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# WHAT IT TAKES TO BE A SUCCESSFUL STATE CHIEF ADMINISTRATOR:

*Core Competencies for Effective Leadership*

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AUTHOR

Kimberly Leichtner, *Associate Consultant*

PROJECT STAFF

Mario Moussa, *Senior Consultant*

Tess Mullen, *Associate Consultant*

FOR QUESTIONS OR COMMENTS, PLEASE CONTACT:

David B. Thornburgh

*Executive Director*

david\_thornburgh@sas.upenn.edu

Lauren Hirshon

*Director of Research and Consulting*

lhirshon@upenn.edu



# FOREWORD

The National Association of State Chief Administrators (NASCA) continually works to provide valuable resources to state chief administrators (SCAs), the public officials in charge of departments that provide support services to other state agencies. While some research exists on the functional roles of SCAs, there is little information on the skills needed for SCAs to be successful in their jobs. The average length of appointment for most SCAs is about 2.7 years. Since the vast majority of SCAs are appointed by the Governor and serve at the Governor's pleasure<sup>1</sup>, it is a role with a limited transition period. For many SCAs, the job begins as a sprint from Day 1.

To help new SCAs quickly adjust to the job and experienced SCAs improve how they do their jobs, we decided to look at the state of effective practice among successful SCAs rather than rely on theory or academic research. The unique nature of this job makes peer-to-peer insights and advice very valuable. In the private sector, organizations are increasingly identifying core competencies, or trainable attributes, for leadership roles in their hiring and continuing education practices. They do so to maintain a competitive edge in the management of their organizations. Likewise, in light of the Great Recession, state governments have to be managed efficiently and effectively. By highlighting core competencies that are specific to the jobs SCAs oversee, our goal was to make this report both practical and actionable.

With Fels Research & Consulting leading the research, NASCA produced this report, *What it Takes to Be a Successful State Chief Administrator: Core Competencies for Effective Leadership*, to serve as a basic guide for any SCA or to help governors seeking to appoint an SCA identify specific skills in a new hire. This report is sensitive to the fact that no two SCAs face the same challenges or operate in the same environment. The core competencies presented here are meant to be adapted by SCAs based on their unique circumstances.

As a former state chief administrator, I have often said it was the best and most interesting job that I have ever had. Through my involvement with NASCA and my continued interactions with SCAs, I have seen the SCA role evolve into one of increasing importance. The leadership that SCAs provide can truly make a difference in how state government conducts its business, reforms itself, and even in the public perception of state employees and state government. A report like this would have been helpful to have read before I took office. We hope that any SCA who reads this report will find the insights useful.

**Ray Walton**  
Executive Director  
NASCA

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<sup>1</sup> NASCA Membership Services Review and Analysis, CPS Human Resource Services, 2008.

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## INTRODUCTION

In the midst of a challenging economic climate and increasing distrust of government by the public, the emphasis on efficient and effective public administration is greater than ever. Within each state, there exists a department or service agency that oversees the state's core business functions, often by providing support to other state agencies. No two states organize their administrative functions in the same way; indeed these agencies' organizational structures are as varied as their names.<sup>1</sup> Despite the diversity among them, these agencies by and large are all committed to serving their states by ensuring the efficient and effective operation of state government while being a model organization where government employees desire to work.

At the helm of these critical back office functions are state chief administrators (SCAs) whose titles are also as varied as their roles and responsibilities. The main areas that SCAs oversee include general services (i.e. procurement, fleet, real estate, etc.), infrastructure, finance management and personnel.<sup>2</sup> SCAs assume their roles with various levels of state government knowledge and experience and their length of service ranges widely. Many are career public servants while some transition in from the private sector. While some are personally hand-picked by the Governor, others are appointed after a national search. Some have an intimate knowledge of their state government while others must learn on the job.

Despite the differences across states' administrative priorities and responsibilities, all SCAs play an essential leadership role in how their state conducts its business through process improvements and policy development and the extent to which that can have a positive impact on their state's overall performance. SCAs have the daily opportunity to make administrative functions work better, and faster, with greater cost-efficiency and improved transparency. One of the greatest impacts they can have is helping other state agencies accomplish their missions. In order to be successful in their roles, there are several core competencies that both current and prospective SCAs can employ.

This report highlights those core competencies that innovative and committed SCAs use to advance their states' administrative goals and in the process, transform the way state government operates. Through the insights and experiences of former and current SCAs, the goal of this paper is to provide actionable recommendations that any state chief administrator can use to help them enhance their effectiveness in their positions.

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## METHODS

In partnership with Fels, the National Association of State Chief Administrators (NASCA) identified 15 state chief administrators who are recognized by their peers as innovative leaders and have demonstrated success with major initiatives. For example, one SCA came in facing \$1.5 billion structural deficit and was able to put his state in structural balance, a feat that had not been achieved in about a decade in this state. A few SCAs were integral in getting major pieces of legislation passed in their states, while others have led the overhaul of state administrative services by implementing shared services.

Fels conducted hour-long telephone interviews with 14 of these SCAs from across the country; 12 are current SCAs while 2 are former SCAs. The group represents a mix of state government and private sector backgrounds. These SCAs tenures ranged from as short as three months to as long as six years. Insights and recommendations presented in this report are based entirely on those conversations. Please see Appendix B for more information on methodology.

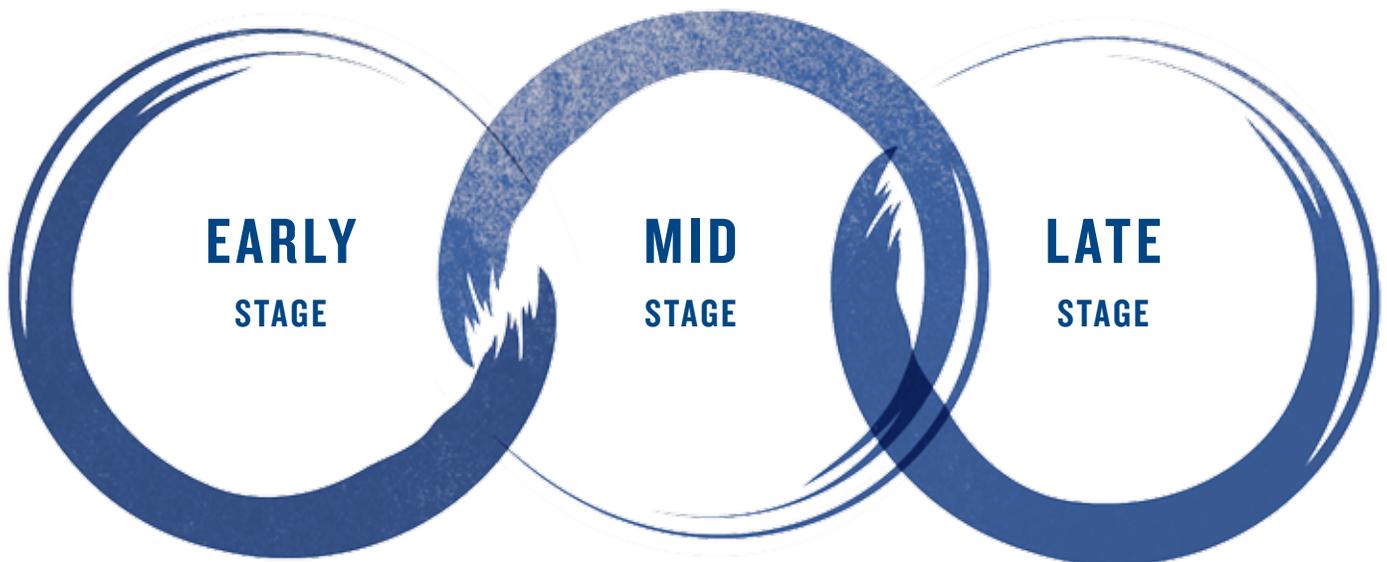
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<sup>1</sup> See Appendix A.

<sup>2</sup> Campbell P & Snyder ME. State Chief Administrators: the Lynchpins in State Government Reform, The Book of the States, 2011.

## CORE COMPETENCIES

SCAs who came into their positions with little or no state government experience recalled that they learned quickly on the job and that technical skills could be gained through experience. While general knowledge of state government and politics is often helpful, the most essential skills that SCAs cited include the competencies presented below. Early stage skills include those that the SCA should address immediately upon assuming office while mid-stage and late-stage skills can be applied further in their tenure. By no means though are these core competencies static or limited to their stages; rather, these are dynamic skills that should be applied as the need arises. Successful SCAs will exercise these competencies repeatedly throughout their careers.



- Assemble a strong core team
- Build strategic relationships
- Motivate/engage employees through recognition and respect

- Manage your time proactively
- Innovate in policy development

- Communicate the right message to the right people at the right time
- Foster a customer service orientation
- Negotiate from a stakeholder's perspective

## ASSEMBLE A STRONG CORE TEAM

The way most administrative departments are structured, SCAs must often rely on a core team of deputy directors and others (e.g. in house-counsel, legislative director, communications director, Chief Information Technology Officer, Chief Financial Officer, etc.) to help them carry out their department's mission and vision. In most cases, the SCA has the authority to appoint his/her executive leadership team. The strength and dynamic of the SCA's team can go a long way in setting the department's tone. For some SCAs, talent identification comes naturally while others must work at it. As we repeatedly heard in our interviews, the right hire is more crucial than making a quick decision. As one SCA from the Midwest advised, "Spend some time at the beginning of your tenure building your team and that will make all the difference. You are trying to move a mountain and it is really hard to do alone."

### *Involve your team in the decision-making process:*

"First of all, I have a team that believes. I have a pretty robust senior management team even though I did not hand pick all of them, but they are all people who are marching forward. It is tough in government because you cannot just come and clean house. You can make a lot of missteps if you do that. I hire good staff. I can tell who's going to get the job done and who's not.

While having the right team in place to begin with is key, it is also important to involve them in the decision-making process to educate them and make them supportive of your initiatives. I meet one-on-one with all my deputies at least once a week." – Another SCA in the Midwest

### *Empower rather than punish:*

"You need a strong and talented executive team who can trust each other. We weren't a perfect team, but we had a cohesive, open, comfortable working group. Everyone was loyal to the administrative department and to my leadership and was therefore loyal to government. They wanted our department to be perceived as a great organization that was adding real value to state government.

I had half a dozen leaders in my kitchen cabinet and we met once a week to talk about problems. We would mutually talk through solutions and everyone gave suggestions. Once people saw that their voices were being heard and that they were not going to be punished for speaking up or for making small mistakes, it became a wonderful group to meet with. We increased productivity and improved morale of the leadership, which impacted the people who delivered the services since they were much happier with the work environment. If morale was 'x' when we started, it became '2x' or '3x' because of the supportive culture we fostered." – A different SCA in the Midwest

### **ACTION STEPS FOR ASSEMBLING A STRONG CORE TEAM:**

- Select a core team who will be loyal to you.
- Recruit employees who believe in the work of state government.
- Appoint people who understand how government and politics work and have established relationships with other agencies, legislators, etc.
- Find talent with different perspectives that will help you challenge the status quo.
- Use multiple methods (i.e. various networking events) and sources to identify top talent. Another SCA in the Midwest recruited one of his team leaders while attending a networking session for senior executives out of work.
- Assemble a team that not only works well with each other, but also with their counterparts in other agencies and in their professional networks.

## **BUILD STRATEGIC RELATIONSHIPS**

The relatively short tenure of most SCAs means that only a few have developed institutional relationships. For most new SCAs, building relationships with key stakeholders is a top priority. Whether they are seeking appropriations from the legislature, getting consensus on a specific project or striving to provide the best customer service, SCAs need the support of a number of groups of people at any given time. As one SCA mentioned, “Projects can take an extra year in the public sector, as compared to the private sector, due to the number of stakeholders that you have to build consensus with.” Stakeholders that need to be engaged include the Governor and his/her cabinet members, legislators, other agency heads and their staff and the department’s own employees. Strong relationships are critical for facilitating the SCA’s goals. Indeed, in many situations, SCAs told us that it was strategic relationships that led to results.

### **RELATIONSHIPS WITH LEGISLATORS**

*Meet with legislators in person to gather insight on their point of views and to address their concerns:*

Immediately after he was appointed, one SCA in the South was thrown right into the legislative session. The Senate cut the procurement budget by \$4.4 million and the conference committee ended up cutting an additional \$2.2 million from the department. These cuts were mainly in response to the historically poor relationship between the administrative department and the Senate, which was characterized by a lack of trust and transparency and disagreement around policy.

Over the past year, the SCA’s main agenda item has been to repair that relationship between the department and the Senate. Initially, he spoke with the department’s customers to find out their issues and what they were expecting from procurement. He then went and met personally with legislators in their districts, listened to them and responded to their concerns. The senators wanted to know the value of the administrative department and how its budget was being put to use. Through these conversations, the SCA was able to get essential information and gather the data needed to communicate more effectively with the senators.

In this state, the administrative department is funded by fees from statewide contracts. The SCA showed legislators the benefits associated with statewide contracts by explaining which new contracts would be put into place and their estimated benefits. He also began tracking actual benefits different agencies accrued under these contracts. The administrative department is continuing to share this data with legislators and is working on tracking actual benefits even more effectively. Based on this improved communication and increased trust, the Senate agreed to fund \$3 million for technology to the administrative department in the most recent legislative session.

### *Meet regularly with legislators:*

As one SCA in the Midwest recalled, “relationships with legislators were absolutely the key to our success. As a department head, you really have to work hard to create relationships with legislators. I had an IT project last year related to tax reform. I had to personally go over to the legislature and commit that the project would get done on time and in budget and then go back to them with the outcome. Due to the relationships that I had built with the state appropriations chair and sub-appropriations chairs after I took the job by meeting weekly with them and valuing their input, we got a \$30 million appropriation.”

### **ACTION STEPS FOR BUILDING RELATIONSHIPS WITH LEGISLATORS:**

- Meet one-on-one with legislators regularly. Consider visiting them in their districts as well as in their Capitol offices.
- Find out key legislators’ needs and concerns and show how you are working to address them.
- Communicate proactively and concisely with legislators about your agency’s work.
- Include legislators in discussions, especially when developing solutions to issues they care about.
- Be prepared for meetings – have all the facts at hand and anticipate any questions legislators may have.
- Be transparent – show results, both successes and failures, however, have an action plan for how to translate failures into successes.
- Invite legislators to your department and showcase its work.

## **RELATIONSHIPS WITH OTHER AGENCIES**

### *Meet with agency heads and find ways to say “yes”*

“Administrative agencies have a lot of power since they are the ones running the services provided by the administrative department including the state’s facilities, procurement, IT, fleet services, etc., and they are there to take care of your customers. If we don’t do our job, we know state agencies can’t do their jobs.

When I came into my role, we did not have a historically good relationship with the agencies. We were the most hated department in state government. The first thing we did was that we went and sat down with department heads, asked them how we could meet their needs and emphasized our vision and mission as a service agency. I looked for ways to say “yes” instead of saying “no” all the time. I made sure things were managed appropriately and made sure state laws were followed, but I also looked for ways to move things forward. If we do our jobs well, they can do their jobs well, and the whole state will be successful.” – Another SCA in the Midwest

### *Develop personal relationships with other agency heads:*

“For an administration to be successful, it is important that there is a cohesive bond formed between the cabinet and the Governor’s senior staff. Developing effective relationships is an important first step. Developing personal relationships beyond the interactions solely around work is beneficial. The old adage “people don’t care what you know until they know you care holds true”. Whether it’s meeting with others on an individual basis for lunch or scheduling a monthly group night out with cabinet members, it is essential to get to know your peers on not only a professional, but also on a personal level. While there is always a balance and boundaries between professional and personal relationships that must be maintained, establishing a rapport of mutual respect and trust with others is instrumental in accomplishing the overall goals of the administration. When such a relationship exists, it is much easier and more effective to work through issues that arise.” – SCA in the Northeast

### **ACTION STEPS FOR BUILDING RELATIONSHIPS WITH OTHER AGENCIES:**

- Meet regularly with department heads to build relationships of trust.
- Demonstrate your support of other agencies and let them know they can count on you.
- Respect disagreements and work through issues together by turning problems into opportunities.
- Use project-based teamwork to foster stronger working relationships.
- Look for ways to say “yes” and if you have to say “no”, provide an explanation.
- Develop personal, as well as professional, relationships with other agency heads.
- Stay out of other agencies’ way after providing them resources and support so they can do their jobs to drive forward key priorities.

## MOTIVATE/ENGAGE EMPLOYEES THROUGH RECOGNITION AND RESPECT

SCAs want to recruit top talent and make their department an attractive place to work in government. Unlike the private sector, however, SCAs cannot incentivize performance with increased pay. Therefore, they must find other tools and tactics to motivate and engage their employees, who they rely on to provide the department's services. Several SCAs reported being out of the office to connect with their workers on-site, even wearing the same uniform and lending a hand. SCAs should not underestimate the importance of face time with workers because it demonstrates their respect for the work that their employees undertake daily. As their leader, SCAs must encourage their employees by example to continue doing the right thing and giving 100% even if there are no tangible rewards for the work that they do. As one SCA in the South asserts, "If you treat people with respect, you get results."

In addition to respecting the work of their employees, SCAs can take time to recognize their star employees through gestures small and large including writing personal notes, making a personal call to praise the work of an employee, giving out service awards, acknowledging employees who do something extraordinary in a newsletter or at regular all-staff meetings, mentoring certain employees or providing additional training. One SCA in the Northeast mentioned that to retain the best employees, he finds ways to promote from within the department.

### *Empower employees through engagement:*

"We are trying to create a more professional office with more collaboration. I want to empower people to make decisions rather than having multiple layers of oversight which makes employees feel that their input is not valuable. We are reaching out to employees and asking them how we can make things better and what areas we need to work on versus keeping the status quo." – Another SCA in the South

### *Give employees opportunities for development:*

A SCA in the West realized that they had an aging workforce and began to worry about whether or not they would have a qualified pool of managers from which to draw from when baby boomers decided to retire. In response, she put together a list of top 100 "shining stars" and did an Executive Summit where outside speakers from the private sector were brought in to present to the shining stars about change management.

Through the Executive Summit and other initiatives like a book club, the SCA tried to get her employees to look at things differently. The SCA and her team started having more interactions with the whole department and attending more staff meetings. They made an effort to say, "Hi" to employees in the hallways and let them know that they could stop to talk to the SCA and her executive team. They sent out more communication to develop a greater level of trust. Instead of celebrating the department's accomplishments only at the annual Christmas party, they communicated more often about the work that the department was doing, the changes the workers were making to the department and established future goals. As a result, the department's attitude has changed for the better.

### *Mentor your employees:*

“In this role, you have the opportunity to take time to recognize people for doing great work. We have a formal customer service survey that we do every year where we ask other agencies to rate how we are doing. The score is on an eight-point scale and anyone who gets above a six is recognized at a big event each year.

We also conduct an internal survey on employee satisfaction which drives recognition of management by identifying good versus bad managers. This helps me know which managers I can mentor to be more effective.

In meetings and in my daily interactions, I also make it a point to acknowledge folks who do good work. If I get a phone call praising the work of one of my employees, I will send an email out to the department about that. We rolled out an intranet page and we also recognize employees on that. If my media guy is stuck in the office writing a press release at 7pm, I will stick my head in and say, ‘Great work! Keep it up!’ These are not so much ways to incentivize as much as they are core management principles. A pat on the back goes a long way. An effective leader sees the importance of recognizing hard work and high performing individuals.” – Another SCA in the West

### **ACTION STEPS FOR MOTIVATING AND ENGAGING EMPLOYEES:**

- Recognize stellar performance by employees, both formally and informally.
- Empower employees by giving them guidance and/or resources to do their jobs better.
- Make yourself visible and accessible to your employees -- institute an open door policy.
- Help employees feel connected with the department through regular communication (e.g. all-staff meeting, weekly email messages or newsletters, an active intranet page, etc.).
- Communicate to your employees the impact that their work has on other state agencies’ ability to do their jobs.
- Build a culture of accountability and learning around mistakes instead of a culture of blame.
- Be personable - acknowledge your employees and greet them when you see them. As one SCA said, “Manage with a smile.”

## MANAGE YOUR TIME PROACTIVELY

Unilaterally, we heard from SCAs that it is essential to take charge of their roles by doing what they deem necessary and most effective. Often, this involves imposing order and priorities on their time given the pressures and demands that external forces pose. Although it is easier to be reactive, SCAs who proactively manage their time according to their goals will be able to maximize their impact while in office. For a new SCA, proactive time management will be especially helpful in structuring their role and charting a clearly defined path for what is often a broad and ambiguous role.

### *Assemble an advisory team:*

About a year and a half into his tenure, a SCA in the Northeast decided to set up an informal kitchen cabinet for himself to serve as a sounding board for him on some of the major initiatives that his department was working on. He assembled a diverse advisory team of about fifteen people who he really trusted and respected made up of people from the business community, the labor community, budget watchdog organizations, former SCAs in his state and people who represented municipal interests. He meets with them monthly to get their perspectives and inputs on any policy changes he is proposing or legislation he is trying to push. This informal kitchen cabinet advises him on initiatives both in substance and in the actual implementation.

### *Take charge of your calendar:*

“I had my assistant color code my calendar. If a meeting had to do with relationship or communications, she would code it green. I wanted at least half my calendar every day to be green. While I may not have always stuck to that, I tried my best to force myself to be the face and the mouthpiece for the agency and share what we had accomplished and what we were trying to accomplish.” – SCA in the Midwest

### *Delegate, delegate, delegate:*

“While I certainly need to react to pressing problems when they arise, I try not to just be reactive. When I assumed office, I met with all the division directors and quickly realized that two of my departments were really struggling. I decided to spend most of my time working with those two departments and delegated responsibilities to the other division directors. I let them know that they could always call or meet with me and to keep the senior team informed, but I also told them not to be afraid to make decisions without waiting for approval. I told them I had faith in them and their abilities. To succeed, you have to be comfortable delegating to your team. It takes some time but it is necessary because you cannot have everything come across your desk.” – Another SCA in the Midwest

### **ACTION STEPS FOR MANAGING YOUR TIME PROACTIVELY:**

- Take control of your calendar.
- Find advisors and mentors you trust and respect.
- Delegate responsibilities to others.
- Structure your day with your priorities and goals in mind.

## INNOVATE IN POLICY DEVELOPMENT

SCAs can be viewed as the guardians of precious resources that the public provides to them. As such, they have a fiduciary responsibility to use taxpayers' dollars as wisely as possible. Many SCAs reported that they have had to find creative solutions to problems that have plagued their departments, especially in light of continued budget cuts and increased public scrutiny. They need to come into their roles with a different perspective and show new ways in which they can create efficiencies and realize benefits for the state. While there is no question that this is a challenge, it is also an opportunity for creativity.

### *Embrace the creativity that comes with your role:*

“One of the greatest needs here is figuring out how to have a modern-day procurement practice in a government agency. It is a combination of eBay and using information technology in different ways, but how do you grow that practice? How can we do more business and build relationships with the General Services Administration and other states and how will we implement it? In trying to figure out these questions, there is a level of creativity required for this role that is very satisfying.” – SCA in the South

### *Keep the mindset that the “new normal is different”:*

A SCA in the West led a change management initiative that enabled her department to move towards a shared services model. She had to write new legislation that would allow every program in the administrative department, instead of just a few, to be funded by an internal services fund model rather than general fund appropriations. When the initiative was being rolled out, the SCA kept thinking that the new normal is different. To succeed, she realized that her team would have to learn to work together better than before.

It took them about a year to develop this legislation, refine the language and discuss with legislators what they were trying to do and why. The legislators were very receptive to the bill because it was a market-driven model that would expand or shrink the administrative department's services based on customer demand -- an attractive prospect given that general fund funding was hard to obtain. The SCA and her team showed legislators that if this new funding model worked, they could spread their fixed costs over a larger customer base outside of state agencies, thus taking the pressure off of the general fund. Legislators absolutely loved it. It passed both chambers unanimously, which was a huge win for this SCA.

### **ACTION STEPS FOR INNOVATING IN POLICY DEVELOPMENT:**

- Challenge the status quo and think outside of the box.
- Find new and creative solutions to old problems.
- Track and highlight the successes of innovative policies.
- Bring in fresh perspectives and outside thinkers, as needed.
- Look outside of government to other sectors for innovative models and practices.

## COMMUNICATE THE RIGHT MESSAGE TO THE RIGHT PEOPLE AT THE RIGHT TIME

As the face of the state's core business functions, the SCA's actions are often under the spotlight. Clearly, the ability to communicate effectively with various stakeholders is essential to conveying the value-added by the administrative department. However, as several SCAs told us, strong communication skills alone do not translate into success. It is also about crafting the right message and having the ability to know who to communicate to and when to deliver key messages. Unlike the other core competencies, we observed that SCAs often learned about what made for successful communication through trial and error.

### *Engage stakeholders and get their input before taking action:*

A SCA in the Midwest was faced with an unsustainable business model when he came on board. His department maintained state-owned buildings and they provided staff and equipment for other agencies and non-profit organizations who rented out ceremonial space for events. Over time, the demand for this service diminished, which meant that the administrative department had to keep raising rates it charged to customers to cover overall costs. With the support of the facilities director, the SCA decided to shut down the operation and worked to make this transition as smooth as possible by reassigning staff. However, there was a huge backlash from nonprofit organizations that still used this service, resulting in numerous complaints to legislators.

In hindsight, the SCA said that he would have polled or called non-profit organizations and high-use tenants before eliminating this service. If the SCA had communicated in advance that this was coming, it would not have taken those affected by surprise and the backlash could have been mitigated. As the SCA admitted, he had not done his homework in teasing out all the stakeholders that would be impacted by shutting down this business and he regretted not communicating his actions in a timelier manner.

### *Do careful research before making public announcements:*

A few years ago, a state in the West was planning to roll out an initiative that would reduce state employees' work week to four days instead of five. Their reasoning was that by moving to a four-day work week, they could reduce the energy and administrative costs, as well as the commuting costs for state employees. In advance of launching the initiative, a press conference was scheduled and the Governor's office asked the SCA for an energy savings goal.

The implementation period for this initiative was less than two weeks, giving the SCA limited time to gather data. To exacerbate matters, the state energy savings manager had recently resigned, leaving a vacancy in that position. Instead of asking for more time to conduct the necessary background research and gather more data, the SCA put forth a stretch target of \$3 million in energy savings that would be realized as a result of going to a four-day work week. The media latched onto this goal and ultimately held the program to a standard that it could not meet.

Unlike the above example where the SCA waited too long to engage affected stakeholders, this SCA communicated the message too early. Timing is critically important when rolling out any new initiatives since they will certainly come under the scrutiny of the media, the public and other stakeholders.

### **ACTION STEPS FOR COMMUNICATING THE RIGHT MESSAGE AT THE RIGHT TIME:**

- Engage stakeholders in discussions early on.
- Do your research before presenting a statement to the press.
- Identify and prevent communication breakdowns.
- Stay on top of changing developments.
- Spend time crafting your message and telling your department's story.

## FOSTER A CUSTOMER SERVICE ORIENTATION

Customer satisfaction is often a core mission of many administrative departments. In most states, other agencies are the administrative department's main customers while in some states, the department also has external customers who do business with the state. As one SCA in the Midwest explained, his state has two groups of customers: the big 'C', which he defines as all the taxpayers, and the little 'c', or all the other departments in the state. Almost all SCAs mentioned that they also consider the Governor as one of their primary customers. SCAs should try to meet with their customer groups within the first few weeks of assuming office and get to know their customer base so that they can provide the best possible service and value to them.

### *Solicit feedback from your customers and align their goals with your employees' goals:*

"We started having annual meetings with our customers in other departments where we would sit down face-to-face with them and ask them how we were doing. The first year, there were a lot of complaints and we started ticking them off. Immediately following these meetings, we do a customer service satisfaction survey in case there was something people did not want to bring up during the meeting. We are now in the third year of scheduling meetings with our customers.

This attitude toward customer service has changed our department's attitude because our employees have been able to see that we are making an impact and finding innovative solutions. We have started asking questions about who are our clients, what is our cost per unit, what is our turnaround time and how are we held accountable. We created service plans that articulate all the services that we provide and report to customers how many of those services they are using. On these service plans, we also track performance measurements and customer service satisfaction. We went one step further and also figured out how to introduce accountability into this system. Some employees were reluctant to embrace the change at first, but now in their performance plans, there are one to two specific goals that relate back to customer service and to performance measurement. I feel like we have been able to align every employee in the department, their goals and their productivity measures with what we are trying to achieve through this department." - SCA in the West

### *Listen to your customers:*

A SCA in the South identifies bills that will hurt business during the General Assembly. During a session, one delegate proposed a bill that would put constraints on projects at the local level, affecting how the administrative department oversees construction. The SCA talked to the delegate and asked for his rationale. The SCA listened to the delegate's position and worked hard to understand the motivation of the delegate. Next, the SCA visited the delegate's town to speak with the Mayor, the City Council and other people. The SCA wanted to demonstrate that his focus was on customer service. The delegate's town was thrilled that the SCA made an effort to visit their locality. Through this effort, the SCA was able to find common ground with the delegate and resolve the issue without legislation.

### **ACTION STEPS FOR DISCERNING CUSTOMER NEEDS:**

- Go to the customer's office and ask them what they want.
- Visit customers on their own turf to better understand them. Understand what your customers need to do to meet their own customers' needs, and how you can help them achieve their goals.
- Get regular feedback from customers on how well you are meeting their needs.
- Listen to your customers and incorporate their feedback.
- Involve customers in developing solutions that meet their needs.

## NEGOTIATE FROM A STAKEHOLDER'S PERSPECTIVE

The ability to understand and anticipate stakeholders' perspectives when entering into negotiations with them is a critically important skill. Whether the SCA is negotiating a new contract with the unions, an appropriations bill with legislators or program details with another agency, the ability to negotiate from a stakeholder's point of view will help him/her achieve desired results. Several SCAs advised that to the extent that they can, SCAs should try to create a win-win solution since providing great service is often the ultimate goal.

### *Get the Governor's vote of confidence and trust before negotiating:*

A SCA in the Midwest discussed the negotiations skills that were required of him while working on a new creative financing option for the state that would guarantee energy savings. Many states already had such energy savings programs in place, so the Governor launched this initiative through an executive order. The SCA was tasked with looking at how such programs could save the state money in the long-term.

The initiative was primarily headed through another agency, with the administrative department providing guidance. Within months of launching the program, the administrative department had to have tense negotiations with the lead agency to ensure that they were included in the request for proposal (RFP) for the program. The SCA and his team had to ensure that there was enough backstop and risk mitigation and that the state was doing things in its own best interest so that there would not be unforeseen consequences down the line.

It was a challenging negotiation period, but one that was ultimately successful because both commissioners had the Governor's confidence and trust. The SCA empowered his staff to work out the details of the negotiation and pull him in as needed. One of the things that made negotiations successful was that they had a clear plan of action for when issues arose during negotiation around what requirements would be in the RFP and how to resolve those issues. By entering negotiations with an understanding of the fellow commissioner's perspective, the SCA was able to achieve a successful outcome that made sense for both departments.

### *Leverage deeper level relationships:*

As many states face ongoing fiscal crisis, effectively negotiating with labor unions is a vitally important and challenging task. As with so many aspects of SCAs' jobs, relationships are often the key to their success. As one SCA in the Northeast recalled, "Relationship building is critical. I Chair the state employee benefits trust fund, which provides health care for over 300,000 employees, retirees and dependents. The fund consists of an equal number of union and management trustees. Each year, I alternate the Chair role with the head of the largest labor union. While we have different opinions and approaches to challenges and cost containment issues that arise at the fund, we sit side by side with the same goal of providing our employees with the right benefits while working to keep expenses to a minimum. Together we developed the health care package for all active employees and their dependents. We focus on those issues where there is common agreement and can openly discuss options and alternatives on more controversial issues. This relationship has also helped us work through issues outside of benefit trust fund, including reaching agreement for a new 4-year collective bargaining agreement. From the Governor on down, the tone was set to work cooperatively with the labor unions, recognizing while it was necessary to achieve significant concessions during these fiscal challenging times, agreement can still be reached in a manner that allows both parties to be successful.

### **ACTION STEPS FOR NEGOTIATING FROM STAKEHOLDERS' PERSPECTIVE:**

- Understand the opposing party's needs, wants, and interests through in-person meetings.
- Utilize your own network and your team's network to help facilitate negotiations.
- Have a clear vision of success for both sides – commit to working out a solution and articulating that solution.
- Find areas of agreement in negotiation.

# SUMMARY OF CORE COMPETENCIES & ACTION STEPS

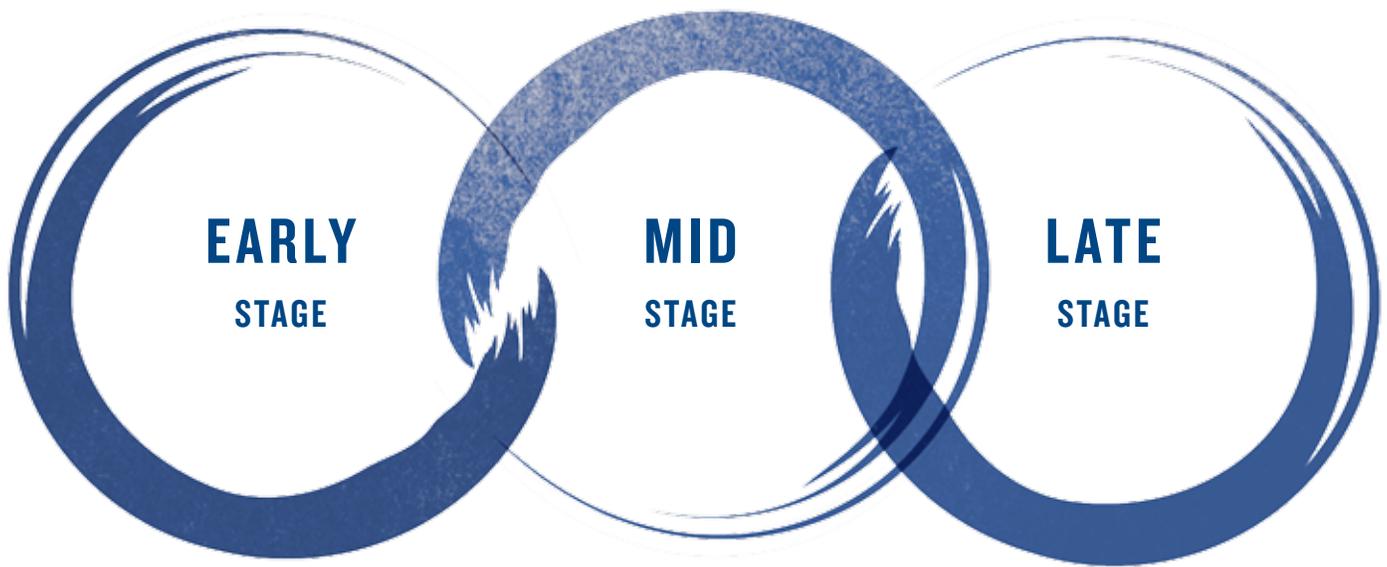
CORE COMPETENCY	ACTION STEPS
<p><i>Assemble a strong core team</i></p>	<ul style="list-style-type: none"> <li>☑ Select a core team who will be loyal to you.</li> <li>☑ Recruit employees who believe in the work of state government.</li> <li>☑ Appoint people who understand how government and politics work and have established relationships with other agencies, legislators, etc.</li> <li>☑ Find talent with different perspectives that will help you challenge the status quo.</li> <li>☑ Use multiple methods (i.e. various networking events) and sources to identify top talent. Another SCA in the Midwest recruited one of his team leaders while attending a networking session for senior executives out of work.</li> <li>☑ Assemble a team that not only works well with each other, but also with their counterparts in other agencies and in their professional networks.</li> </ul>
<p><i>Build strategic relationships</i></p>	<p><b>With legislators:</b></p> <ul style="list-style-type: none"> <li>☑ Meet one-on-one with legislators regularly. Consider visiting them in their districts as well as in their Capitol offices.</li> <li>☑ Find out key legislators’ needs and concerns and show how you are working to address them.</li> <li>☑ Communicate proactively and concisely with legislators about your agency’s work.</li> <li>☑ Include legislators in discussions, especially when developing solutions to issues they care about.</li> <li>☑ Be prepared for meetings – have all the facts at hand and anticipate any questions legislators may have.</li> <li>☑ Be transparent – show results, both successes and failures, however, have an action plan for how to translate failures into successes.</li> <li>☑ Invite legislators to your department and showcase its work.</li> </ul> <p><b>With other agencies:</b></p> <ul style="list-style-type: none"> <li>☑ Meet regularly with department heads to build relationships of trust.</li> <li>☑ Demonstrate your support of other agencies and let them know they can count on you.</li> <li>☑ Respect disagreements and work through issues together by turning problems into opportunities.</li> <li>☑ Use project-based teamwork to foster stronger working relationships.</li> <li>☑ Look for ways to say “yes” and if you have to say “no”, provide an explanation.</li> <li>☑ Develop personal, as well as professional, relationships with other agency heads.</li> <li>☑ Stay out of other agencies’ way after providing them resources and support so they can do their jobs to drive forward key priorities.</li> </ul>

<p><i>Motivate/engage employees through recognition and respect</i></p>	<ul style="list-style-type: none"> <li>☑ Recognize stellar performance by employees, both formally and informally.</li> <li>☑ Empower employees by giving them guidance and/or resources to do their jobs better.</li> <li>☑ Make yourself visible and accessible to your employees -- institute an open door policy.</li> <li>☑ Help employees feel connected with the department through regular communication (e.g. all-staff meeting, weekly email messages or newsletters, an active intranet page, etc.).</li> <li>☑ Communicate to your employees the impact that their work has on other state agencies' ability to do their jobs.</li> <li>☑ Build a culture of accountability and learning around mistakes instead of a culture of blame.</li> <li>☑ Be personable - acknowledge your employees and greet them when you see them. As one SCA said, "Manage with a smile."</li> </ul>
<p><i>Manage your time proactively</i></p>	<ul style="list-style-type: none"> <li>☑ Take control of your calendar.</li> <li>☑ Find advisors and mentors you trust and respect.</li> <li>☑ Delegate responsibilities to others.</li> <li>☑ Structure your day with your priorities and goals in mind.</li> </ul>
<p><i>Innovate in policy development</i></p>	<ul style="list-style-type: none"> <li>☑ Challenge the status quo and think outside of the box.</li> <li>☑ Find new and creative solutions to old problems.</li> <li>☑ Track and highlight the successes of innovative policies.</li> <li>☑ Bring in fresh perspectives and outside thinkers, as needed.</li> <li>☑ Look outside of government to other sectors for innovative models and practices.</li> </ul>
<p><i>Communicate the right message to the right people at the right time</i></p>	<ul style="list-style-type: none"> <li>☑ Engage stakeholders in discussions early on.</li> <li>☑ Do your research before presenting a statement to the press.</li> <li>☑ Identify and prevent communication breakdowns.</li> <li>☑ Stay on top of changing developments.</li> <li>☑ Spend time crafting your message and telling your department's story.</li> </ul>
<p><i>Foster a customer service orientation</i></p>	<ul style="list-style-type: none"> <li>☑ Go to the customer's office and ask them what they want.</li> <li>☑ Visit customers on their own turf to better understand them. Understand what your customers need to do to meet their own customers' needs, and how you can help them achieve their goals.</li> <li>☑ Get regular feedback from customers on how well you are meeting their needs.</li> <li>☑ Listen to your customers and incorporate their feedback.</li> <li>☑ Involve customers in developing solutions that meet their needs.</li> </ul>
<p><i>Negotiate from a stakeholder's perspective</i></p>	<ul style="list-style-type: none"> <li>☑ Understand the opposing party's needs, wants, and interests through in-person meetings.</li> <li>☑ Utilize your own network and your team's network to help facilitate negotiations.</li> <li>☑ Have a clear vision of success for both sides – commit to working out a solution and articulating that solution.</li> <li>☑ Find areas of agreement in negotiation.</li> </ul>

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## CONCLUSION: LEADERSHIP CHECKLIST

As state chief administrators look to apply these core competencies, below are some questions to think about during each stage. Again, early stage skills include those that the SCA should address immediately upon assuming office while mid-stage and late-stage skills can be applied later in their tenure. It should be recognized that the context under which the SCA is operating will largely determine how these core competencies are prioritized.



- Do I have an executive team around me that I can rely on and trust?
- Are my relationships with legislators and agency heads strong enough?
- Do my employees enjoy coming to work here?
- Have I made myself accessible to my employees?

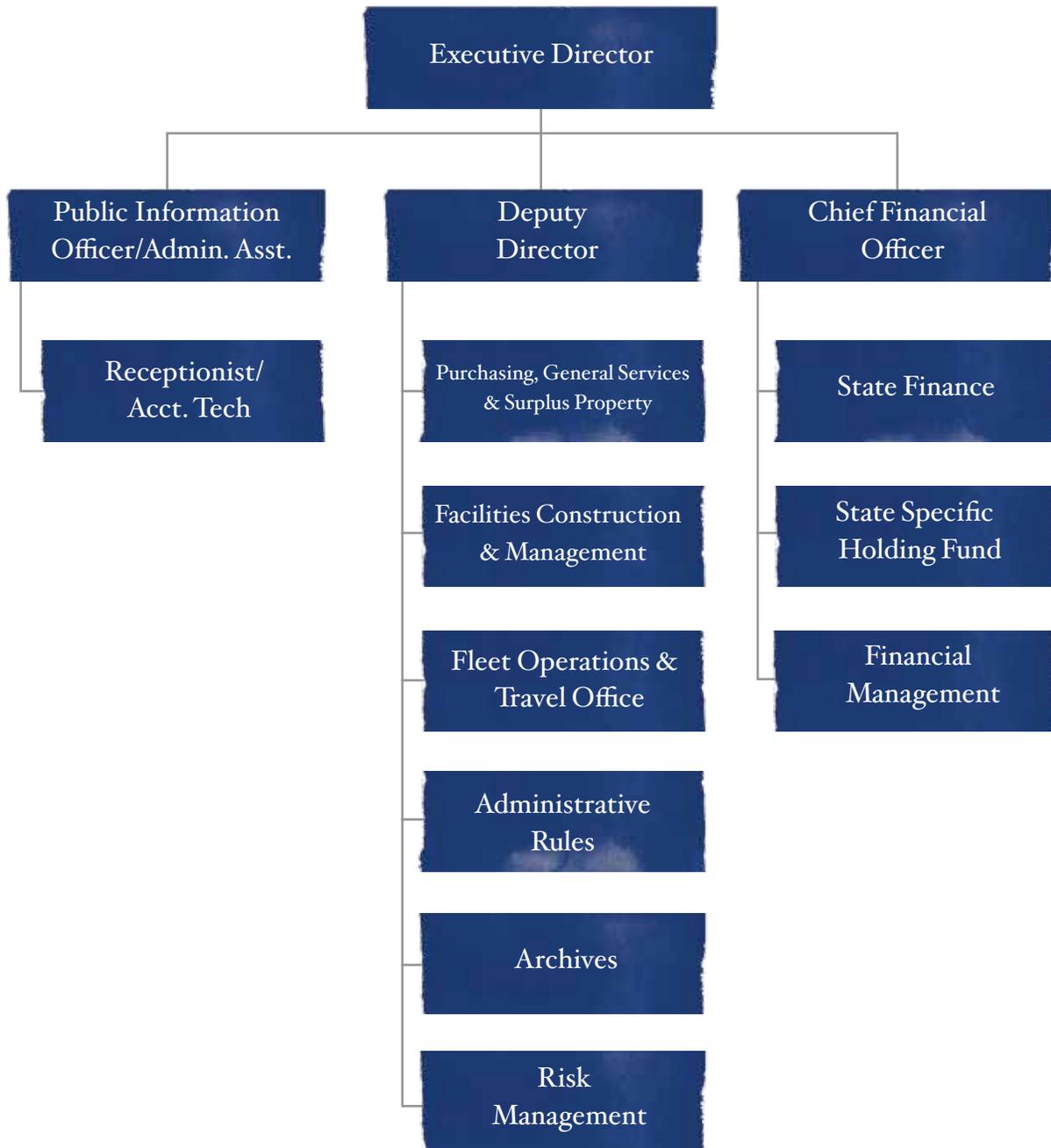
- Do I have control over my own day?
- What would help me do my job better?
- Is my idea innovative?
- Are there other resources I should be tapping into?

- Is my message clear? Have I boiled my message down to its essence?
- Does our culture embody a customer service orientation?
- Have I talked to all the right people?
- How well do I know the perspectives of the people sitting across from me?

## APPENDIX A:

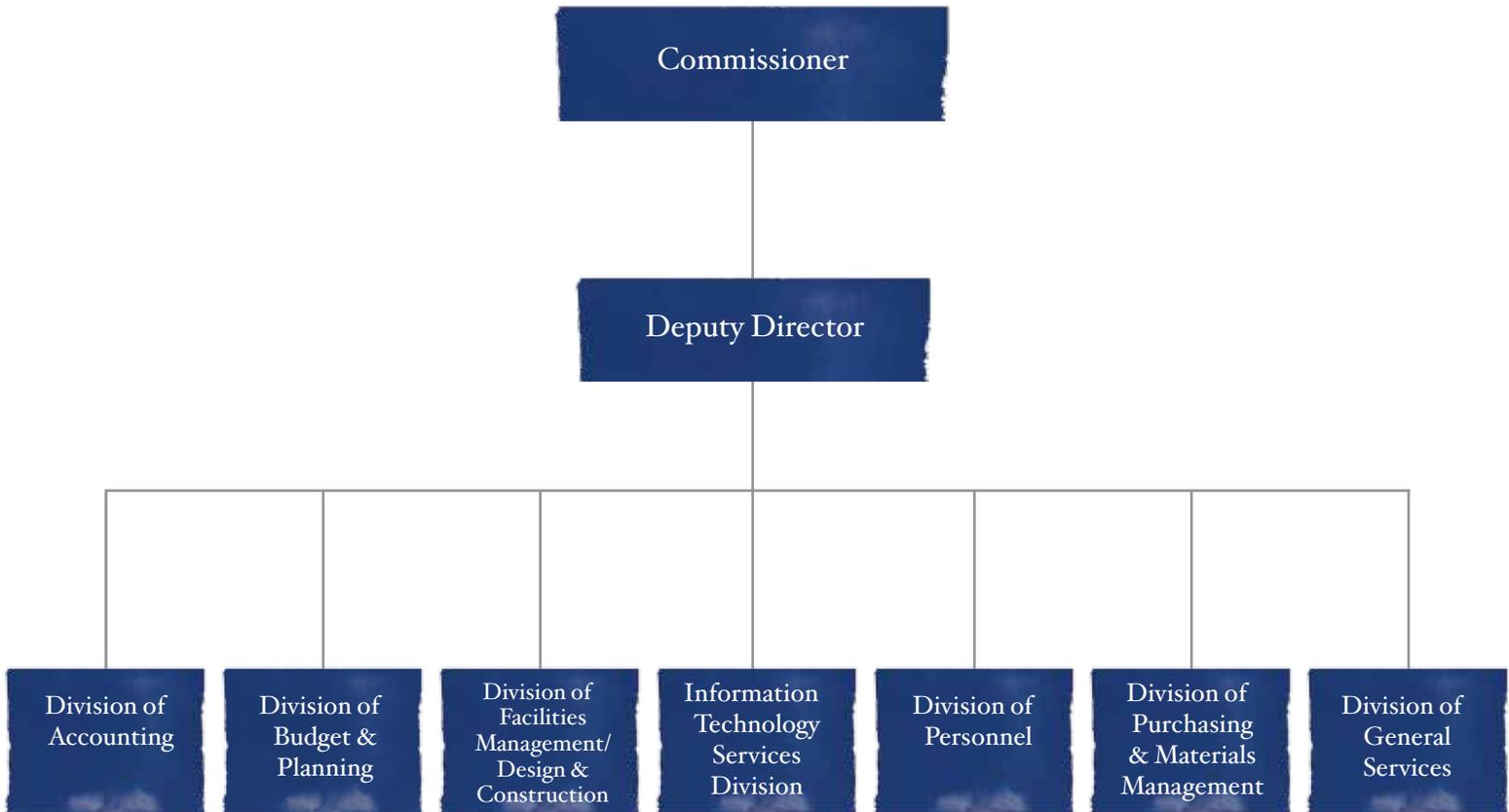
*Sample Organizational Charts of State Administrative Departments:*

### State Administrative Department in the WEST:



*Sample Organizational Charts of State Administrative Departments:*

**State Administrative Department in the MIDWEST:**



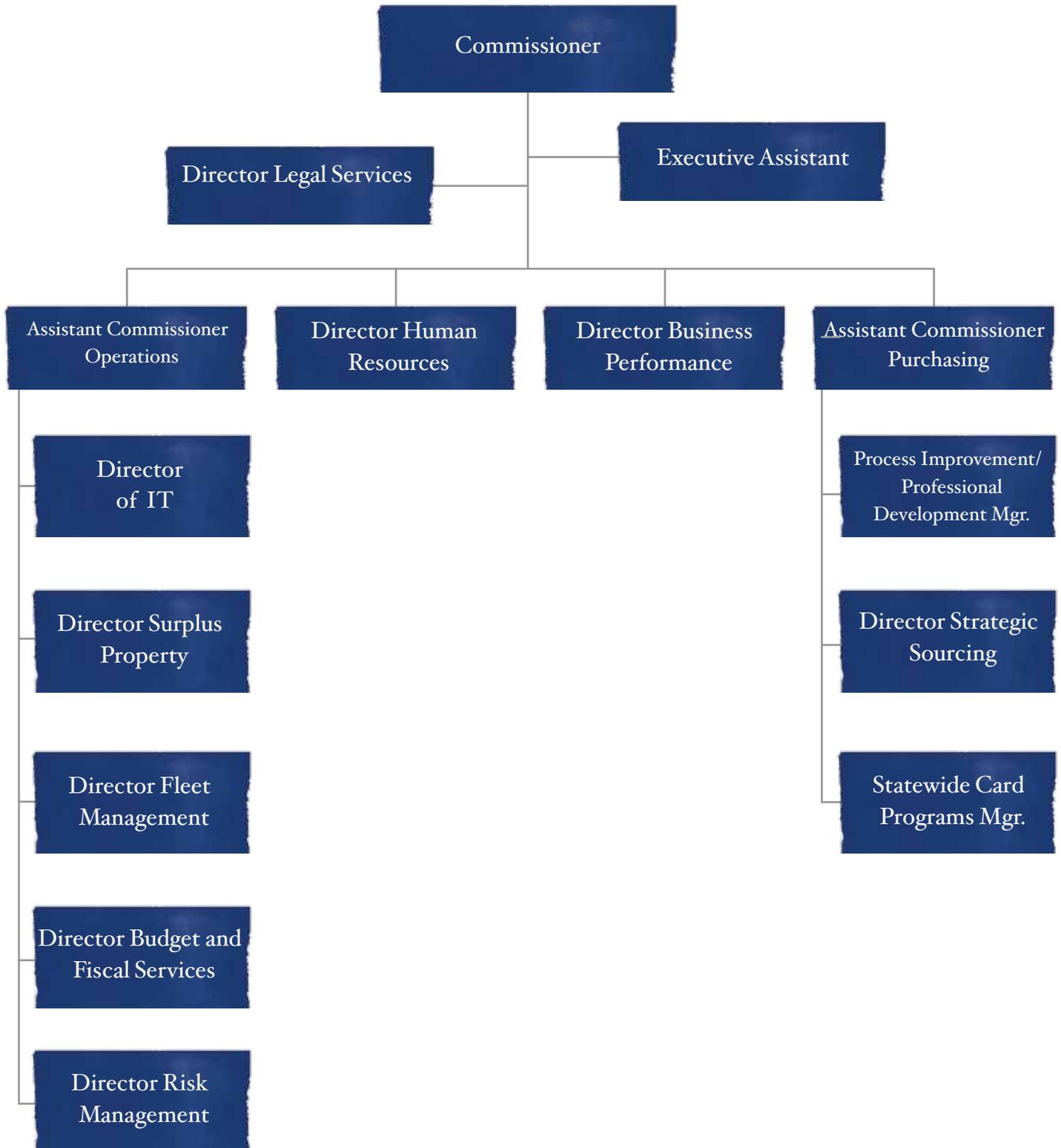
*Sample Organizational Charts of State Administrative Departments:*

**State Administrative Department in the NORTHEAST:**



*Sample Organizational Charts of State Administrative Departments:*

**State Administrative Department in the SOUTH:**



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## APPENDIX B: METHODS

### *State Chief Administrators Interviewed:*

- Paul Campbell, *Past Director, Illinois Department of Central Management Services*
- Steve Cates, *Commissioner, Tennessee Department of General Services*
- Alvin Collins, *Secretary, Maryland Department of General Services*
- Spencer Cronk, *Commissioner, Minnesota Department of Administration*
- Jay Gonzales, *Secretary, Massachusetts Department of Administration and Finance*
- Kim Hood, *Executive Director, Utah Department of Administrative Services*
- Sid Johnson, *Commissioner, Georgia Department of Administrative Services*
- Fred Klass, *Director, California Department of General Services*
- Kelly Powell Logan, *Secretary, Pennsylvania Governor's Office of Administration*
- Doug Nelson, *Acting Commissioner, Missouri Office of Administration*
- John Nixon, *Director, Michigan Department of Technology, Management & Budget*
- Richard Sliwoski, P.E., *Director, Virginia Department of General Services*
- Scott Smith, *Director, Arizona Department of Administration*
- Ray Walton, *Past Director, Iowa Department of Administrative Services*

### *Sample Interview Questions:*

- How long have you been in your role? What was your background prior to assuming the role of state administrator?
- How did you come to be appointed to your current position?
- Think about a professional incident/situation you experienced where things worked out well and/or not so well. What was the context? When did it happen? Who was involved? What did you feel or think? What did you say? Why were these actions and words effective? What were the results? What significance does this event have?
- How did you orient yourself once you started your job? Was there specific trainings or insights that were particularly helpful? Are there areas where you wish that you had gotten training but didn't?
- What are the five main responsibilities of your job and the approximate percentage of time you spend on each job responsibility?
- What knowledge and skills do you need to accomplish each of these responsibilities?
- What other knowledge and skills do you require to be successful in your job?
- What are the main barriers to your success?
- What are the most rewarding aspects of your job?
- What are the most difficult aspects of your job?
- Where do you think a state administrator can have the biggest impact on their state's overall performance?
- In what ways do you feel that you have the most impact? In what ways do you feel like you have made the least impact?
- What words of advice do you have for your successor? Your advice can be related to how they should prioritize, who they should have on their advisory team, etc.