



Policy on Purpose

Episode 14: Former Maryland Governor Martin O'Malley, Former Indianapolis Mayor Stephen Goldsmith and Robert Shea of Grant Thornton

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DON KETTL: Thanks very much and welcome to this podcast here at the LBJ School of Public Affairs. We have a great chance for an opportunity for discussion here today. The topic is transforming government, the power of data-driven decision making, and we have three of the smartest people I could imagine to try to get together to talk about this. I think that's true. One is, first is, former Baltimore Mayor and former Maryland Governor, Martin O'Malley who, among other things, brought CitiStat to the city of Baltimore and StateStat to the state, as well as BayStat to improve the condition of Chesapeake Bay along the way. He's author now of "Smarter Government: How to Govern for Results in the Information Age," a book that's going to be out in May 2019.

With us as well, Steve Goldsmith, who is a professor of the practice of government and Director of Innovations Program at the Kennedy School, former deputy mayor of New York City and also mayor of Indianapolis where he championed public/private partnerships, competition, privatization strategies. He's the author of "A New City O/S: The Power of Open, Collaborative and Distributed Governance," which my students are reading in two weeks, and so if they have a chance to be able to listen, one would get an inside scoop on all this, and Robert Shea who had a distinguished career inside the Office of Management and Budget, now works for Grant Thornton, and was a commissioner on a truly unusual and unique enterprise: the Commission on Evidence-Based Policy, which fairly recently, came out with a report and which is distinguished by a truly bi-partisan effort in Congress to try to advance the role of evidence in government.

So I can't imagine a better combination of people that we could possibly use to try to talk about this. And the question, first of all, is that there's all this talk about trying to transform government and this stuff about data, but on the other hand it's a whole lot easier to talk about it than it is to do it, and especially to make data available in a form that actually moves policy. And Governor, if I could start with you just to ask, what kind of experience and what kind of lessons do you have, given your work both in Baltimore, in the Bay, State Stat, as presidential candidate even? Thinking about how we can try to not only put data in the form where we can use it, but in a way that people actually will use it and may have some impact on policy.

O'MALLEY: Yeah, awesome question. And the truth is, it's already happening. For all of the lack of trust we might have in our national efficacy, and the ability to make our federal government work right now, the truth is, all across the country trust is actually a higher level than it was 15 or 20 years ago in most cities and local governments. And I'd submit to you a big part of the reason for that, Don, is that mayors, county executives who have never really had that advantage of knowing things months before the people figure things out, they deliver very visible services. And so, they've embraced this revolution in openness, transparency, performance management, the use of the data, the use of the map. And really, giving the citizens a view of service delivery in the life of their city in real-time. That's never happened before, and that's happening now.

The key is, in all of this of course, is leadership. We've never had a better ability to know where things are happening and now that we know, we have now the opportunity, really, to collaborate in ways to get inside the turning radius of problems and deliver better results for people in very visible ways. The truth is, it's happening, but sometimes like a new song. It's not as loud as some of the noise we hear on television. But it is happening.

KETTL: It's hard to sing that song in a way, too, when people look at the question of trust at the federal level and conclude, well things are bad and they're getting worse. But your argument, Governor, is that we've been able to try to use data and that local and state officials been using data to try to drive performance and people actually see that and notice it and respond to it.

O'MALLEY: We were, many years ago, we were the first city to use 3-1-1 for all calls for city service, and then we had the platform, if you will. Steve Goldsmith, Mayor Goldsmith, talks about the common platforms for collaboration and the collaborative nature of governance. Cities all across America, almost every major city, now has 3-1-1. And the subtle transformation that took place in the move to 3-1-1 is that local leaders no longer talk about constituents as much as they talk about customers. And it's really the customer expectation and the institutionalizing of the openness and the transparency, making it the only acceptable way for governments to do business at the local level. To be able to give a customer a service number, a time expectation within which to expect the pothole to be fixed, or the graffiti to be addressed or any number of other services.

And that's a big, big shift. Ultimately, everybody wants to know that their government is responsive and recognizes their needs. That they matter. And I think you see a lot of leaders across America doing that, in cities and counties. And hopefully, more and more in states and the nation.

KETTL: Mayor, both in Indianapolis but also in some of the works that you've done since, you've spent a lot of time thinking about this idea of creating a new operating system for government that's really based on this notion of collaboration and government that's driven by data. [inaudible] picks up on what Governor O'Malley was talking about, but you've got some interesting insights on that. What is that you think really makes this the new operating system that's likely to drive the way the government operates?

GOLDSMITH: Well, if you go back to when Mayor O'Malley was doing CityStat—so he's beginning to use data to measure the performance of city departments. But the people who worked in those departments didn't have very good tools at the time. Not because it was Baltimore, just because the age of digital tools hadn't really progressed. So now the question is, what evidence, what information do you drive to the field worker? How does he or she get that information? How is it put together? How do they make decisions? How do they exercise their discretion? So, what I was suggesting is that it's the total revolution of mobile tools. So you're using evidence to manage performance, but at the same time, from the bottom up you're giving those tools to the field workers to make decisions in real-time as well.

So it's the complete character of the change of the system. It requires somebody at the top to say, "Look, performance matters, but then you have to deliver the tools to the people who are doing the actual work, and then they can exercise their discretion better." It's very different than command and control, working in very narrow boxes, hierarchical systems. Now we have a system where we're going to reward discretion and measure the application of discretion.

KETTL: And what you're really talking about, Mayor Goldsmith, is not just the use of data in new kinds of ways, but trying to wire it in as a brand, new operating system the way we think about government actually operates.

GOLDSMITH: Well so, you know your first question of the Governor was something about the use of data. I actually think that's probably ... So, for your audience, I read everything you write, and I think it's all great, and I think that was a wrong question.

KETTL: What's the right question here?

GOLDSMITH: I think the right question is, how do you ... What problems can you now solve with data? Not, how do you make data more interesting in and of itself, because it's not. So the core we're looking at is, how a mayor or governor, federal

official, can use the data to solve a problem. And I'm partially just jesting, but, so if we focus on, here's a set of problems, now let's use the data to figure out how to solve those problems, then we can excite the folks in the public enterprise about how to use them. And I think that's what the secret is. So looking across the verticals, exercising discretion, informing the exercise [inaudible], measuring it and then, at the top, holding people accountable for results.

KETTL: And Robert Shea, you've had experience at the federal level, trying to do this, arguably, at a far tougher level, where the distance between what happens at the top and the way in which the services come out the bottom is much greater. And what do you make of Mayor Goldsmith's argument that this data stuff, at least the data in particular, is often not very interesting to people. How do you make it interesting and useful?

SHEA: Well, the data itself is not interesting, and it's great to be with three giants who've been thinking about this for a long time. The genesis for the bill you mentioned, the Foundations for Evidence-Based Policy Making Act, came out of some best practices at the federal level. And those were agencies that thought really hard about what problems they wanted to solve and then went about collecting the data that helped them solve those problems, answer those big questions. So, we think there's an opportunity to unlock a lot of the data that's littered across the federal government and give researchers better access to it. Easier access to it. So that you can do the kinds of studies that answer these really important questions about what programs work.

Invariably, when you look at programs at the federal level deeply, they generally aren't working. So, more insights into what is working and how to fix those that aren't we think is time well spent.

KETTL: So, a notion is that we know some stuff is not working very well, some stuff is. How do you tell the difference? And your argument is that we can do a better job figuring out which is which, based on the data?

SHEA: Yeah. We got plenty of data. We're already collecting plenty of data on anything that moves, but it's under-utilized. So, better access to that data should unlock these mysteries.

KETTL: And can you talk, just for a second, Robert Shea, about this idea about the commission that was created? It was a bi-partisan Congressional commission. It was created to try to figure out how to do just that.

SHEA: That's exactly right. Senator Patty Murray and Speaker Paul Ryan were working on a poverty bill together, but since that became so tough, of course, they created a commission. The purpose of which was to come up with recommendations on how to strengthen the governance over evidence at the federal level so that we could, at least, have a fighting chance of making more decisions based on evidence.

O'MALLEY:

Let me key off something, Don, that Mayor Goldsmith and Robert Shea just said. Reminds me ... shortly after the attacks of 9/11, I remember meeting with a gentleman from NSA, and he said something in the course of our conversations. He said, "You know, if we only knew what we already knew." And I said, "And then did something about it." And that's really what it comes down to. I mean, Lincoln said the same thing in a different language about 100 years ago when he said, "If we only knew whether we were headed and how we were getting there, we'd have a better chance of arriving," or something to that tin. But look, what Mayor Goldsmith talked about, this shift, has really happened fast in local and city governments, and it is the future.

It is moving from the construct that we have in our heads of our leaders sitting high atop a pyramid of command and control, and sending orders down. And it's, instead, much more of a collaborative circle on its side in which the use of data at the center emanates and pulsates out to the other circles, if you will, the individual departments: solid waste, sanitation, housing or state their different names. But the key is, as Mayor Goldsmith indicated, is you have to get that ubiquitous, everyday use of data and the evidence to drive your deployment decisions, your tactics, your strategies and collaboration across different departments. Especially once you get to the state level where it's harder.

All of the big challenges, the more difficult challenges are not a simple one-off: dispatch a crew, fill a pothole, it's done. Reducing lead poisoning among children in a big American city where, for generations, children have been poisoned in sub-standard housing, that requires collaboration with educators. With pediatricians. With, sometimes, schools. Sometimes we found that people are far more likely to open their doors when we sent fire fighters accompanying the health workers. Because everybody opens their door for a fire fighter. So that sort of collaboration is really what these new technologies enable.

And it also allows us to hold one another accountable in the endeavor at the same time that it gives citizens visibility into how their government's actually working. And whether or not it's working any better this week than it was last week. We never had the ability to do that before.

KETTL:

And what you're talking about, Governor, is, in a sense, creating a new kind of language for talking about what works and what doesn't and how it does and how to do it better.

O'MALLEY:

Yeah, and the visualizations. I mean, Robert was talking about the data ... I mean, we're awash in data. What we are still learning how to do is to visualize and make it understandable to everyone. Our theory, working theory when I was ... When I served as governor was, look I want the people of our state seeing the same dashboard that I see. And I want them to see it the same that I see it. I don't want to wait six months, scrub it, only show them the pretty measures. If we're not showing them where we're missing goals, then the goals that we're hitting have no credibility.

KETTL: And Robert Shea, if I could ask you to pick up on that, 'cause one of the things that ... What the Governor just said struck me as fascinating is, the idea of seeing data. We don't usually think of data as something to see. We think of it as something to count, but often not something to see.

SHEA: Yeah, we were talking earlier about the needs to do a better job telling stories, and using the data to tell stories that can drive decision-making is really important. You really want to be able to capture ... You talked about the short comings, Governor, the anomalies in the data that, where you need to focus your management energy.

O'MALLEY: And the map can help do that. I mean, the map is a great integrator, and we've all grown up with maps, but only lately do we have maps that can, because of the internet of things, reflect real-time. The shifting dynamic across the places we call home.

KETTL: And Mayor Goldsmith, you've been spending a lot of time looking at innovation, especially in cities, but across governments by government officials who've succeeded in doing that. You did that in your own work in Indianapolis, but you've been also looking at the way in which people across the country have tried to do that.

GOLDSMITH: Right. So, you know challenging assumptions with the data will lead you to disruptive innovations as well. So maybe just to weave a few of the answers that we've just heard. So, let's go back to the lead example for a second. So, one of the issues with government is it often operates by routines. So, just the same thing. In one way, that's comforting because the government will operate predictably, but that's predictably often slowly because you can't redirect your resources. So, think about lead for a second. Say a city like Baltimore, Indianapolis, particularly New York, has lead issues it needs to address, not enough people to address them. So the data could inform you about where the riskiest neighborhoods are, where the riskiest dwellings are, where the riskiest kids ... Where the kids who at most risk live. And so, then, you use the data to identify the outliers, right? So now that we think about innovation, we're not thinking about just measuring the speed of response. We're thinking about measuring preemptive responses. Predictive responses. Solving problems before they occur.

Taking the data and aiming it in the right place and aiming the worker in the right place. It's a totally different way to use data. It's a totally different way to operate a city or a state, and it will be the future.

SHEA: I once, Don, I've stolen a slide from a guy named Sean Malinowski who is a deputy commissioner of operations for the LAPD. And yes, his mother was Irish. And Sean has a slide that he talks about the change, the transforming, of their own city police department, and he almost has these little ... Picture if you will the kind of volume levers that you'd have on a mixing board for a band, where it's SXSW. And he says, "We've moved from being an organization where

decisions were made based on hunch or routine, to making them based on evidence." Slide the little volume knob across. "We've moved from the ability ... Or from simply responding to calls for service to deploying to a system of alerts. Again, based on the evidence. We have moved from the ability to make nice looking maps to the ability to do predictive analytics."

But that describes not only what's happening in the police department. That's really the change that's happening across the board in government.

KETTL: Let me ask a question to each of you because the one thing that all of you have in common is a lot of experience. If we were to total up the amount of real-world, practical, on-the-job experience, it would go into the decades and decades. And all of you have had the experience of watching other people try to pick up the ball and carry it. One of the things that strikes me about what you say is, first, how important leadership is in this. But secondly, how important the role of leaders to be able to lead using data is, but then the risk is, third, that when a leader leaves how is it possible to be able to make sure that the driving forces of technology can continue to try to advance it? How can a leader make sure that, if this is such a good idea it doesn't go away when the leader does. And, Mayor Goldsmith?

GOLDSMITH: Well, the answer to the last question is you can't. Let's think about this.

KETTL: That's sort of a scary thought, if you think about it.

GOLDSMITH: Well, I mean think that if you have an effective governor, like Governor O'Malley, then you begin to change the culture of the enterprise. Its use of data becomes more routine, and the way government operates will become better. However, there is no such thing as replacing a visionary leader with a bot. Somebody has to lead. Somebody has to set the vision. Somebody has to hold people accountable. Now, I think, though, over time you change the culture of the bureaucracy so that it operates better, the standard starts higher. So, it's a combination of the two, I think.

KETTL: Governor?

O'MALLEY: Yeah, the ... I think the driving force is not the technology, Don. I think the driving force is our ability to care for one another. And to care about one another. And the technology gives us the ability to have our actions actually rise to the level of our caring. In other words, what I have found in my own experience is that there is a bit of a muscle memory that starts to take over, even when leaders change. I mean, leadership's important, it is the great variable, but I don't think we should confine the impact of leadership simply to the elected person that's at the center of the organization. Whether it's mayor or governor. There are leaders in every single department. And there are caring people in every single agency.

And if they are empowered with the data and the systems that outlast an administration, then they'll continue to do good things even if you might have a leader that takes down the open data portal or turns around the dashboards. There is still that muscle memory, and there is still that leadership ethic that's been activated, and as Mayor Goldsmith said, government by routine. Once people get routine about not allowing kids to slip through the cracks, for example, in a social services system, it's hard to ... Somebody has to consciously switch those ... That to an 'off' position. Once you get it going and once everybody knows.

KETTL: Robert Shea, let me ask you about that, if I could, because you've seen people come in, and if not maybe hit the 'off' switch, you've at least seen people try to switch it to 'my switch'. That when somebody leaves, given your experience at the federal level—presidents, management, agendas have been put into place. Performance metrics have been put into place. New administration comes in and says, "Well, that may work for the last administration, but we've got an even better idea which is different from the old idea."

SHEA: Democracy's kind of a bummer in that you have to replace leadership on a periodic basis. I mean the reason why Mayor Goldsmith and Governor O'Malley are icons in the management community is 'cause they are rare in that they invested time, energy, political capital in making lasting improvements to the government's operation. And so, it is a mystery what makes these guys tick, and more important, how to make it stick when they leave. You're right. There are leaders in every component of government, but leaders like y'all are rare, and we do everything we can to create a governing structure that allows these principles to continue, but both of you said it. There's no replacing good leadership. I don't mean to embarrass you.

KETTL: And just to follow up on that, too, if I might, because there's—Robert, you've seen presidential transitions too, on top of that. And this is a horribly unfair question, but what kind of advice would you have in trying to ease those transitions between Democrats/Republicans, Republicans and Democrats, to make sure that what seems to be the right and the obvious good thing to do doesn't get just pushed aside because it was the last administration's bright idea.

SHEA: This is an area where the federal government has invested a lot. The institutions of campaigns and government are meeting well in advance of elections to plan for better transitions. And that includes highlighting management improvement initiatives that work. I say this in the shadow of the last presidential transition, which I don't think sets a precedent for future transitions. I do think it's an area that's really improved.

GOLDSMITH: Well, that was discreet.

KETTL: That was discreet point, Mayor Goldsmith says.

GOLDSMITH: The British have a saying, "It's important the governments learn to rebrand and not disband."

KETTL: But the question of politics has inevitably surfaced here, and I want to make an observation and ask a question as we get ready to wrap up here today. The observation is that, it may not be obvious to the people listening to this conversation, but we have both Democrats and Republicans sitting at this table, and I don't think you'd be able to tell, easily, which were which. That there really is this notion that there is a way of making government work better that is based on data and that, I think, is a really interesting observation about the importance of transforming government through data-driven decision-making. But the question is this. We have a president now, in Donald Trump, who's capitalized on this fake news idea. And he's not just doing it because it's a catchy phrase, which it is, but he's tapped in to a profound distrust that a lot of people have about what people say and what people do.

And it's unclear how much more mileage there is in the phrase, but there's something real in this idea that, you know, we don't really trust these numbers very much. We have this sense that people just kind of make up the numbers that fit whatever it is that they want to say. That people are going to be told whatever it is, and if I'm a citizen who doesn't trust government much to begin with, that maybe there's something underlying this here. And Robert, if I could ask you to try to respond to that. You suggested maybe this wasn't going to be for the ages, but there's something real also that's going on under the surface, here.

SHEA: There is. I don't know ... I'm more of an optimist. I'm too much of an optimist to think that this will— this damage will last and that we won't recover. And one of the things that we should all have faith in is the statisticians that are working hard every day to collect and report data that is used in every conceivable community in which the government is working. So that's just one, that's one glimmer, but there are many others, I think. And I do think smarter people than I, are working to improve the way we ... the way we distinguish between what is fact and what is fiction.

KETTL: Mayor Goldsmith?

GOLDSMITH: I'm going to stay away from your national question and answer it at the local levels, really quickly. So, one, Governor O'Malley at the beginning said that trust in local government is actually higher, which is true. And we shouldn't lose sight of that fact. So, if we think about this issue, we don't have a lot of local news anymore, this from trusted sources either, because of the fragmentation of news. I could think about the answer to your question in the following way— people want a government that works for them, and they know whether the local government is working for them because they can see it and feel it. Two, that the transparency movement that the Governor mentioned is terribly important, if that information is out there in real time. Three, that I think that

people do react to the narrative of maps. If they see things, it creates a shared narrative.

So we need to work harder at that shared narrative, that civic infrastructure. But I think trust can come from that and local government still has that trust reputation.

KETTL: Governor?

O'MALLEY: Yeah, I will only ... I'll add this: that I think there's a role also for academia to play here. In a very civic and engaged way with local government, if that's where the trust is highest. I do believe that people, that all of us as citizens have a ... Attach some value to the brand of whether it's the LBJ School or the Kennedy School, and so I've been working with a non-profit called The Metro Lab Network, which is 40 leading cities and their university partners. And I think that's a part of what it's going to take for us to really foster, germinate and make grow that trust that's starting to come back in local places. Eleanor Roosevelt, many years ago at the UN Declaration of Human Rights said, "It's important for us to ask what does this document mean in the small places close to home?"

And that's where we need to get with the data and the technology when it comes to not only the efficacy of our local government, but also of our state and of our federal. What does it mean? Can you show me my house? Can you show me where these policies are making a difference in my community for my kids? They used to say that, what was it? Missouri was the 'Show Me' state? We're now, the entire ... United States of 'Show Me', people expect and demand that their government will actually be able to show them what they're doing and whether or not it's working any better for all of us than it was last week. And the quicker we get there, the better for our kids.

KETTL: Couldn't agree more with that, but also with your challenge to the academic community, Governor, because it's one of the things that for those of us who have either worked in or worked with the academic world, one of the biggest challenges of all is trying to find a way to pick this ball up and run with it on, essentially, our side of the street. To try to support this kind of work.

O'MALLEY: Yeah. 'Cause your idea of a good research project is one that takes 20 years and is federally funded, right?

KETTL: Not mine, but it has been said that that's the fact.

GOLDSMITH: Whereas mayors want a project that's done in two weeks that they can deploy.

KETTL: Exactly. And one of the things that's actually an exciting piece here that we're doing at the LBJ School is a project both with the Volcker Alliance and with groups of local officials here in the state of Texas where we are ... It's sort of a

wild conversation. We've gone to people and asked them, "What kind of research do you need?" And their first reaction was, "Okay what kind of data are they asking for? And how do they want us to do their work for them?" I said, "No, no, you don't understand. What kind of problems do you need to solve that we and our students can help you solve?" And that's one of the things that we here at the LBJ School are working on, and I know that it's the kind of work and partnership that, Governor O'Malley, that you've brought with the work that you've done across the country. That Steve Goldsmith is championing with his work as the Director of the Innovations Program and that Robert Shea is doing and so many other projects around the country as well, with the work that you're doing at Grant Thornton.

Thanks to all of you today who've been listening in to this Policy on Purpose podcast. We're especially grateful to our three guests here today. Governor Martin O'Malley, the author of the new book, "Smarter Government: How to Govern for Results in the Information Age," Steven Goldsmith, who's the author of "A New City O/S: The Power of Open, Collaborative and Distributed Governance," and Robert Shea, who's been a champion for evidence-based policy through his work as a commissioner in the Commission for Evidence-Based Policy. I want to thank, in particular, Grant Thornton, who's been a wonderful collaborator in this project, and we really appreciate their help in organizing this session here today.

I'm Don Kettl. I'm a professor of public affairs at the LBJ School, and thanks very much to all of you for joining us today.

SHEA: Thanks for having us.

O'MALLEY: Thanks, Don.

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