

**Little Hoover Commission Hearing**  
**“Building a Strong Management Workforce in State Government”**  
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**Testimony**

My comments will rely heavily on examples from the California Department of Parks and Recreation within the larger context of state government, since that is where I spent my civil service career.

1. Hiring, compensation and promotions.

The current personnel structure in California state service *can* provide opportunities for executive benefits, including compensation, but it is managed with little flexibility and is subject to tampering as administrations change.

During the administration of Governor Pete Wilson, the “mood” of the Administration was one of accountability, and with that accountability came the ability to innovate and apply managerial techniques then common in private industry. For example, State Parks expanded its use of the Career Executive Assignment (CEA) to our 23 District Superintendents. Both the Department of Personnel Administration (DPA) and the State Personnel Board (SPB) approved that change. This afforded Parks tremendous flexibility in rewarding strong performance since the CEA classification allows for salary increases above structured compensation levels. While money is not the only motivator, it is certainly a strong one. There is a regulatory system in place which prevents agency abuse of this incentive since departments are held to salary caps based on the total CEA compensation.

With the election of Governor Davis, union concerns over potential erosion of the civil service merit system brought about a change in direction. The SPB required that State Parks re-institute the District Superintendent classification as quickly as possible, and terminate the use of CEAs at that level. This is what I meant by tampering. The regulations over the use of CEAs didn’t change. The political climate did, and that affected the civil service system. The problem is not with the regulations, but in their interpretation and application.

Certainly flexibility can be abused; but with appropriate accountability, it is a wonderful tool. Rigidity within personnel systems stifles innovation, other than the creative attempt to find ways in which to circumvent those systems.

2. Skills of effective public sector managers.

The skill sets required to be a good public sector manager are no different than the skill required of good private enterprise managers. Good managers motivate well; poor managers motivate poorly. There are tremendous resources available to executives and managers with regard to training. The real key is making a commitment to identify the training requirements associated with the gap between the core competencies required within an agency, and those possessed by individuals within that agency. Then find the resources. During a major reorganization within State Parks necessitated by severe budget reductions coupled with an overly bureaucratic structure, we *increased*, not decreased the training budget. In times of major change, training (new learning) becomes imperative.

### 3. Authority, autonomy and accountability.

There can not be true managerial accountability if there is no organizational accountability. I've been a proponent of performance measurement and management, as well as performance-based budgeting in government for more than a decade now. Without organizational measures tied to governmental programs by which the Administration and the public can gauge results, how do you hold management accountable? Risk is not encouraged. Often, risk is punished. I don't know how to take calculated risks without measures to calculate. Performance goals, when set, are set arbitrarily if there is no true measurement system. Decisions are based on "experience" which, without data, is not relevant.

State Parks was a member of California's Performance-Based Budget initiative. While the initiative failed, State Parks success was noted and rewarded. We developed performance measures for all of our core programs. Managers had contracts based on their piece of the pie in this measurement system. These contracts were tied to their personal personnel evaluations, and through the CEA process I already mentioned, to their pay. They were given tremendous authority to find innovative ways to succeed in their service to the public. Decentralizing authority to the lowest reasonable level provides for greater public responsiveness. The metrics tied to the contracts were reported quarterly so that at the highest executive level adjustments could be made if there was an issue. Poor performance was not necessarily based on poor management. It could be explained by other factors, but the manager had to articulate it based on performance data, not arbitrary dialogue. State Park managers appreciate the authority to manage efficiently, and with that authority comes accountability.

### 4. Relationship between political leaders and career civil servants.

Most career civil servants I have met at the highest managerial and executive levels are competent administrators. They know how to run effective programs. They know what it takes to succeed. They owe their allegiance to their agency and to the State. Political leaders -- exempt appointments -- owe their allegiance,

and rightly so, to the elected administration. The people of California elect governors based on their agendas, and those serve as mandates to incorporate the agendas into government. All of that said, a successful marriage can exist between career and political executives as long as there is continuity at the top. State Parks has very high level (Deputy Director level) CEAs. These individuals provide continuity between administrations, as well as providing new appointments with operational detail. These individuals have an *obligation*, prior to an election, to strategically plan scenarios which will be carried out after the election. They also have the obligation to support the new Administration. That is the key to striking the appropriate balance between control and consistency, and providing for change.

5. Passion for public service.

This is a tough one for me because I came from an organization which attracts passionate people. But maybe they all do. I know of few managers in state government that are not committed to service. In fact, when the playing field is level, I believe public servants in general are every bit as good as their counterparts in the private sector. Motivating performance means honestly caring about your workforce, and all that that implies. Effective training, a rewards system based on performance, a focus on problems in processes and in the system rather than on personnel problems, and a focus on the importance of the Mission of public sector agencies – all of this helps ignite passion. And passion does help with organizational effectiveness. Low morale organizations are costly organizations. High morale organizations are efficient.