formula for Leadership: Know Where You Want to Go

By Babak Armajani

Renowned public management expert Babak Armajani's column presents public officials with a daunting equation:  $D$  (demand)  $\times$   $V$  (vision)  $\times$   $K$  (knowledge of next steps)  $\times$   $B$  (belief)  $>$   $R$  (resistance). However, Armajani translates this formula into discrete steps designed to overcome resistance to change. So many good ideas fall victim to government bureaucracy because even the elected leader—the person in charge—can't produce meaningful results. This column provides constructive guidance for leaders who are intent on seeing their ideas take flight.  
—Stephen Goldsmith

Management Insights moderator Stephen Goldsmith, director of the Innovations in American Government Program at the Harvard Kennedy School, is the author of a new series of columns on America's innovative mayors being published on *Governing.com*.

Do you ever wonder why some things that *should* change never seem to? Do you sometimes encounter people who just don't get the need for change? Or, who fail to see the benefits? Are there times you wish you were a monarch so you could make things change? Do the changes you want seem so complex that it's hard to decide where to start? Does the resistance to change seem insurmountable?.



If so, read on.

People most often want me to give them "practical" advice—something they can use right away. I'm a consultant. I get paid to give people helpful answers. So, I'm always ready with concrete suggestions. Yet, unless they know where they are going, it is a disservice for me to suggest a next step. A step in what direction? Is the idea just to be walking, or is it to get somewhere?

So, since you are not paying me for what I write here, I'm going to give you even better help than figuring out what the next step is. I'm going to try to help you see the bigger picture; to know where you are going before you take that next step. This is the realm of strategy. Some of you may experience strategy as abstract, theoretical, or impractical. You want to know how to walk.

If so, don't read on.

This, and the next few columns I will do for Governing, is about developing a strategy for bringing about the changes you desire. The focus will be on figuring out where you want to go. Once we've explored how to develop a change strategy, you will be better served by the column on implementing change (walking). In fact, that column is already clear in my mind. And, it's short. So, I'll give you the whole column right now.

## **Implementing Change**

By Babak Armajani

*Take actions that lead you toward your vision of the future. Test the efficacy of those actions. Learn from your successes and from your failures. Be relentless.*

Now that we have that out of the way, let's get back to the question of change strategy. Public leadership is about making changes that improve people's lives. Leaders find solutions to the problems I posed at the beginning of this column. That is why the Center for Creative Leadership has a kind of formula for change that many of my clients find useful: the synergy among 1) the demand for change, 2) a clear vision of a brighter future, 3) knowledge of next steps to achieve that future, and 4) belief that the change can happen, must **be greater than** 6) resistance to the change. Put as an equation, the formula looks like this:

**D (demand) x V (vision) x K (knowledge of next steps) x B (belief) > R (resistance)**

The relationship among the things on the left side of the equation is multiplicative, not additive. That means, to bring about change, we should try to increase all or several of the factors, not just one. They enhance one another. And, of course, we must try to find ways to lessen the resistance. That is an example of a change strategy. Let's see how this might be applied to a real-life situation.

Charlene is a city manager of a large, fully developed, inner-ring suburb. She sees that rapidly rising health care costs are eating up all the flexibility in the city budget. Her council has no appetite for tax increases and there are limited opportunities to grow the city's tax base. She must both improve the wellness outcomes for the people in her city and cut costs to free up money for other pressing needs. She needs a big change. Charlene knows that health care reform calls out for state and even federal solutions. But, she's tired of waiting. She wants to lead; to at least get the ball rolling on reform.

Here's a high-level outline of her change strategy:

**To strengthen the demand for reform**, Charlene is mobilizing major employers in the city who—though they may use different providers and insurance programs—face the same health outcomes and cost challenges as Charlene. She's making a campaign of showing the five-year impact of escalating costs. And, she's organized health care providers, consumers, and union groups into several "action teams" designed to make health care reform a political imperative.

**To communicate a vision for the future**, Charlene has convened a group of smart people to design a better approach to wellness for city employees and for residents. Though she is seeking advice from various stakeholders, she isn't expecting them to design a breakthrough approach. (In fact, she would expect a collection of stakeholders and "health care experts" to design something very similar to what the city already has.) She plans to distribute a brochure that clearly explains what people have to gain from the new plan. And, Charlene is developing a bold campaign to communicate the vision for a new system.

**To strengthen knowledge of next steps**, Charlene is developing a six-month action plan. The plan specifies steps the city will take to move toward the new approach, but it also includes specific actions that government groups, private sector employers, and even interested citizens, can take.

**To strengthen belief that reform can succeed**, Charlene is citing examples of elements of her plan that have succeeded elsewhere. She's challenging the "can do" spirit of the city that was manifest in its mobilization to recover from a devastating tornado four years ago. And, she's staking her tenure as city manager on the success of the reform. In other words, she's committed.

**To lessen the resistance**, Charlene has identified the key resistors and is developing strategies that at least lower the stakes for them. Most importantly, Charlene is making a point to have one-on-one meetings with resistors every week—not to sway them, but to learn why they are resisting change. She figures what she learns will help her be a better leader.

In a nutshell, that is her strategy. And, I know—many of you are saying to yourselves, "Charlene is going to annoy her council and get fired." You may well be right. There are risks and perils to real leadership.

Consider how you could use a formula like this to help you strategize about the change you want to bring about. And, stay tuned. In future columns I'll lay out more details about strategy for each component of the change formula.

Babak Armajani is chair of The Public Strategies Group, where, with his partners, he focuses on transforming bureaucracies into customer-focused enterprises.

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