

ATTACHMENT B

Hampton Retreat 2018 Opening Talk James B. Oliver, Jr.

I'd like to start today by looking at the larger context of our world. Robert Sylvester, a former State Department executive and academic, observes: "Confidence in reason is on the wane, likewise our confidence in hierarchy, centralized authority and mass culture. We are in a very significant and challenging period of transition and dislocation--sitting at the outset of a consensus that has not yet evolved."

The U.Va. religious studies professor Charles Mathews, further notes: "Ours is a genuinely Theo-political world". In his book *A Republic of Grace* he writes "we significantly hobble chances responsibly to confront the world if we attempt to reduce our problem to one or the other....Theology or politics."

This context is full of paradox and irony and special challenges for public service. All life, but certainly the life of public officials is a lot about paradox, irony and context. Our world becomes more complex every day at an even faster pace. One of the new paradoxes says cities are the places to fix our national challenges today. In a book entitled "*The New Localism*," Bruce Katz and Jeremy Nowak talk about the shift from outmoded hierarchical models of national governance to more flexible, networked, multi-stakeholder models of local and metropolitan governance.

Cities are now dealing with some of the hardest challenges facing our society: social mobility, competitiveness, climate change and more. The previous 20th Century was very much about hierarchical systems: specialized, compartmentalized, and highly bureaucratic. The 21st century is going to be networked, distributed, and led by cities.

If this is indeed true---I have this question: Hampton, are you ready?

As we have said before, council members get elected as individuals, but the job is to be an equal member of a decision-making group----which requires very different skills and behaviors.

These new ideas call into question how we think about leadership. Today leadership needs to be more horizontal than vertical. The new leadership is networked and collaborative and it is cross sector. And it happens when groups form around very concrete problems and move forward with solutions to very concrete problems.

New localism is not the same as government. And it presents a new set of challenges to City Councils who have the legal responsibilities of being governments. A big, new challenge is how can City Councils ensure democratic accountability from what are essentially non-elected, extra-governmental organizations?

Ultimately, accountability always goes back to public officials: elected and professional. Some of the roles are new. Obviously, transparency is important. The new model has

is a kind of co-governing that is evidence-driven, data-rich and outcome-oriented. As state and federal governments have become more mired in partisan gridlock and ideological polarization, the so-called lower levels of government have begun to fill the vacuum.

As we work with City Council, including the two new members, we see great opportunities. Hampton has been a progressive city government for many years. You have won national awards and often modeled new, successful ways for doing business. I personally remember well the acclaim Hampton received when the city pioneered financial policy with the leadership of Bob O'Neill and Pete Pederson, who retired last week.

While collaboration and networks become very important, today we want to start with the context of thinking about ourselves as individuals. You may remember I said two years ago that we all have a house with four rooms: physical, mental, emotional and spiritual.

In the spiritual room, we remind ourselves we are connected to the world and others. We recognize the ultimate unity of all being and the conviction that the universe tilts toward goodness and love. Awe, wonder and radical amazement are often our response to the universe and joyous and compassionate attitudes we share toward ourselves and others. We have a deep trust that we all need to share in the world's abundance and we are equally responsible for shaping our future. Mostly, we have a deep inner knowing that our lives have meaning.

I also reminded us two years ago that Thomas Jefferson had a daily plan to visit his four rooms:

In the physical room he gave two hours every day to exercise.

In the mental room he said: "I look to the diffusion of light and education as the resource most to be relied upon for ameliorating the condition, promoting the virtue, and advancing the happiness of man."

He talked about emotional balance in these terms: "to do our fellow man the most good in our power, we must lead where we can, follow where we cannot, and still go on with them, watching always the favorable moment of helping them to another step."

For him the spiritual room involved UVA---"This institution of my native state, the hobby of my old age, will be based on the illimitable freedom of the human mind to explore and to expose every subject susceptible of contemplation."

If the job is paradoxical----elected as an individual to a group---it is also full of irony---the expression of one's meaning by using language that normally signifies the opposite.

When I go into the mental room to think---I see many challenges for Hampton City Council and its public officials. The world today is so different than the past. Today's world sits in a context of growing complexity and rapid change. While the public doesn't get this---you live in a world where the hierarchical structures and organizational processes that we have used for decades to run and improve our governance are no longer up to the task of succeeding in this faster-moving time.

In fact, the old ways can actually thwart attempts to govern in a context where discontinuities are more frequent and innovators must always be ready to face new problems. Cities used to face their strategies only rarely. Today we need to adjust to changing contexts and then quickly make significant operational changes almost continuously.

Amidst constant turbulence and disruption, how do cities stay competitive and stable? There are many, many contemporary leadership challenges in local government today. In simple terms localities are caught in a struggle to balance or connect what is "politically acceptable" with what is "administratively sustainable"---or said even more simply connect politics with administration. The difficulty becomes more obvious when we look at the trends which underpin each of these factors today---administration and politics.

And to be even more specific, the roles of the city manager and other professionals in the local systems are under enormous pressure. Think about it---if the historic, intended role of the manager is to facilitate community and enable democracy, then how does one go about building community and supporting democratic values in today's polarized environments?

Traditionally, City managers have tried to help build community by facilitating partnerships among sectors, groups and individuals. Managers have looked for creative ways to support the traditional democratic values of inclusion, accountability and transparency with the professional values of efficiency and effectiveness of service delivery, trying to build a total sense of community. In lots of communities today, both sides of the equation have been hyped and we see role confusion among professionals and elected officials.

Let's look first at administration and four forces that are driving the modernization of administration. Specifically, they are:

- The communication revolution
- The transportation revolution
- The organization revolution
- The economic revolution

The first two set of forces---communications and transportation---are transmitting ideas, information, images and money across continents that are hastening the boundary-crossing flow of people and goods. The third set of forces---the organization revolution-- has shifted the flow of authority, influence, and power beyond traditional boundaries

and the fourth---the economic revolution – has re-directed the flow of goods, services, capital and ownership.

The impact of these four forces together has been to create more administrative homogeneity or sameness----with the emphasis on hard data and cause and effect principles. We see it in the push for quality control and cheaper costs and less variation in products or services. These trends push toward standardization and centralization.

But these trends of administration challenge the politics of identity which prefers the spontaneous, unique and experiential. The politics of identity prefers variation and differentiation. We see this clearly in the efforts of cities to brand themselves as different than other cities in marketing campaigns, or as neighborhoods who want to be different.

Yes, we hear lots of storytelling that speaks to the mind by reaching for the heart. The most powerful stories touch one's identity---who we were, who we are and what we can become. The quest for identity sometimes is dominated by intuition and emotion and one's self-regard for themselves versus the notions of community building or that we are all in this together.

Again, there is irony and paradox. The city manager and administrative staff work in the realm of data and analysis with serious concerns for what is administratively sustainable - that is - what is implementable on a long-term basis and what is fair to the larger population, while elected officials are working to develop what is politically acceptable within the emotional context of community identities.

The fundamental challenge is: can Hampton develop ways of doing strategic business with its strategic partners that complements its ongoing management system? Can Hampton be agile, quick and network-like in developing creative strategic initiatives to fulfill your Vision?

My definition of strategy in this sense is a “dynamic force that constantly seeks opportunities, identifies initiatives that will capitalize on them, and completes those initiatives swiftly and efficiently.” Here we find the notion of dual operating systems, which for me, comes from Bob Matson of UVA and John Kotter, a national organization development expert. At the UVA Senior Executive Institute, where Zin teaches, Bob has always talked about “parallel organizations” that are set up within organizations to deal with strategic leadership and management systems. Kotter talks about how to work with your strategic partners in collaborative networks.

At the heart of these thoughts are five principles:

- Many change agents, not just a few, to include lots of volunteers.
- “Want to” attitudes versus “have-to”----voluntary energy and brainpower thrives when people want to be change agents and feel they have permission to do so
- Head and heart---not just head. You must appeal to emotions as well as head.
- Much more leadership---not just management.

- In addition to competent management---folks need vision, opportunity, agility, inspired action and celebration.

Two systems, one organization. The network and the hierarchy must be inseparable with a constant flow of information and activity between them. The network is like a solar system, with a guiding coalition as the sun, strategic initiatives as planets, and sub-initiatives as moons or even satellites. The structure is dynamic: initiatives and sub initiatives coalesce and disband as needed.

The work of strategic thinking is best organized around a sense of urgency around a single big opportunity. As you review, adjust, and organize your Vision, what is that big opportunity? There is no room for complacency. This is an all-out effort to seize that big opportunity. This is a Council function.

Building the coalition around that opportunity is also a Council function. We will talk about specific Council tasks later today. For this you need volunteers---inside and outside the organization.

There is plenty of opportunity in the Council Vision. One of your challenges is to identify and then unleash the initiatives to support and fulfill that Vision. The Vision serves as the true north for the dual operating system. While pragmatic, the goals and priorities you set also need to be emotional, that use words like “proud”, “passionate” and “admired”. Again, we are talking about proud Hampton, a city worth taking to the next level. Remember: We are Hampton!

Another task of Council is to communicate your Vision in order to gain buy-in and attract a growing army of volunteers. Removing cultural barriers and status quo resistance are additional tasks for Council as well as the need to celebrate vigorously and joyously visible, significant short-term victories.

Remember----all of this is learning----true learning by doing. Again, this is Hampton and she deserves the best you have.

Another paradox to consider is how much of good governance is structural and how much is social. We find it is an intricate balance. Council needs good rules, procedures, composition and committees and work sessions. What distinguishes exemplary City Councils is that they are robust, effective social systems.

It's difficult to tease out the factors that make one group an effective team and another, equally talented group of people a dysfunctional team. Well-functioning, successful teams usually have chemistry that can't be quantified. They seem to get into a virtuous cycle in which one good quality builds on another. Team members develop mutual respect; because they respect one another, they develop trust; because they trust one another, they share difficult information; because they have the same, reasonably complete information, they can challenge one another's conclusions coherently; because a spiritual give-and-take becomes the norm, they learn to adjust their own interpretations in response to intelligent questions.

Perhaps the most important link in the virtuous cycle is the capacity to challenge one another's assumptions and beliefs. Respect and trust do not imply endless affability or absence of disagreement. Rather, they imply bonds among council members that are strong enough to withstand clashing viewpoints and challenging questions.

As we have said before, we think this is a very special City Council. We think you have uncommon talents and experiences, and different personality types. We think that is good though it does require wonderful management and leadership because there are so many differences.

There are evident paradoxes and indeed some irony.

We hope to spend productive time the rest of the day with team building, connection and communication, and conversations about the roles of council, the mayor and management.

How to structure the strategic system will be foremost in our mind.
Just remember: We are Hampton!