

By Michael J. Keegan



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In this issue of *The Business of Government* magazine, we survey the intersection where leadership, complex challenges, and the need for transformation meet. Whether it's in the response to the global financial crisis, the national deficit, or the myriad of other pressing issues facing us, uncertainty seems boundless while constraints on resources are very real. It is within this context that we've assembled a varied group of government executives and thought leaders who are focusing on these problems and working to mitigate their effects. They offer their insights, lessons learned, and recommendations on these topics. It's about connecting research to practice—crafting smart approaches that tame immediate demands without losing sight of the iterative nature of problem solving. This goes to the core of the Center's mission: linking theory to practice as a way of shaping the business of government.

Forum on Leading in an Era of Complex Challenges

History is replete with evidence that complex or so-called wicked problems shun large, expansive solutions. By their very nature, these types of challenges are hard to define and have their genesis in innumerable causes whose boundaries are hard to delimit. What can be gleaned from it all is the need for smart approaches that take seriously the context of a problem and the realities of the day. Problems are rarely solved so much as they are alleviated, superseded, or transformed. As Aaron Wildavsky points out, "solved" is shorthand for an activity that aims at improvement. Our forum highlights two recent IBM Center reports that offer lessons on how to tackle complex challenges, as well as the role transformational leadership can play in seizing the opportunities these types of challenges present to today's government leaders.

In the first contribution, Ed DeSeve, who was a special advisor to President Obama overseeing implementation of the American Recovery and Reinvestment Act (ARRA), provides an insider's view on managing the administration's efforts. He identifies primary lessons learned from the implementation of ARRA. These lessons are creating, to quote Vice President Biden, "a new way of doing business." The approach used to implement the Recovery Act—the use of managed networks—reflects some of the guiding principles for how to successfully meet future challenges when acting on big problems. DeSeve concludes his report with lessons for how public leaders can address major government-wide challenges. The second contribution to this forum focuses on transformational leadership—insights from a select group of federal executives who have recently undertaken major transformation initiatives. Robert Reisner, an expert in government transformation, has culled these insights in his recent IBM Center report, *A Leader's Guide to Transformation: Developing a Playbook for Successful Change Initiatives*. Based on these interviews, Reisner frames a series of interconnected and interactive steps that a government executive should consider when undertaking any transformation initiative. Whether it's tackling complex public management challenges or seeking to use these challenges as an opportunity to change the way an agency operates, the five steps outlined by Reisner may offer a foundation for building structures that anticipate the future and, in fact, help leaders shape it.

Perspectives on Changing the Way the U.S. Department of Defense Does Business

The U.S. Department of Defense is one of the largest and most complex organizations in the world. To successfully achieve its mission in an era of fiscal constraint, the department has sought to reform many of its mission-support functions. This feature explores





how DoD is changing the way it does business, from improving financial information to modernizing core business functions. We present the perspectives of two key DoD leaders directly involved in this enterprise reform: Bob Hale, under secretary and comptroller, and Beth McGrath, deputy chief management officer. Both bring an exacting combination of practical knowledge and understanding of the work to be done and the progress achieved to date. They have spearheaded a promising partnership between the CFO and DCMO communities within the department, and are collaborators as well as leaders in making the secretary's vision a reality. In the end, it is clear that their collective focus is on enhancing the department by making it more efficient, accountable, and strategic in the use of resources, with the ultimate aim of providing the best possible support to the warfighters.

Conversations with Leaders

We feature conversations with dedicated public servant leaders, from a wide variety of disciplines, who share their extended reflections on the work they do and the efforts they lead. Dr. Kathleen Merrigan, USDA deputy secretary, discusses her department's efforts to assist rural communities, promote the country's agricultural production and exports, and ensure access to safe and nutritious foods. The medical mission of the U.S. Department of Defense is to enhance DoD's and the country's security by providing health support for a full range of military operations. Jonathan Woodson, M.D., assistant secretary of Defense for Health Affairs, joined me on *The Business of Government Hour* to discuss the Military Health System's Quadruple Aim, a healthy and fit force, and the future of military medicine. Over the last few years, we have focused on human service delivery. Our final conversation is with Linda Gibbs, deputy mayor for health and human services for the City of New York, who outlines how the city is effectively delivering health and human services and the role technology plays in the city's efforts.



Profiles in Leadership

Over the last six months, we've interviewed a variety of government executives who manifest the leadership and commitment needed to meet their varied missions. In this edition, we introduce you to four leaders who are changing the way government does business. Dr. Paul Anastas discusses his path forward in integrating sustainability into EPA's research and development efforts. David Lebryk outlines the important and varied mission of the U.S. Department of the Treasury's Financial Management Service. David Matsuda promotes the vital role the U.S. Maritime Transportation System plays in keeping our economy flowing. Dr. Nick Nayak offers insights into the U.S. Department of Homeland Security's procurement and acquisition strategies.

Viewpoints

John Kamensky discusses the different tools and strategies needed when managing complicated versus complex problems. Harry Lambright outlines leadership lessons from the rise and fall of the U.S. space shuttle program. Gene Loughran and Frank Strickland focus on thinking differently about cyber, and in particular, how best to respond to cyber crime and the underground economy that fuels it.

This edition closes by providing excerpts and overviews of our most recent Center reports. Though all of our reports are freely available and searchable on our website, our management and abstracts features give you a preview of some of our most timely reports. If you have yet to read these reports, we encourage you to do so by going to businessofgovernment.org. We hope you enjoy what is offered in the Fall/Winter 2011 issue of *The Business of Government* magazine. ■