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On Leadership



LEGAL SCHOLAR

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Where big doesn't have to mean bad

Q: This week's Washington Post investigative series on the government's burgeoning intelligence network prompts the question: [Can an organization get so big and so complex that it just can't be managed effectively? Or is "too-big-to-manage" just a cop-out for flawed structure and lack of leadership?](#)

Political executives in Washington's departments and agencies must deal with diffusion of power, conflicting purposes and political appointees who rarely last long enough to make a dent. Many of these problems are legislated into the organizations by Congress through poorly conceived legislation and haphazard oversight and evaluation.

Corporate executives run hierarchical institutions, with well-defined purposes and continuity in key people if the corporation has a strong management and development program. They generally have constructive and cooperative oversight from boards of directors.

Yet, despite these profound differences -- reflected in different professional schools for public policy and business -- both political and corporate executives need the two classic characteristics of leadership (the ability to adapt to change) and management (the ability to adapt to complexity).

This means that, despite different required skills -- the political acumen of a Cabinet Secretary is in sharp contrast to the organizational skills of a CEO -- successful political and corporate executives need both to articulate a powerful vision (to pick the two or three priorities from among many alternatives) and then to execute on them (in a context that, by definition, is resistant to change).

During my career, I had the privilege to work for two strong leaders in two of the largest and most complex public and private organizations: Joe Califano at what was then HEW (now [HHS](#)) and Jack Welch at GE.

In addition to remarkable energy and commitment, both men had the strong talent for leadership and management---to articulate arresting visions but also to dig into operational details to give that vision

the best chance of succeeding. Of course they didn't always prevail, and they made mistakes, but they definitely moved their huge institutions in important ways (although Welch's tenure was far longer than Califano's).

On the public side, we have relatively successful institutions like the Social Security Administration with clearly defined goals and, after more than half a century, strong processes for collecting data and sending out checks to retirees. But the hard issues of public management--which have less to do with pure size than the overwhelming complexity of the problem and diffusion of power--are manifested by the stark contrast between SSA and leadership of the United States Afghanistan-Pakistan policy, or intelligence gathering.

On the private side, we shouldn't get too breathless about corporate leadership after some of the most spectacular financial and industrial failures in our history. If Walmart is akin to the Social Security Administration in its ability to implement a strong vision with complex procedures (market sensing, logistics), then the financial institutions and the autos may be akin to Afghanistan-Pakistan policy, where an inability to anticipate or adapt to change and poor execution brought them low.

So, regardless of size and despite the significant (even dramatic) public-private differences, both political and corporate executives most of all need the ability to articulate a resonant vision and then the very different skills (and staying power) to make it operational.

That may not be sufficient, but it is, unquestionably, necessary.

BY BENJAMIN W. HEINEMAN, JR.
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