

PPM 812
Strategy for Public Organizations
Fall 2009

Wednesday, 5:30-8:18

Page Hall 040

Prerequisites: PPM 810(N) Managing Public Organizations

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appointment

COURSE DESCRIPTION

This course provides you with a strategic perspective on the management and leadership of public sector organizations. In the course, we adopt the viewpoint of an upper level manager – an individual charged with diagnosing complex situations and resolving them in ways that enhance organizational performance. We will focus on how upper level managers can position their organization to achieve desired program outcomes through fundamental strategic management techniques (e.g. environmental scanning, strategy maps, logic models, performance measurement).

We will begin the course by discussing the role of upper level managers in setting the strategic direction of public sector organizations and assess whether research indicates that managers can influence program outcomes. In short, does management make a difference? We will then examine standard strategic management techniques that align strategy with organizational performance outcomes. You will apply some of these techniques to a public sector organization.

This course involves a mix of readings, case analyses, lectures, discussions, and out-of-class assignments. The readings are a combination of conceptual pieces drawn from research in strategic management and organization theory, and applied pieces on how to employ various strategic management techniques. The lectures are designed to elaborate on and extend key points in the conceptual material, and clarify processes and steps described in the applied material. The case analyses are designed to examine how different management tools have been or could be employed in practice. Finally, the out-of-class assignments – all components of a balanced scorecard – are designed to give you preliminary experience with some of the most commonly-used strategy tools in the public and private sectors.

This course follows PPM 810(N) Managing Public Organizations. While PPM 810(N) focused on diagnosing problems and opportunities facing public sector organizations, this course is designed to build on this analysis by generating strategies to address problems, or to take advantage of opportunities, and then aligning those strategies to internal operations and external performance measures. This course is required for students in the John Glenn

School of Public Affairs MPA program and is optional for students in the MA program. It is also open to students from other programs (e.g. Arts Policy, City and Regional Planning, Natural Resources, Health Management and Policy) interested in managing organizations that deliver public goods and services and who have taken PPM 810(N).

GRADING AND COURSE REQUIREMENTS

The primary task associated with this course is the development of a strategy document to guide decision making for a public sector organization, ideally in the midst of significant internal change or external turbulence. In doing so, you will undertake a series of tasks throughout the quarter. As described below, you may elect to do this project individually or in groups of three. If you elect to do this project individually, your grade in this class will be a function of your performance alone. Alternatively, if you elect to do this project in tandem with another student, your grade will be a function of your individual effort and the effort of your partner. The ultimate product will be a strategy document. In addition to the strategy document assignment, you will also be assessed on your in-class contribution. The grading plan below describes class contribution, the components of the strategy document assignment, the relative weight of each activity in determining your final grade, and key due dates.

Grade Breakdown

| | |
|---|-----|
| Class Contribution: | 10% |
| Strategy Document Assignment | |
| SWOT Analysis and Strategic Goals | 20% |
| Overall Strategy | 20% |
| Strategy Map/Logic Model Linked to Performance Measures | 20% |
| Final Strategy Document | 30% |

Transformation of numerical grade to letter grade will be according to the schedule below:

| | | | | | | | |
|----|---------|----|---------|----|---------|----|---------|
| A | 93-100 | B+ | 87-89.9 | C+ | 77-79.9 | D+ | 67-69.9 |
| A- | 90-92.9 | B | 83-86.9 | C | 73-76.9 | D | 60-66.9 |
| | | B- | 80-82.9 | C- | 70-72.9 | E | < 60 |

Class Contribution

Class contribution is one of the best and most reliable ways that you can demonstrate your understanding of the ideas and models presented in class, as well as your ability to apply them to real public sector situations. Active class contribution, based on preparation, is an excellent way to prepare for the balanced scorecard assignment. While trite, what you take away from this course will be a direct function of the effort you or you and your group put forth inside and outside of class.

At the beginning of each class you will pick up a name card on the way in. You will turn in the name card at the end of each class. While my preference is to rely on voluntary

contribution, I may call upon you at any time, whether to open class discussion with a summary of the key issues covered in the readings or to answer a specific question. After each class, I will take notes on students' contributions to the class session. **If for some reason you are not prepared for the discussion, please signal this to me by placing your name card FACE DOWN.** If your name card is not up, I will assume you are unprepared and make a note of this for your class contribution grade.

The class contribution grade is composed of two components: (1) an overall evaluation by me and (2) an overall peer evaluation. I will use the following criteria to judge in-class performance. Effective class contribution entails providing good answers to questions. Good answers to questions indicate that you are actively listening to others and are providing comments relevant to the ongoing discussion. Relevant comments add to our understanding of the underlying conceptual material, challenge and clarify the ideas expressed by others, integrate material from past classes or other courses, and show evidence of analysis rather than mere opinion or "gut feeling". Excellent responses demonstrate that you have thought deeply about the material and can develop creative and innovative insights through this analytic effort. Excellent answers to questions can be the basis of class discussion for 15 minutes or more. Effective class contribution does not entail faking answers, monopolizing "air time", ignoring the contributions of others, or repeating facts or statements from the readings without analysis. After each class I will keep records of each student's contribution.

Overall Peer Evaluation

Attached to your syllabus is a Peer Class Contribution Evaluation Form. You will be asked to list on this form up to four people in the class who, in your opinion, demonstrated excellent class contribution throughout the quarter. You may not list yourself on this form. Although student evaluations will be kept confidential, for accounting purposes, you will need to sign their Peer Class Contribution Evaluation Form. **The Form must be returned to me no later than December 2.** If you fail to turn this form in on time, I will reduce your class contribution grade by a letter-grade (A- changes to B-).

Case Studies

The class relies on a handful of cases to provide insight into real-world challenges faced by managers in the public sector. The cases presented generally contain background information on the objective of the activity, the people involved, and a series of events and administrative difficulties that confront the responsible manager. The problem may or may not be clearly defined. Frequently a significant part of your job will be to determine and define the management problem. The aim of the case is to present the facts that were known or available to parties in the case situation and which formed the basis for their analysis and decision. The decision is sometimes described in the case, other times not. If a decision is indicated in the case, the discussion often focuses upon an analysis of the validity of the decision. In order for the in-class discussion to be effective, you must carefully prepare before class and actively participate during class. The well-prepared student comes to class with a written outline identifying the primary challenge facing the case protagonist(s), a critical assessment of the situation, and a persuasive argument supporting a recommended course of action. A persuasive argument implies having completed the appropriate analytical

and qualitative analyses necessary to support a recommendation. Having a written outline is important because it forces you to draw together various aspects of the case and to synthesize a distinct position on each of the case discussion questions. Moreover, the process of writing one's response to these questions imposes a level of specificity and clarity to one's analysis that may otherwise be absent. A written outline also provides a foundation for concise, thorough, and specific comments that improve everyone's learning experience.

In class, you should be ready to communicate your responses to the assigned reading or case questions and to defend your analysis against the criticism of other members of the class. Although the discussion may lead to a decision accepted by a majority of the class members, the discussion is not necessarily intended to culminate in any one approved solution. Typically, students will relate the readings and/or case to problems they have encountered in their own experience. The student's view of the case may be prejudiced by their experience. Thus, in the discussion itself, the individual participant may find that the opinions of other members of the group differ sharply from their own. One individual may learn, through the comments of others, that they have overlooked certain salient points. Another may find that they weighed one factor more heavily than other class members. This interaction of presenting and defending conflicting points of view causes individual students to reconsider the view they had of the case before the discussion commenced, develop a clearer perception of the problems, recognition of the many and often conflicting interpretations of facts and events, and a greater awareness of the complexities within which management decisions are reached.

Strategy Document Assignment

The primary assignment for this course is to produce a strategy document for a public sector organization, ideally in the midst of significant internal change and/or external uncertainty. As we will discuss in class, a strategy document provides managers with a comprehensive picture of organizational performance, facilitates strategy decisions, and aligns strategy with performance indicators. As noted above, you may work individually or with up to two partners to produce a strategy document for a public sector organization. In terms of the organization for analysis, my recommendation is that you pick an organization with which you are familiar and have access to information. Since this course follows on from 810(N) a logical candidate is to use the organization you analyzed in that course. In fact, you will find that this gives you an advantage in that some elements of the balanced scorecard assignment are duplicative or draw on the assessment you conducted in 810(N).

The final strategy document will be no more than 15 pages of single-spaced text (no smaller than one-inch margins and 12-point, non-condensed font). Your document must include the following components within the 15 page limit:

- SWOT Analysis and Strategic Goals (inclusive of a brief organizational overview, background, mission and goals, and stakeholder identification)
- Overall Organizational Strategy
- Strategy Maps or Logic Models Linked to Performance Measures (Financial and Non-Financial)

In addition, your strategy document should also include:

- Title Page
- Executive Summary
- Table of Contents
- List of Figures
- References

These five items, and any relevant appendices, do not count towards the 15 page limit.

For the three assignment components listed at the top of the page, you will turn in preliminary versions of these components at various dates spaced throughout the quarter (see the assignment calendar on the next page). The first component – the SWOT analysis – is derivative of the assignments you conducted in 810(N) (and perhaps 811 if you examined the same organization in that course). This assignment represents 20% of your grade. For this first component you will turn in an analysis of no more than five pages single-spaced (no smaller than one-inch margins and 12-point, non-condensed font). The second two components require you to execute new analysis and also represent 20% of your grade. For each of these two components you will turn in an analysis of no more than five pages single-spaced. I will provide you feedback and questions for you to address within a week of the date each assignment is due. The final 15-page balanced scorecard report will require you to integrate these three elements and represents 30% of your final grade. The complete report is due on December 9 no later than noon.

If you elect to do this assignment in partnership with other students, you and your partners will meet with me to discuss how you want to allocate work responsibilities and in turn how grades will be distributed among the assignments. We will sign a contract in a sense. In order to differentiate between the contributions of different group members, each group member will take lead responsibility for one of the assignments and hence take sole credit for the grade received on that assignment component. It is up to you and your partner to decide how you want to approach the distribution of effort given the assignment of grades. Again, you will consult with me about the distribution of effort early in the quarter (see the calendar below).

Elevator Speech

The last week of class, you or your group will present a five minute “elevator speech” to me which basically summarizes your report. You’ll be pitching both your diagnosis of the problem and the solution. The premise is that you’ve essentially run into a superior or a legislator who might fund or approve your proposed strategy and you have five minutes to make the sell. You can only avail yourself of visual aids that you could carry with you into an elevator (e.g. a laptop, but with no projector, a printed sheet, etc.). Although everyone is required to do this, this component is not graded. Instead, its opportunity to for you to see if the basic ideas that constitute your report hang together.

ASSIGNMENT CALENDAR

| | |
|-------------------------------|--|
| Wednesday, September 30 | Strategy Document Assignment Presentation |
| Monday, October 5 | Students identify organization and partners by email |
| Wednesday, October 7 | Students electing to assess new organizations and student partnerships meet with me to discuss distribution of labor |
| Wednesday, October 21 | Assignment #1 Due: SWOT Analysis and Strategic Goals |
| Wednesday, October 28 | Assignment #1 Feedback |
| Wednesday, November 4 | Assignment #2 Due: Overall Organizational Strategy |
| Wednesday, November 11 | Assignment #2 Feedback |
| Wednesday, November 18 | Assignment #3 Due: Strategy Map/Logic Model Linked to Performance Measures |
| Wednesday, November 25 | Assignment #3 Feedback |
| Nov. 30 – Dec. 4 | “Elevator Speech” Presentations |
| Wednesday, December 2 | Peer Evaluation Form Due |
| December 9 | Final Strategy Document Due |

COURSE POLICIES

Academic and personal misconduct are defined and dealt with according to the procedures in the Code of Student Conduct (http://studentaffairs.osu.edu/resource_csc.asp). Your work should be original. I will not accept excessive quotation and paraphrasing of other's work with or without citation.

If you cannot deliver an assignment in person, you are responsible for submitting assigned material to me through some other means (Page Hall 350C, fax 292-2548 or email a Microsoft Word attachment to brown.2296@osu.edu). Informing me of your intention to be absent does not waive your obligation to submit assigned work. **Late work will be accepted with a one-third-letter grade penalty each day that it is late (A- to B+).**

I ask that you submit all assignments in MS Word format to my email address.

Grade Appeals

Grades on assignments are intended to reflect the overall quality of performance of the student. You may appeal your grade on an assignment if you think the grade does not reflect the quality of your performance on the assignment. To appeal a grade, submit a clear written explanation describing why you believe the assigned grade is inappropriate within one week after your work is returned. I will carefully consider all such appeals. I will not re-grade an individual component of an assignment; instead I will re-grade the entire assignment. As a result, the final grade for the re-graded assignment may be greater than, less than, or equal to the original grade.

REQUIRED COURSE READING MATERIAL

I expect you to read all the required readings and will be assessing your mastery of the material through your in-class contribution and your strategy document assignment. There is a wealth of material on strategic management, decision-making, and strategic tools (e.g. the balanced score-card). We cannot cover it all in class. You are welcome to draw from this outside material in your class assignments.

All of the required readings are available on-line at my website (<http://glennschool.osu.edu/faculty/brown/home/home.htm>). If for some reason you are not able to access my website, most of the electronic readings are available through OSCAR on the Ohio State University library website (<http://www.lib.ohio-state.edu/>).

CLASS ORGANIZATION

Aside from the first class, most classes will be divided into two sessions. We will use the first portion of the class to cover the assigned reading material. After a break, the second half of each class will either be devoted to assignment discussions and meetings or case discussions. On the nights when we have in-class case discussions, before we discuss the cases collectively in the second half you will first be divided into small groups of three to four to discuss the case questions.

September 23 Course Overview

Required Readings

Partnership for Public Service. 2009. *Where the Jobs Are: Mission-Critical Opportunities for America* (Washington DC).

September 30 Can Managers Impact Performance?

Required Readings

Moore, Mark. 1995. "Defining Public Value," in *Creating Public Value: Strategic Management in Government* (Cambridge, MA: Harvard University Press): 27-57.

Boyne, George. 2003. "Sources of Public Sector Improvement: A Critical Review and Research Agenda," *Journal of Public Administration Research and Theory* 13(3): 367-394.

Abramson, Mark, Breul, Jonathan, and Kamensky, John. 2006. *Six Trends Transforming Government* (Washington, DC: IBM Center for the Business of Government).

Post-Break

Strategy Document Assignment Discussion

October 7 Fit, Misfit and Strategic Goals – SWOT Revisited

Required Reading

Brown, Mary Maureen, and Brudney, Jeffrey. 2003. "Learning Organizations in the Public Sector? A Study of Police Agencies Employing Information and Technology to Advance Knowledge," *Public Administration Review* 63(1): 30-43.

Electronic Hallway. "A Note on Mapping: Understanding Who Can Influence Your Success."

Bryson, John, Ackermann, Fran, and Eden, Colin. 2007. "Putting the Resource-Based View of Strategy and Distinctive Competencies to Work in Public Organizations," *Public Administration Review* 67(4): 702-717.

Performance Management Branch, UK Ministry of Finance. 2008. *Planning Guidelines for Environmental Scans – 2009-10*.

Porter, M.E. (2008). "The Five Competitive Forces That Shape Strategy." *Harvard Business Review*, January 78-93.

Post-Break

Written presentation for diverse stakeholder groups

Meet with students interested in changing organizations or student groups

October 14 Public Sector Strategy

Required Readings

Hamel, G. and Prahalad, C.K. (2005). "Strategic Intent." *Harvard Business Review*, July/August: 148-161.

Boyne, George A. and Richard M. Walker. 2004. "Strategy Content and Public Service Organizations," *Journal of Public Administration Research and Theory* 14(2): 231-252

Nutt, Paul and Robert Backoff. 1995. "Strategy for Public and Third-Sector Organizations," *Journal of Public Administration Research & Theory* 5(2): 189-201.

Case: Business Process Transformation at the CIA

Post-Break

In-Class Case Discussion: Business Process Transformation at the CIA

October 21 Public Sector Strategy Continued

Assignment #1 Due: SWOT Analysis and Strategic Goals

Required Readings

Surowiecki, James. 2004. "Chapter 1: The Wisdom of Crowds," *The Wisdom of Crowds* (New York: Random House, Inc.): 3-22.

Gladwell, Malcolm. 2009. "How David Beats Goliath," *The New Yorker*.

Case: Mayor Schell's Zero Homeless Family Strategy

Post-Break

In-Class Case Discussion: Mayor Schell's Zero Homeless Family Strategy

October 28 From Strategy to Planning and Implementation

Required Readings

W.K. Kellogg Foundation. 2004. *Logic Model Development Guide*

Case: Case Processing of Welfare Assignment Collections

Post-Break

In-Class Case Discussion: Case Processing of Welfare Assignment Collections

November 4 Measuring and Paying for Strategy Change

Assignment #2 Due: Overall Organizational Strategy

Required Readings

Gilmour, John. 2006. *Implementing OMB's Program Assessment Rating Tool (PART): Meeting the Challenges of Integrating Budget and Performance*. (Washington DC: IBM Center for the Business of Government)

Hatry, Harry, et al. 2003. *How Federal Programs Use Outcome Information: Opportunities for Federal Managers* (Washington DC: IBM Center for the Business of Government).

Behn, Robert D. 2003. "Why Measure Performance: Different Purposes Require Different Measures," *Public Administration Review* 63(5): 586-606

Post-Break

Case Discussion: Costs and Constraints in the Arizona Inmate Medical Transport System

November 11 Veterans Day – No Class

Available for meetings with groups and individuals

November 18 Linking It Altogether: Balanced Scorecards, Balderidge and Dashboards

Assignment #3 Due: Strategy Map/Logic Model Linked to Performance Measures

Required Readings

- Kaplan, Robert S. and Norton, David P. 1996. "Using the Balanced Scorecard as a Strategic Management System," *Harvard Business Review* 74(1): 75-85.
- Rohm, Howard. 2002. "Developing and Using Balanced Scorecard Performance Systems", Balanced Scorecard Institute.
- Baldrige National Quality Program. 2006. *Criteria for Performance Excellence* (Washington DC: National Institute of Standards and Technology, pp. i-iv, 1-8, skim remainder.
- Kaplan, Robert and Norton, David. 1996. "Linking the Balanced Scorecard to Strategy," *California Management Review* 39(1): 53-79.

Post-Break

Students presentations to groups of linkages between goals, strategy, resources, and measures

November 25 No Class – Thanksgiving Break

Nov. 30-Dec. 4 "Elevator Speech" Presentations

Each student or group schedules a 15 time block to make a 5 minute "elevator speech" on their strategy document. There will be no formal "class" day this week, although the peer evaluation form is due on Wednesday, Dec. 2, the day when class is scheduled.

December 9 Final Strategy Document Due by Noon

THIS MATERIAL IS AVAILABLE IN ALTERNATIVE FORMATS UPON REQUEST. PLEASE CONTACT THE SCHOOL'S OFFICE AT 292-8696 FOR ASSISTANCE. STUDENTS WITH DISABILITIES ARE RESPONSIBLE FOR MAKING THEIR NEEDS KNOWN AND FOR SEEKING THE AVAILABLE ASSISTANCE IN A TIMELY MANNER.

Peer Class Participation Evaluation Form

This form is due on Wednesday, December 2

Your Name: _____

In my evaluation, the following four individuals have most significantly contributed to our class discussion.

1. _____

2. _____

3. _____

4. _____