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Illustration by [Stacy Innerst](#)

EDITORIAL

A government built to lead

Arizona is approaching its 100th birthday with a creaking, corroded state government. It's time to overhaul.

- **Voices:** What do we need government to do?
- **Action plans for Arizona:** Ballot initiatives | Term limits | Education governor

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Education, economy and state's beauty top Arizonans' concerns

Last year's Gallup Arizona Poll also showed most Arizonans don't believe elected officials represented their interests well.

FIVE LEADERS, FIVE VISIONS



TOM FRANZ
CEO, Greater Phoenix Leadership

There is widespread support among Arizonans to reform government to better face our state's problems.



DARCY OLSEN
CEO, Goldwater Institute

Arizonans want limited but effective government that delivers value for their tax dollars.



TODD SANDERS
CEO, Greater Phoenix Chamber of Commerce

The business community must speak up and become part of the solution.



KEN STROBECK
Executive director, League of Arizona Cities and Towns

One of the great things about America is that the people are in charge of the government.



JIM CHRISINGER
Senior partner, Public Strategies Group

When we demand and reward entrepreneurial government, we'll get it.

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Demand, reward entrepreneurial government

by **Jim Chrisinger** - Feb. 5, 2010 02:18 PM
Consultant

ST. PAUL, Minn.

Your politicians are stuck. You're not getting the government you want, and you could.

Most Americans view [government](#) with arched-eyebrow skepticism, particularly about the value we feel we receive from tax dollars. When asked whether they were more bothered by the amount they paid in taxes or by how government spends it, only 12 percent of Americans were more concerned with how much they paid.

The basic political responses are two. From the right, "cut [taxes](#)" so we'll have less government on principle or because we believe it's so bloated or misdirected that "less" will force improvement. From the left, "we need more money" to preserve current services and add new ones because people need help, and we ought to help them.

Neither response gets at the root problem: our underlying system of government. Think of "underlying system" here like a computer's operating system. Our government's operating system is obsolete. It's the equivalent of DOS.

One critical need in a new operating system is "creative destruction," the process of innovation creating new products and services and effectively destroying existing

ones. New companies and jobs rise, others transform, some disappear.

Creative destruction means more and better choices for almost everything we buy. It means more value for each dollar we spend. It creates whole new industries and human potential.

So, why do we only talk about creative destruction in the private sector? Why aren't our governments constantly creating and destroying, trying different strategies and methods, and adopting those that work best? Especially during this train wreck of a budget season, how can we afford not to be more entrepreneurial?

Courageous leaders around the country are pioneering more entrepreneurial government. A sampling of their methods:

- Ask "customers" to define good service, create a standard based on that expectation and give it teeth. For example, Iowa driver's-license stations set a customer-service standard: For a routine license renewal, you should be in and out

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- Relentlessly prioritize and shed lower-value activities. Budget from scratch and competitively fund the activities that deliver the most value toward the outcomes most important to the people.
- Change the basic incentives. One state's Department of Transportation sign shop implemented "gainsharing," which shares savings with the employees who find them. Eight workers each took home a check for \$5,000, and the [taxpayers](#) gained more than \$120,000.
- Pay contractors for value received, not effort expended. Federal Student Aid shifted from paying a fee per help-desk call to paying for solutions. Customer satisfaction rose, and costs declined.
- Many companies "lean" their operations, streamlining and squeezing out waste. Governments are following suit. A basic air-quality construction permit in Iowa that took 62 days now is issued in six, with no compromise of environmental standards.

If we know how to do entrepreneurial government - and we do - what's keeping it from happening everywhere? Inertia. Fear. Lack of vision. Resistance from the people who know and benefit from the way it's done now, inside government and out.

You get what you reward. In government today, we above all reward compliance with rules. We reward employee longevity over performance. There is practically no upside potential in incentivizing people in government to innovate, risk and improve

value. The downside dangers are swift, severe and all too familiar.

Let's not waste this crisis. When we demand and reward entrepreneurial government, we'll get it.

Jim Chrisinger led performance and accountability for Iowa from 1999 to 2007. He is now a senior partner at the Public Strategies Group, a St. Paul, Minn.-based consulting firm that helps public organizations develop and implement strategies to improve their performance. Reach him at jim@psg.us.

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