

## **Rose Institute Introduction, November 18,2016**

Thank you all for coming today. I look out at you and I see an extraordinary group of people whose work has made Los Angeles a better place. I am honored by your presence and, of course, I am honored by the Rose Institute which has been a voice for good government over many years. What I like most about the Rose Institute is that students learn by doing public policy research on a range of issues of immediate importance to State and local government.

Beyond the Rose Institute, the person I'd most like to recognize is my husband Mark who isn't here but is with us in spirit. He has been my partner in life for more than 50 years. He is in Washington, D.C. today on National Academy of Public Administration business. I like to think that I've influenced his thinking as much as he's shaped mine.

When Mark succeeded Ray Remy as Executive Director at SCAG I met Ray too. He gave me my first job in L.A.– as a consultant to the city's Bicentennial Committee -- and he's been a mentor ever since. He and Sandy have become dear friends.

We have all known Katherine Barger as a long time, effective team player in the County but we now also know her as County Supervisor-elect. Katherine is a problem solver; she is a positive force; with a can do spirit. She has been a colleague and friend for many years. Katherine, we wish you the best as you start on this new journey.

My family is here: Leah McCrary, Doug McCrary '92, Carol McCrary, and Bob McCrary '58. Son Christopher Pisano. And Mary Ann Gardner and Terry Struven.

## **Rose Institute Award for Excellence in Public Service: November 18, 2016**

I am going to resist the urge to dissect the election. Like the rest of you I am reading and thinking about how we move forward as a nation after a mean, long campaign that was, among other things, a referendum on the legitimacy of government. For too many people, their government is broken – it's even the enemy. Take Jim Chapman, a Lassen County Supervisor who said (as reported yesterday in the L.A. Times) "people here went to the polls to vote against government." And they did – overwhelmingly. The irony is that an estimated 65% of Lassen County workers are on a government payroll. This war did not start in 2016 nor will it end soon. It's clear that we are a deeply divided people and our politics will reflect these divisions for years to come. But it's not clear to me what people actually want; what would cause them to think they've been heard. What success looks like. The Rose Institute will not want for research projects!

Whether you are hopeful or in despair, I'd like to address four big ideas that we, as practitioners and academics, can focus on now – and, in so doing, make a real difference in the way people interact with – and value -- their government. I put these thoughts forward with humility because I know many of you could add your stories about efforts to address our problems and improve our governing practices. I call these ideas out because they appear to me to be fundamental, timely and achievable. They are also insights from my 40-plus years of experience as an academic and a practitioner.

The ideas are easy to say but hard to do whether the institution is a government entity, a non-profit agency, a public- private partnership or a business. They are: (1) Put the customer (client/citizen) first; (2) Innovate! Innovation is local; (3) Make fiscally sustainable decisions (a contribution from a Haynes Foundation research project); and (4) Communicate clearly, consistently and often.

I submit the following examples of the transformative power of these ideas drawn from my own experience.

(1) Put the customer first. When I arrived at the Natural History Museum of Los Angeles County in November 2001, the institution was dark and dusty, the staff dispirited, and visitors few. There was a sizable deficit. There were some important bright spots: a good Board; a new, but very general strategic direction; and the promise of public and private support for the right project.

But what was the right project? We went down the most expensive path (a new building) before turning back. In the interim we spent many hours observing our visitors, talking to our visitors, conducting surveys and focus groups. We learned a lot. We learned that most of our visitors did not come to see fossils; they came for a family experience. But they wanted to learn and they didn't want us to dumb down the science. We learned that our biggest competition was not another museum; it was the beach.

We took in this information and much more, guided by our deep understanding of our existing and prospective visitors, our new mission statement, and a belief in our own potential. We made incremental improvements first: in signage, in our website, in new bathrooms. (If people have a bad bathroom experience, they have a

bad experience.) Then, with our visitors consulted throughout the process, we transformed 60 percent of the old Museum, added new space indoors and out, and created groundbreaking, award winning new exhibits that delight our visitors of all ages. Attendance is way up and all the ways we measure success are soaring. Our formula for success is succinct and clear and continually informed by what we learn from our visitors. It is applied to every project we undertake.

The take away lesson for governance: listen to what we can do with and for -- not to-- our customers and constituents.

(2) Innovate! Innovation is local. This is hardly a new observation: Alexis de Tocqueville travelled the young America documenting innovation in civil and political society in small towns across the U.S. which he published as Democracy in America in 1835. Recently contemporary travelers James and Deb Fallows also travelled the country, this time in their small single engine plane, looking for innovation that reflected civic regeneration and resilience. From the once bankrupt city of San Bernardino to Duluth Minnesota to Kingsland Georgia, people with new ideas are stepping up to eradicate blight, start new businesses and non-profits, and provide education that leads to employment. This work reminds me of Tom Bradley's glory days when he enrolled so many of us in the work of community building – in my case for the City of Los Angeles' Bicentennial projects; and for L.A. 2000, a strategic plan for Los Angeles. At the State level, an unprecedented public-private effort took the form of a Blue Ribbon Commission to achieve buy-in from the many users of our ocean in order to restore and protect our ocean habitats for future generations. Another example documented with Haynes Foundation support: Black churches led

the way with their commitments to economic development in South Central following the riots in what was a whole new expansion of their core mission.

Among the Fallows' insights are the following keys to civic success: Divisive national politics seem a distant concern; You can pick out the local patriots; Public private partnerships are real; People know the civic story; They have a downtown; They are near a research university; They have, and care about, a community college; They have unusual schools; and They have big plans. (The Atlantic, March 2016).

What I learned from all my leadership assignments, particularly LA 2000, is that Americans are fundamentally a problem solving people, interested in making our communities and lives work. Furthermore, experimentation and innovation work flourish when we exercise this creativity. The take away lesson for governance: shift away from top down direction and let Americans innovate.

(3) Make fiscally sustainable decisions. With the prospect of slow growth ahead of us uncertain, it is more important than ever that government make fiscal decisions with a close eye on the long term. A recent USC study supported by the Haynes Foundation looked closely at fiscal decision-making in Southern California cities and counties. Among the fiscal sustainability all-stars is the County of Los Angeles which has, among other things, ratcheted back, over time, employee retirement packages to keep the L.A. County pension fund solvent; and it dramatically cut operating costs (because of declining income) during the Great Recession and the recovery that followed. At the same time management initiatives resulted in increased employee accountability.

Not surprisingly government budgeting is similar to managing the Commons. When interests over-extract from the Commons they rob from the needs of all in our communities; and all eventually are hurt. The lesson for governance: Governments at all levels need to live within the means provided by the economy with the rules enacted by government. Fiscal and economic sustainability go hand in hand.

I applied this lesson at the Natural History Museum starting Day 1. My first task was to earn the Trustees' trust by balancing the budget. This was accomplished both by growing revenue and cutting expenses. After some years, the budget stabilized enabling us to proceed with a capital campaign. Taking financial sustainability seriously was the foundation for the transformation that followed.

(4) Communicate clearly, consistently and often. I learned this lesson first at USC and I learned it again at the Natural History Museum. The year was 1994. USC President Steve Sample was working to transform the University from the "University of Second Choice" into a top rate research university. To accomplish that goal, the University had many initiatives. In External Relations, my area of responsibility, we followed closely on academic and recruitment initiatives spreading the news to all USC constituents, including students, faculty and staff, alumni and community leaders. We re-branded the University; we jazzed up all communications vehicles (website, publications) and put them in service of the new initiatives; we set about changing USC from an inward focused place to an outward focused one; we initiated a faculty and staff Good Neighbors Campaign that last year passed \$1 million in support of good schools and safe streets; we entered into partnerships with neighborhood schools; and we focused on academic programs that enabled neighborhood children to enroll at USC tuition free. Most important, we were

strategic in our thinking: every communications initiative we undertook touched one or more of our audience multiple times each year. It didn't take long for perceptions of USC to change. Named Time Magazine College of the Year 2000 for its community initiatives, USC is now ranked in the top tier of academic institutions nationwide. The University's communication efforts were an important key to its transformation.

Clear, consistent and frequent communication was my mantra in my work at the Natural History Museum. It built understanding and support with our visitors, staff and other constituents, trust with our board and donors, and it established confidence and support for the institution.

To sum up, I'm quite certain that if we put customers first, engage in innovation, make fiscally sustainable decisions, and communicate clearly, consistently and often, we can restore the public's trust in government. I'm sure you could add to this list. We in this room, collectively, have always had many innovative ideas and I know that each of you is finding ways to lead as we go about the urgent task of re-establishing trust in government.

Let me close with a word to the students. You will be the architects of new approaches to government and governance. We need your participation and fresh ideas. We need you whether your career takes you in or out of government. A healthy democracy is everyone's responsibility.