

HOW AGENCY HEADS CAN MAKE THE FIRST 100 DAYS COUNT

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This article is the second in a three-part series providing insight on how new government leaders can hit the ground running. The first article explores how leaders can get smart by gaining a deep understanding of their agency or department, and the third will cover how they can quickly get going, putting their plan into action with a proven change management approach.

Ever since Franklin D. Roosevelt coined the term "the first 100 days" in 1933, early performance has been a critical benchmark for new leaders. New government agency and department heads must use that period to quickly gain insight into the organizations they will lead; establish credibility with stakeholders, including the White House, Congress, and career staff (civil servants); and lay the groundwork for executing their agendas.

Although the first 100 days of any new government leader's tenure are always challenging, this time around they will be more daunting than any in recent memory. First, even before the pandemic, the issues

facing government leaders were growing increasingly complex and interconnected. As a result, solutions require coordination not just within their own agency, but among multiple agencies, outside organizations, and stakeholders. Second, while new leaders must always ensure that any new policies or initiatives do not disturb existing crucial programs and initiatives, that balancing act is more critical than ever given the government's ongoing role in addressing the pandemic. Third, incoming leaders are likely to be taking the helm of an agency or department whose workforce is largely remote, which could potentially hamper their ability to build relationships with, and credibility among, employees.

On the basis of <u>BCG's extensive work on</u> <u>leadership and organizational change—including presidential, agency, state, and local government transitions</u> as well as those in the private sector—we have identified three actions that new government leaders must take in the first 100 days to get organized and lay the groundwork for success:

- Define and communicate priorities, informed by input from employees throughout the organization.
- Bring together the right leadership team—one that includes many members of the experienced and knowledgeable career staff—to advance those priorities.
- 3. Develop and implement a roadmap to execute those priorities, and do it quickly to ensure results during their tenure.

Appointees who take quick action in all three areas will be positioned to generate quick wins and lay the foundation for moving forward with longer-term priorities.

Define and Communicate Priorities

Once a bureaucracy is moving in a specific direction, redirection becomes difficult. The first 100 days represent an important—but relatively fleeting—opportunity to reorient the organization around a few critical priorities. Without that sort of guidance, it is easy to fall back on a business-as-usual approach. That's why new leaders must establish a discrete number of priorities (ideally, from three to five), balancing efforts that will rack up some wins in the near term with initiatives that will have a longer timeline.

The priority-setting process requires hard choices about how to allocate time and resources. In order to discern the inherent tradeoffs and tensions among priorities, leaders should perform a deep-dive analysis on their organization before taking the helm, gaining an <u>understanding of critical programs</u>, initiatives, and the overall <u>DNA of the organization</u>. This will also ensure that they prioritize important ongoing work from the previous administration, identify the right new priorities, and recognize the opportunity costs if some efforts or initiatives are moved down the list.

To define the right priorities, an incoming leader should start by assessing how the agendas of the president, the respective agency secretaries (if relevant), and Congress will require new efforts or changes within their own organization. Priorities set by the White House or other governmental bodies often command a significant amount of attention, including by the media, and should be at the top of the agenda.

However, much of a new agency leader's agenda will be centered on continuing—and, where possible, improving—the delivery of services to the American people. To that end, new leaders should identify the mission areas and programs that are successfully delivering value and assess whether that value can be enhanced in any way. And they should engage the career workforce in the process of setting priorities—a critical move to create early buy-in.

A few years ago, a new leader took the helm of a large government agency during a significant public relations crisis. Although the top priority was to address the public controversy engulfing the agency, he also wanted to improve the functioning and performance of the organization as a whole. In order to identify and prioritize areas for improvement, his leadership team drew on the insight of the career workforce, including through small group discussions and focus groups as well as larger town halls and surveys. This communication effort ended up producing an unexpected benefit: one of these small groups came up with a creative business solution to the underlying business process failure (a major application-processing backlog) that originally led to the crisis. The backlog, which had plagued the agency for years, dissipated within weeks and never rematerialized.

Once the right set of priorities is identified, a new leader must clearly and consistently communicate them throughout the organization. In BCG sessions with government employees, we often ask for a show of hands for those who can clearly articulate their boss's top three priorities. Typically, very few hands go up. The response is similar when we ask government leaders if they believe their employees understand

what the top priorities are. This underscores how critical it is for a new leader to communicate the agency's top priorities clearly and repeatedly across the organization. They should employ a variety of tools—town halls, frequent emails, and in-person meetings with career staff—to ensure that everyone in the agency is clear on the most important efforts and initiatives. If a leader has identified a dozen or more priorities but employees throughout the organization cannot articulate them, then that leader has no priorities.

The recent experience of a new leader for a strategic US military organization with a workforce of more than 50,000 illustrates the importance of a strong communication plan. One of the leader's top priorities was to create a cost-conscious culture. He implemented a broad communication effort to embed that priority in the workforce, starting with one-on-one meetings with every direct report to discuss the effort and explain how their performance reviews would be tied to results. That was followed with consistent communication through the public affairs office, recognition and awards for those identifying cost-saving opportunities, and publication of the costreduction progress of all units to create excitement and a bit of competition. The communication strategy paid off, with the organization racking up more than \$100 million in savings within the program's first year.

Build the Team to Advance the Priorities

The absence of a trusted leadership team will severely hamstring efforts to advance critical priorities. When building the new team, an incoming leader must identify the talent needed, draw heavily on the experienced and knowledgeable career staff within the organization to make selective external hires, and set clear roles and accountabilities.

Identify Talent Requirements. Building the right leadership team starts with an understanding of exactly what skills and expertise are required to advance top

priorities. In the private sector, companies employ this approach when creating a new business unit or leading a post-merger integration. They assess what talent is available to them, where they may have gaps in expertise, and what is needed to successfully advance the business's strategy.

Incoming government leaders can employ a similar process, determining exactly what skills each position on their team will demand to ensure progress on the agency's critical priorities. The priorities guiding such an assessment will include those related to the agency's mission objectives, legal requirements, and new policy initiatives. The talent required to advance the first two of those priorities often already exists within the agency, but accessing the talent to advance new policies may require looking outside. As new leaders examine the skills and expertise required for their management team, they should objectively assess their own strengths and weaknesses. If an incoming leader has significant experience running large organizations, for example, but less direct experience with agency programs, then they will want strong policy professionals on their team.

In addition, while much of the effort around building the right team will naturally focus on upper-level positions, leaders should also look at talent further down in the organization if those positions will have a central role in driving certain priorities. For example, if a new leader aims to reduce the organization's carbon footprint, they should look deep within the organization to identify the employees who understand the energy consumption of the agency's facilities and those who are working on renewable-energy initiatives.

Draw on Career Staff and Complementary External Hires. With clear insight on the talent required for each role on the leadership team, incoming agency and department heads should draw heavily on the talented career civil servants within their organizations to fill those positions. Career staff have significant institutional knowledge, experience, and insight on how to get things done, making them invaluable

members of the leadership team. In addition, it can take months for political appointees or external hires to be brought into the organization. Consequently, in practical terms, new leaders must rely on career staff to help build early momentum for their agendas.

To get a clear view on the talent in the civil servant corps, new leaders should ask their predecessors or others from the previous term about the best leaders in the organization. If succession plans are in place, a new leader should examine them closely. These plans detail who among the career staff is in line to fill specific political-appointee positions in the event the posts are empty and therefore can help identify good candidates for promotion to a more senior position. Overall, incoming leaders should avoid the trap of thinking that civil servants who worked effectively with previous leadership will not work enthusiastically to advance a new agenda. Their track record of success under previous leadership is a sign of their professionalism. New leaders must find ways to engage and support them. (See the sidebar "New Leadership 101.")

With a strong roster of civil servants on the leadership team, new leaders should then identify where new hires will be required. Some priorities, for example, will require a skill set, such as change management or digital mastery, that may be distinct from the existing deep policy expertise that already exists within the agency. New leaders should work closely with the White House liaison and the Office of Presidential Personnel to identify appointees who are a good fit for the team and help move those individuals through the vetting and confirmation process.

At the same time, they should be aware of the constraints that can limit or slow down the process. For example, timelines associated with the Senate confirmation process vary significantly across agencies and positions. Nominations considered by the US Senate Select Committee on Intelligence and the US Senate committees on foreign relations, armed services, and small business and entrepreneurship, for example,

are generally approved in about 70 days. Those handled by the US Senate committees on health, education, labor, and pensions; rules and administration; and homeland security and governmental affairs, however, require at least 100 days on average. New leaders should also make full use of the hiring authorities for their agencies, which can often provide additional flexibility in recruiting external talent. And in cases where hiring someone directly for a critical role is either prohibited or would take too long, new leaders can explore other options, such as bringing someone on board as a contractor.

Clarify Team Roles and Responsibilities.

One of the most counterproductive things a new agency leader can do is to create a new team without a clear delineation of responsibilities and roles. This can lead to confusion and reduced productivity—and even spawn turf battles, undercut morale, and impact the ability to deliver on the mission.

To avoid this outcome, new agency heads should create formal role charters for each one of their direct reports. Role charters are documents that spell out accountabilities, decision rights, behavioral expectations, and metrics for success for a specific job or position. The result is better execution, less duplicated work, and a reduced likelihood that critical issues will fall through the cracks. These charters should answer a number of questions, including:

- What is a concise description of the role?
- What is the person in that role accountable for, and what, if any, requirements are imposed on the role by federal law?
- Where does the person in the role have shared accountabilities—and with which organizations or individuals?
- What are the leadership norms for the position?
- What decision rights does the person in that role have? What can they veto?

NEW LEADERSHIP 101

Incoming agency and department heads will be under a microscope. To get off on the right foot with the career staff (civil servants) across their organizations, they'll need to adopt some proven—but often overlooked—management basics: listening to their workforce and modeling the behaviors they want to define their culture.

Becoming the Listener in Chief

No matter their background, experience, or expertise, a new appointee should remember that they don't know as much as they think they do. They should kick off their tenure with a "listening tour," where they sit down, one to one, with every direct report as well as any individuals who will lead critical projects. They should learn about those individuals' families, backgrounds, and careers goals. They should ask each person what three things they wish they could change about the organization. And they should get that person's view on the colleagues they value most for specific contributions because this may identify candidates ripe for a role in leadership. Through this exercise, not only does a new leader gain more insight about the on-the-ground reality of the agency, but the workforce feels valued as well.

Modeling the Right Behavior

A new leader's actions and behaviors, however small, set the tone for the

organization. If a new leader wants to cultivate an engaged and energetic organization, they must be visible. They should walk the proverbial factory line twice a day. And they should pay attention to signals they send with seemingly small decisions, such as when they take lunch and whether their office door (whether physical or virtual) is open.

They should also be sure that their actions communicate the values and culture they are trying to instill. One US government leader, for example, wanted her team to speed up decision making by delegating authority appropriately. To that end, she required that any team looking for input on a decision first outline why they actually needed leadership to weigh in on the issue.

Finally, new leaders should also be thoughtful about how they handle difficulty, making sure not to admonish messengers of bad news; such behavior will make people hesitant to bring them distressing information. They should praise employees in public and criticize in private. They must control their anger and disappointment and have a long fuse. Finally, they should demand that members of their team exhibit similar behaviors. Leaders who support ineffective and abusive staff will quickly lose respect in the ranks—an asset that is difficult to rebuild.

And what should they be sure to have input on, even if they are not making the ultimate decision?

 What does success in the position look like, and how will it be measured?

Of course, role charters should not be created in isolation. Once executives one level below the agency head have their role charters, these second-level executives need to get together to discuss, align, and resolve ambiguities. Then, ideally, these ex-

ecutives would conduct the same exercise with their own direct reports, creating their own team with clear roles and success metrics.

Create a Roadmap to Execute the Priorities

The best-laid plans can go awry without a clear plan for execution. New leaders should develop a high-level roadmap to ensure that actions are aligned and geared toward clear outcomes. The roadmap must

guide the team in two primary areas: building support with key stakeholders and managing performance and risk.

Plan for Stakeholder Support. Navigating the stakeholder landscape is one of the greatest challenges for new leaders—and the web of myriad Beltway stakeholders is particularly complex. In addition, one leader can't do it all, so they must leverage their team to engage with the full stakeholder group.

The leadership team should start by mapping the universe of stakeholders that will play a role in the advancement of each priority. Stakeholders can be segmented into four categories on the basis of their level of influence in the organization and their degree of support for the proposed reform: clear skeptics, change champions, change facilitators, and the unconvinced. (See the exhibit.)

Next, the roadmap should determine objectives for each relationship, including

building support for specific initiatives or actions and addressing opposition. Significant attention should be paid to mobilizing change champions to advance priorities and engaging with major skeptics to address their concerns.

In the 2010s, the incoming leader of a large organization within the executive branch had a detailed plan for engaging with stakeholders who would play a key role in advancing certain high-priority efforts. The plan included the most important messages to be delivered to each shareholder, the optimal channel for communication, and the cadence for delivery of those communications. In addition, a mechanism for collecting feedback from stakeholders was established to ensure they understood that their input was valued and was being taken into consideration. The leader spent much of his time in the first 100 days meeting with those stakeholder groups, including teams in the White House, a critical US department, Congressional committee members, think tanks, and advocacy groups that



represented citizens who were likely to be involved in some initiatives. The result: the leader's testimony outlining his priorities for the organization were well received by Congress and the White House, allowing him to hit the ground running in the early days of his role.

pendent on, other actions—and they should set milestones for tasks that are specifically aimed at addressing both. The roadmap should also provide an early-warning system for problems in either area, enabling a quick response to correct course.

Process for Managing Performance and

Risk. An effective roadmap must outline the process by which execution of priority efforts will be tracked and managed.

Part of the process should involve setting clear milestones for progress. Milestones must be regular enough—monthly or bimonthly, ideally—to prevent projects from getting too far off track before the issues are evident. In addition, roadmaps should identify activities that come with greater risk as well as those that are tied to, or de-

EW GOVERNMENT LEADERS are under a microscope in the early days of their tenure and must move quickly to establish credibility and create momentum for change. In order to maximize their odds of success, new leaders must quickly identify their priorities, build a team with the right skills to execute them, and design a roadmap to implement their agendas. Those that do so will be able to generate some early wins and build a foundation for long-term success in their critical first 100 days.

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