The Velocity of Change: Final Synthesis

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What's Driving Velocity?

- A phenomenon in which technological, social, and economic factors coevolve to create a new operating environment and upend existing, institutional value proposition, capacity, and legitimacy.

Leadership & Velocity

Peril

- Impact on Capacity
  - New demands, expectations, and measures
  - Outcomes and impact decline
  - ROSI and public value Decreases

- = Legitimacy Challenge

Promise

- Impact on Capacity
  - New combinations of innovations arise
  - Opportunity for new operating models and outcomes
  - New forms of public value can be delivered

- = Transformational Solutions

Outcomes by Design?

"Organizations are perfectly designed to get the results they get," noted Bob McDonald, the past chief executive officer of Proctor & Gamble and past secretary of the United States Department of Veterans Affairs. **"If you don't like the results you are getting, then you need to change the design of the organization."**

https://hbr.org/2016/12/a-transformation-is-underway-at-u-s-veterans-affairs-we-got-an-inside-look

What's at Stake?
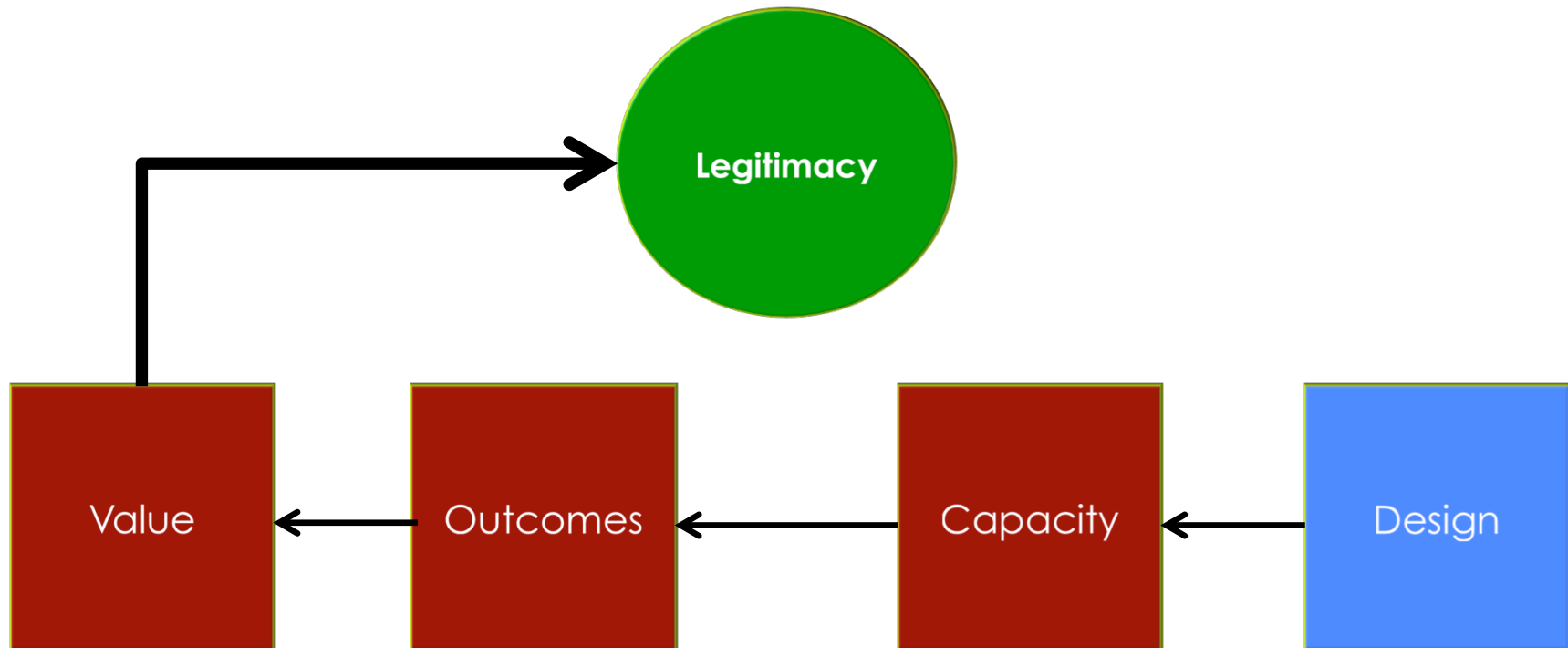
Where Should We Focus?

	Technical Challenge	Adaptive Challenge
Optimized Enterprise	3.33	3.96
Citizen-Centric Service	3.29	3.64
Agile Workforce	3.49	3.96
Evidence-Based Organization	3.38	3.67

Transforming Capacity

Scale Economies
Produce more when input proportions are variable.

"We can double our output with less than a doubling of cost."

Scope Economies
Outputs by a single entity are greater than outputs that could be achieved by two different agencies each producing on their own.

"We can share expertise and processes to get more for less."

Learning Economies
Productivity increases as people learn routinized processes.

"We can get better, faster and creative."

=

Capacity for the Future

The Leadership Scale

Innovation = Management

- *Innovation: Adopting incremental innovations to an existing value proposition and operating model in order to maintain or improve efficiency and effectiveness.*

Transformation = Leadership

- *Transformation: Creating and implementing a new value proposition and operating model in order to achieve entirely new levels of capacity and outcomes.*

Technical → Adaptive

"The dogmas of the quiet past are inadequate to the stormy present. The occasion is piled high with difficulty, and we must rise to the occasion. As our case is new, so we must think anew and act anew."