

The Business of Government

*a publication of the PricewaterhouseCoopers Endowment for The Business of Government
dedicated to improving the management of government*

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[FROM THE EDITOR'S KEYBOARD]

by Paul R. Lawrence



As the capital of government of our nation, Washington, D.C. is actually divided into two cities: Policy City and Operations City.

Residents of Policy City spend their time developing and visualizing new ideas that will make the country better. Residents of Policy City primarily reside in think tanks, congressional committee offices, and government policy shops. Each day these residents labor in the policy factory. There, policy is conceptualized, studied, and developed. Once enacted by Congress, it is pushed out the door to the folks in Operations City.

The residents of Operations City are the implementers of the ideas generated in the policy factory. They assemble, organize, and operate the government. Prominent residents of Operations City are agency heads and program managers.

Historically, residents of Policy City received the most attention and acclaim. This changed, however, in the 1990s as the residents of Operations City began receiving increased attention. The action began to suddenly shift away from Policy City to Operations City. The residents of Operations City were placed in charge of reinvention and reengineering. They were now in demand because of their skills and experience in government operations. The importance of Operations City was enhanced by the creation of positions such as chief financial officer and chief information officer, as well as the enactment of the Government Performance and Results Act and other management legislation.

Consider Social Security. The debate over whether we should change this system has been going on for 40 years. There is no doubt that the debate will continue in the years ahead. While the debate rages on, the residents of Operations City must continue to make sure that telephone calls to Social Security Administration are answered quickly and that checks continue to go out on time. Those who operate the system are accountable, regularly scrutinized, and encouraged to change management practices to become more effective.

We at PricewaterhouseCoopers believe that Operations City deserves more attention and study. Because the foundation community has historically focused on Policy City, we decided to create a new endowment to focus on the management of government. With the formation of our new firm, PricewaterhouseCoopers, we wanted to devote new resources to stimulating research and facilitating discussion on improving the effectiveness of government at the federal, state, local, and international level. Thus, with this issue of *The Business of Government*, I am proud to introduce the PwC Endowment for The Business of Government. Our research, conference, and sabbatical programs are described on page 9. Ian Littman and I will serve as co-chairs of the endowment.

The Business of Government will continue to keep you abreast of changing practices in government operations. Ian and I will alternate writing this column, sharing our perspective on events and trends. As in past issues, we will continue to spotlight organizations that are transforming themselves and running the business of government more effectively. We will present interviews with outstanding leaders, who will talk directly about how they are implementing and managing. Finally, we will report on Endowment activities, including grant award winners and research findings from endowment grants.

The public has become keenly aware of the quality of service it expects from government. The government of the future will focus much more on how these services are provided and less on developing new policies. Morley Winograd, director of the National Partnership on Reinvention, recently remarked, "Everyone comes to Washington to make policy. Yet 90 percent of what goes on is implementation." We think Morley is right. It is our hope that the PwC Endowment for The Business of Government will advance knowledge of how the residents of Operations City can better serve the public. ■

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