



“What were they thinking?”

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On why some government problems are simply

“Large-Organization Problems”

Some problems are government problems. They are unique to the public sector. Private businesses and nonprofit organizations don't have these problems. Or if they do have one of them, their problem is never as significant or as messy. It won't get the same publicity.

Other problems that challenge public agencies are, however, simply “large-organization problems.” These problems can plague any large organization—a large government, a large private business, or a large nonprofit.

Still other problems may be best described as simply “organization problems.” Any organization—regardless of its type, regardless of its size—can have this problem.

For example, any organization (other than a strictly family business) can have the bad-hire problem. (A family business can have a very similar problem, but it would be essentially the bad-gene problem.) Any organization, when searching to hire a professional for a critical job, can make a mistake—even a big mistake.

Any organization can hire someone who is incompetent. It can also hire someone whose behavior doesn't mesh well with the its norms, its culture, or even its purpose.

For many of these common organizational problems, there exists a basic, well-understood, frequently-employed strategy for eliminating (or at least mitigating) the problem. When an organization has to hire someone for an key position, it can employ an executive-search firm. These businesses evolved to solve a very specific and very common, generic management problem: the bad-hire problem.

Government, however, has some problems that a business or nonprofit may never face. For example, when customers lose interest in a product, the firm can simply stop producing it. Think Sony and Betamax.

Yes, the product's loyal customers will protest. But if the product is a financial loser, the firm can make a

strategic decision to simply ignore these unhappy customers.

In contrast, a public agency can't just kill of a program because it is inefficient or ineffective. Indeed, even if some objective analysis suggests that the program has no impact—or is even counter-productive—its popularity with the general public or a key constituency may insulate it from termination, even from revision.

For example, research has shown that two popular programs designed to prevent juvenile delinquency—D.A.R.E. (Drug Abuse Resistance Education) and Scared Straight—do not work.

In government, too much redundancy—indeed, any redundancy—is bad, wrong. Yet, to function continuously, efficiently, and effectively, every public agency needs operational redundancy. For as Murphy wisely observed, “If anything can go wrong, it will.”

In fact, Scared Straight appears to be counter-productive. Rather than discourage delinquency, it actually encourages it. James C. Howell, of the U.C.L.A. Luskin School of Public Affairs, found that programs such as DARE and Scared Straight, “that stress consequences [of juvenile delinquency] easily win public support despite empirical evidence that they are not effective.”

Thus, public managers charged with reducing juvenile crime find it politically difficult—indeed, often impossible—to curtail, let alone eliminate either program.

In contrast, if the top executives at Starbucks or Amazon discovered that one of its products or services was inhibiting the company's ability to reach its financial goals, it would eliminate it. Quickly!

This is not a large-organization problem. It is not a generic problem

that can confront an organization of any size. This extreme termination problem is unique to government. Obviously, a government or a public agency can't just terminate an established policy that some citizens think is essential.

Similarly, government can't just terminate an ongoing service. The federal government can't stop issuing passports. Your local government can't just stop plowing the snow or putting out fires. A small town may not need to provide the service directly; still, its citizens will expect the town to keep the streets clear of snow, if only by contracting with a larger, neighboring municipality.

Thus, when thinking about the challenge of managing public agencies, we need to distinguish between problems that are unique to government and problems that any large can have.

A “government problem” is one that no business or nonprofit ever confronts. It reflects the unique obligations of government: its responsibilities to *all* of its citizens—not just to those who have chosen to be its “customers.” It reflects the expectation—indeed the democratic requirement—that government treat all citizens equally and fairly. And this expectation imposes significant challenges on public executives.

If a problem is simply a large organization problem, it is probably less contentious and complex than a uniquely government problem. Other problems, even ones faced by government are simply generic, large-organization problems. **B**

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