

Thank you very much for inviting me to be a part of this. It was actually very humbling to get the phone call suggesting that I might be a candidate for this. My first reaction was that the pool must have been very limited. The other is that I knew previous winners and how extraordinary their work has been. Byron Jorgensen and Al Haines are colleagues whom I have known and had a chance to work with for probably twenty-five years or more, so I know the standard they have set. This is an extraordinary honor for me. I'm very excited to be here.

Two very special people in my professional life consented to join me tonight. Pat Martel, who is the city manager of Daly City, California, and also the chair of the ICMA board, and who, in her own right, could easily be standing here instead of me. She's an extraordinary leader and an extraordinary manager and a role model. And Kevin Duggan, long-time city manager in Mountain View, California, who now works with ICMA as our west coast director—he's an incredible individual who's made enormous contributions to the field of public management. So, thank you! It's an honor that you are here as well tonight.

I feel obligated to do something that approaches the classroom experience in my talk. What I wanted to do is first is offer my congratulations to the graduating students. I have some vague recollection of that event in my life. It was quite memorable and I'm sure it's going to be a memorable moment for you to share with colleagues and friends. Second, for those of you who are honorees tonight singled out by your peers for recognition, congratulations! To be recognized by those people with whom you most closely associate is probably the highest honor you can get. I feel so strongly about your contributions. Congratulations to all of you.

What I want to do is convey my passion for public service—more specifically, my passion for local government. For those of you who came to hear something about the federal government tonight, I apologize. I want to talk about an extraordinary opportunity within the next two decades in public service, particularly in local government. I don't want to go through a long conversation about the dysfunction of the policy-making bodies in Washington, and, in some cases, our states. What I find is a huge energy growing in communities around the country and literally around the world: important things in our communities happen when the people in those communities come together to make them happen. The real power of local government is when we connect big policy ideas to people in a place. There's no greater responsibility and there's no greater satisfaction than the work that's being done in local government.

I wrote a piece for *Governing Magazine* a few months ago describing what I call "The Decade of Local Government," which covers the next ten to twenty years. It's going to be focused – no matter what is happening in local governments – in regional activity around the world. I think I can make a case about why that's important to the role that you play as future public servants. I spoke at a graduation a few weeks ago and I said, "I wish I were in the part of this discussion where I was getting the diploma again, because I wish I were twenty-five." I think these next two decades are going to be so extraordinary; to be a part of it is going to be a special privilege. I hope I can leave you tonight with excitement about what that's going to look like and about the role that you are going to play, because this is an extraordinary catalytic opportunity in the world today.

I look at surveys all over the world and try to concentrate a little bit of the activity around what we find in the United States, since most of the audience here is from the United States. We ask people often what they find most important, and it's interesting. It doesn't matter whether you're in Maine or Florida or in Washington state or Texas; if you ask people in the United States what matters to them, the same six issues are identified. They vary in order of importance, and obviously there are local issues that get interspersed with these, but I imagine if I asked everybody in this room, you'd come up with the same six: one, people want access to a really good job; two, they want to be safe in their communities; three, they want access to education; four, they want access to good healthcare. We had to think of a new word for the fifth one: we need to get the infrastructure straight. When I say *infrastructure* people's eyes roll back in their heads, but then we hear a story like the water problems in Flint, Michigan, and we all start to focus on the things absolutely essential for the quality of life of our communities. And then six: everybody wants access to clean air and clean water and all the things that are necessary to sustain this planet and also to sustain quality of life.

These six things that everybody cares about represent an interesting set of issues for us, because if you think about those issues for a moment, every one of them is big—they matter. Every one of them is also multisector, multidisciplinary, and intergovernmental; no one entity operating alone can produce the results that matter. One of the huge challenges that we have in the United States is working on those boundary-crossing issues. In my generation, we have been trained to run separate agencies, departments, and organizations effectively and independently. And our metric was how well we did that.

Well, I would argue that in the twenty-first-century world—which you are going to work in every day—that prerequisite is no longer sufficient. Today the question we have to work on is: how do we make the whole greater than the sum of the parts? How do we connect the independent activities that go on in jurisdictions and metropolitan areas, in state agencies, in federal agencies, in the nonprofit community, and in the private sector, synergistically working in a way that produces the results that matter? None can operate independently.

We are going to have to develop a whole new set of leadership skills. It is not going to be enough to just run the agency effectively. We are going to have to orchestrate a whole series of actors in an entirely sort of different way, because we don't control those particular actors—the private sector, the nonprofit, and others. We are going to have to act in concert to get done what we want to do. I'll discuss a little bit later what I think some of the really interesting ideas are around those particular activities.

The first issue we've got to deal with is how we get scale. We were joking today about how many local governments there are in the United States. Well, whatever number you want to pick, it's about 86–88,000. One of our challenges unique to the United States is that we have metropolitan areas not dominated by one single jurisdiction. In most of our metropolitan areas, there are literally hundreds of independent jurisdictions and special authorities who must come together to get the kind of action that we need. So the first question is: how do we get scale to deal with issues that are really big? And second: how do we do that and still protect the political identity that we all value?

We all love the communities we live in. There are more branding exercises in the United States and other communities than you can shake a stick at. Everybody is interested in carving out a separate identity. We need to find a way to preserve identity, but at the same time, allow for the collective action that actually produces results. That's going to be a huge challenge, and it will not, I will argue, be led by political leaders. I had a mayor tell me very clearly one time, "Bob, no regional citizens vote for me. The only people who vote for me are the people in this jurisdiction."

So how do we build a platform that is going to come from the work that professionals do, so that there is a level of political comfort for elected leaders to make decisions that transcend their boundaries for the benefit of everyone in every region? Most of those things are done by national governments. They just scale—they eliminate local governments. We will not do that in the United States. We are going to have to do it by clever and innovative approaches that will be defined by the people in this room.

You are the ones who will deal with the issues of clean air and clean water. You're going to produce the healthcare and education systems that yield the workforce that will compete in the twenty-first century. The other challenge that is fundamental to the work that we do, I give credit to my colleague at the University of Kansas, John Nalbandian, for identifying. He and I wrote an article together on this topic, but it's really John who encouraged me to think about and to write about the issue; John edited the article quite substantially so that it actually made sense. The challenge that city managers or department heads in local government face every day is how to fill the gap between what we now find to be politically acceptable and what is administratively effective in producing a result. Sometimes the strategy necessary to produce the result we intend is politically unacceptable. We end up with a series of discussions, strategies, and resource allocations, knowing full well that they're not going to produce the end product that we want.

So how can we close the gap between what is administratively acceptable—that is, it works and produces the result that we intend—and what is also politically acceptable? It's going to take a huge amount of work for us to do that, and I would say that leadership innovation is going to be necessary for us to succeed. I talked today with some students about a mentor of mine by the name of Harlan Cleveland, who said, "One of the real challenges for us, the real value proposition for public administrators going forward is: how do you get everybody in on the act and still get action?" Well I think that's the other side of this "politically acceptable" versus "administratively effective" coin.

These two challenges are not managerial. They are challenges of leadership. Management is going to increasingly count, but it won't be sufficient. We're going to have to develop a whole set of levers and leadership initiatives that will allow us to navigate these structural boundaries.

In the course of all of my survey work, I found an interesting perspective that I would like to add to this conversation about the politically acceptable and administratively effective: the currency of the twenty-first century in the public sector is going to be trust. Trust itself is the working capital of democracy. Let me say that again: trust is the working capital of democracy. From looking all across the country, we found that those jurisdictions and those communities

that had high trust levels with the institutions that served them have prospered substantially over the last two or three decades.

I tried to think about what is it that managers can do to increase trust levels. Let me give you my three-part formula. First: clear accountability. That is, people take responsibility for their actions. We have also heard that you don't get in trouble for the act, you get in trouble for covering up the act. This idea of accountability is that sometimes we do make mistakes and sometimes, particularly around the innovation curve, things are not going to work as well as you might have expected. That is the idea of accountability.

The second part of the formula is transparency. Historically, we have thought of the budgeting processes as a sort of a black box. But the more transparent we can make the black box of how decisions are made, how people are engaged in decision making, and in producing the results and showing the results to people, the better. Leveraging new technologies, including social media, gives us a chance to be much more transparent in the work we do.

Engagement is the third part. We can engage people more clearly than we have historically. I joked today that whoever designed the statutory public hearings had no idea about citizen engagement. It's the worst place in the world to engage people. What can we do now to engage people where they are, when they want to be engaged, how they want to be engaged and with what media they would like to use? I argue that what we end up with is few emerging high-tech and high-touch strategies to get a decision of engagement.

Think about these three points as levers that we can use as public administrators. We can leverage trust to become the working capital of democracy in a way that will allow us to do the things that are not yet possible. The national media particularly is very skeptical about citizen trust levels and government. And as I was going around the country, I found that not to be the case. Community after community would give me their data on trust levels and they would be very high.

I looked at every referendum in the United States from 2010 to 2013, trying to illustrate this idea of the working capital of trust. In fact, I started my data collection with November 2010 because that was the Tea Party election of Congress. You take that as sort of the conservative moment of anti-government rhetoric. I went to 2013 to give me updated points to draw some conclusions. Looking at three types of referenda, they gave the local government an authorization for an expenditure, an authorization for a new revenue source, or they gave new power in local government that it did not have. In that period from 2010 to 2013 across the United States, more than 70 percent of those revenues had passed. I argue that they passed because the trust levels in those communities were high.

Three things clearly existed in those circumstances every time. One was that there was a specific use of the money or use of that power that was going to be exhibited. The second thing is that it was derived from an engagement process in a community that could use the priorities that mattered in community sales. And the third—and most important to this audience—is that there was a trusted agent to deliver on the promise. And that is all for local government, or a school district, or special authority that all had very high trust levels. All around the country,

people were doing things they never thought possible to do in the community to make them better, even during very difficult political and economic times.

This left me with one conclusion: people will invest in the communities in which they trust the people there to be good stewards of resources. Everybody wants their community to get that. I've never been in a place where somebody said, "Yeah, we really want this place to be bad." They may differ on the strategies, but they do not differ on the desired result. Everybody wants to live in a great place. What we get is a chance to be that catalyst, to translate an idea into something that actually does produce a great place to live and play.

Let me talk about two things in conclusion. You will get the chance to face a variety of challenges that my generation did not.

The first of those is probably represented in this room. For the first time in US history since the Agrarian Period, you will have the chance to work with a five-generation workforce. You will have people in your workforce that will be eighty, and people in your workforce that will be fifteen. With the amount of talent and resources that can be accessed in a five-generation perspective, that is a huge opportunity. Well, if you are eighty, you probably want a different work environment, work schedule, and benefits than if you are fifteen. People say "Well, that's not true." One of my mentors, who is also one of my best friends in local government, just retired two weeks ago and he was eighty-one years old, working as a manger. So, the challenge with that is I said, "You just made me mid-career." Not sure I'm ready for that perspective yet, but I assure you that's going to be the case.

The second is illustrated by what happens as we enter what we in the public sector call a first access to an open-source world. The history is that we were trained as the experts, and what you are trained to do now is be a convener to experts, and the experts are going to be outside the walls of your agency in many cases. How we construct the way we make decisions in an open-source world is very different than when we have all the knowledge and all the inclination; therefore, you can deliver that to a community. That is no longer the case. The information as iniquitous the access. I used to say that when I was the manager in Fairfax, it is probably true here in Provo. All the great experts in the world actually do reside in your community, and if you don't think so, just ask them.

In an open-source world we have to think differently about our role. It is not necessarily exclusively to advocate our expertise, but to reach out to others. My son-in-law works for a large pharmaceutical firm, and increasingly in the pharmaceutical world, they are using open-source research to increase the speed in which they can develop new drugs to meet the needs of a rapidly changing world. That was the most proprietary company that has ever been on planet Earth. They hid their secrets even from their own people. They separate laboratory work so that the two laboratories couldn't connect with one another until the end. This is an entirely different world when we think about open-source decision-making. This world is going to be so interesting and so exciting.

I want conclude with the contradiction of public service. People have asked me many, many times what I will remember about my career. First of all, I hope my career is not over yet,

but I have lots of things to remember. But I will tell the students who are leaving: you will remember the things you do, the big projects, the big programs, and the big things that they write about in the newspaper or on television. But, what you will remember most are the people, and the stories about people. That's what it's all about: making a difference for a family, neighborhood, or community. In local government that is what you get the chance to do. I got to be the city manager in my hometown of Hampton for fourteen years, and I remember it was a real privilege. When I left, a reporter came and asked me what I was going to remember the most, and I told him the story that I am going to leave you with:

A seventy-seven-year-old African American woman came into my office. Her name was Mary Johnson. She was an extraordinary person who had retired about fifteen years earlier from teaching, and was a very well-known city activist. She had helped the city get through the real challenges of coming out of the world of segregation. She came one day into my office as city manager and she said, "I found this really interesting thing, Bob, and I need your help." What she found was a building by an intersection that was facing demolition in preparation for an upcoming expansion. Looking at all the records, she discovered that it was a historic building that in the early 1700s, up to about 1820, had been a gathering place for slaves to convene to celebrate god. If you remember, in those days it was forbidden for slaves to gather, and it was forbidden for them to practice religion in the United States. So they had to do this surreptitiously and at places that were not marked in any way. These gathering places were all across the southern United States.

She found that this little building, which really didn't matter much to anything or anybody, was one of those historic places. She came to me and said, "I know you're way down the road on this, but can we do something?" Long story short, we redid the intersection, found some money, and the little England house is now a learning center for that community. It connects the people who live there to a heritage that they want to know a lot more about.

So it's those kind of stories—a person walks into your office and asks you to do something that is probably a little out of the ordinary—where you can make a difference. I know when I go back to my hometown, I think of Mary Johnson and the work that she did.

Every one of you, someday, will be able to recite a list of those kinds of stories. That is why you are involved in public service. There are easier places to make a living, but there is nothing is more satisfying, more rewarding, and or better you can do in this world than public service.

Thank you very much.