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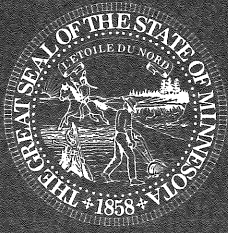
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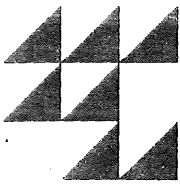
# TWIN CITIES METROPOLITAN COUNCIL

## ORGANIZATIONAL DESIGN STUDY

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JUNE 1993

— Consultant's Report —



## METROPOLITAN COUNCIL

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Date: June 25, 1993

TO: Metropolitan Council Members, Staff and Interested Persons

FROM: Dottie Rietow, Chair

SUBJECT: Organizational Design Study

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Attached is a copy of the report from the Organizational Design Study conducted over the past several months by the state's Management Analysis Division. It makes several significant recommendations. We are implementing them now. There are three important items to keep in mind as you read the report:

1. We asked for this study, and we take it seriously. We agree with the finding that the Metropolitan Council's focus has not been clear. We're acting on the report's findings.
2. Here's what we're doing: The Council is establishing an implementation timetable to determine what the Council will do and what it won't do.
3. We're building on our strengths and on what has already been started.

Some examples of changes that have already been made include:

- A new Committee of the Whole process that allows Council members to take decisive, timely action. This reduces lag times between ideas and action and integrates areas of expertise.
- Using staff teams from across department boundaries to work with Council members on revising the Metropolitan Regional Blueprint.
- Identifying the completion of the Regional Blueprint (Metropolitan Development Investment Framework) and promoting and implementing cost-effective delivery of government services as our top priorities.

These actions will help us meet our goals with measurable, visible results: delivering effective, efficient government service, restoring the Council's credibility with its customers, removing bureaucratic barriers that impede effectiveness, and adding flexibility to the Council's structure to encourage creativity and innovation.

As we implement the report's recommendations, we'll concentrate on strengthening our relationships will all levels of government, regional agencies and all of our customers. We'll continue to carry out the Council's ongoing work.

Our region very much needs your continued support and assistance as we embark on an exciting revitalization of this organization. This is an example of "Re-Inventing Government".



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# **TWIN CITIES METROPOLITAN COUNCIL**

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## **ORGANIZATIONAL DESIGN STUDY**

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**JUNE 1993**

**Management Analysis Division  
Minnesota Department of Administration  
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# INTRODUCTION

**T**he Metropolitan Council was created to plan and coordinate “the orderly and economic development” of the Twin Cities Metropolitan Area. It provides services to local governments, regional commissions, and other units of government in the areas of human services, metro systems, and research and long-range planning. In November 1992, the governor appointed a new chair to the council to signal his desire for refocusing the council’s mission and activities.

In December 1992, the chair asked the Management Analysis Division of the Minnesota Department of Administration to propose an independent review of the Metropolitan Council staff organization in order to evaluate how that organization

serves the council. In particular, the chair wanted assistance in achieving integration of the various planning disciplines at the council, linking the council’s policies and plans to strategies for implementation, and differentiating the council members’ focus and the staff’s work.

## Scope

This study did not examine the structure of the council (board) itself or the relations between the council and other government units except as they related to staff assignments and organization.

## Methodology

The Management Analysis study team conducted 72 interviews and seven focus groups (Table 1). In total, 149 people participated. The team also reviewed background data including previous reports, staffing data, organization structure, statutes, and information on other regional planning organizations.

This report communicates the results of the study. Part 1 discusses the major finding of the study — that the council lacks a clear, common purpose — and the results of this lack of purpose. Part 2 outlines recommendations for organizational redesign, followed by Part 3, which suggests an implementation plan. The appendix describes the council staff structure and work.

**Table 1. Study interview subjects**

<b>TYPES OF PEOPLE INTERVIEWED</b>	<b>NUMBER</b>
Staff	8
Staff focus groups (7)	77
Managers	20
Council members	17
Local government representatives	8
Observers	16
Legislators	3
<b>TOTAL</b>	<b>149</b>



This report focuses attention on the need for change at the council and, of necessity, emphasizes the negative aspects of the organization. These should not diminish the strengths of the council members, leaders and staff that were identified during this study:

- Most parties recognize the need for change. Staff and managers are receptive to change, provided there is a logic behind the change and it is effectively communicated.
- The attempt to build cross-functional teams is a move in the right direction. The council is beginning to integrate staff across departments.
- The new council is energetic and committed to being more effective.
- The chair was given credit for bringing

energy to the position and building greater cohesion among council members.

- Top management was given credit for improving administrative systems and balancing the budget.
- The staff is widely considered to be professional, bright, hard-working, and dedicated. The council was said to have done a good job of planning in a number of areas.

The staff and council members encountered during this study are concerned about the welfare of their organization. They were cooperative and accommodating throughout the process.

Many of the necessary conditions for a more flexible and effective council are in place and should be built upon.

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## PART 1. FINDINGS AND CONCLUSIONS

**A**fter 25 years of operation, the Metropolitan Council finds itself with a multiplicity of purposes served by many functions, but no clear, unified sense of purpose. The council has divisions dealing with housing, health and human services planning; aging, housing and redevelopment; solid waste; natural resources; transportation; comprehensive planning and local assistance; metro governance; and research.

Each has its own rationale, driven by its own mandates. But an overriding sense of purpose for the entire council has been missing. Government reform experts David Osborne and Ted Gaebler noted in their book *Reinventing Government*, "Public organizations work best when they have *one* clear mission. Unfortunately, governments tend to load several different — and often conflicting — missions on each agency as the years go by." In pursuing the objectives and priorities of each new mandate, the agencies often fail at their fundamental purpose.

This lack of common purpose has contributed to a retreat from controversy, organization entrenchment, diminished credibility, and unfocused activities.

The missing purpose is more than a mission statement. It is a common understanding of the direction in which the council wants the region to develop and

the unique contributions the council can make toward that development. If the council had a clear purpose, the purpose would be a part of the "story" council members would tell whenever discussing council business with their constituents and colleagues.

The early history of the council has been described as a kind of "golden age" in which the council regionalized previously fragmented sewer and transportation systems and laid the groundwork for growth management in the seven-county area. The role of the council and the purposes for which it was uniquely suitable were widely understood.

During the 1980s, however, the council lost some of its reputation for innovation. Although most interviewees disagreed on the precise turning point, they agreed that the council has shifted from what was characterized as a "cutting-edge," risk-taking organization into an organization that maintains the apparatus of regional planning and meets its mandates from year to year, but has fewer visible accomplishments than the earlier council.

The council struggled with this sense of purpose for years. Few people agree on what went wrong. Some noted changes that took place in the 1970s, when the nonpartisan tone of the council shifted

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to a more political tone. Others blamed previous appointees to the council for failing to challenge the powers in the region and state when the council was bypassed on major regional development issues.

Several observers said the council accomplished its original mission of "controlling chaos" and moved into a maintenance mode. It took a lot of heat for doing what it was created to do, and eventually council members and staff retreated from controversy, these observers said. The council often operates as though it had suffered a traumatic experience in its history and has learned how to avoid trouble by not taking risks or raising the ire of powerful interest groups or elected officials.

## Groundwork for renewal

Throughout this study the need for organizational revitalization or renewal was recognized. A number of steps have been taken to revive the council's role in the region:

- Gov. Arne Carlson appointed a new chair in November 1992, and eight new members the following month. The governor directed the new chair to address the issues of council decline within six to nine months.
  - The council adopted a committee-of-the-whole structure to begin to remove the fragmentation inherent in a structure based on four functional standing committees. The committee-of-the-whole structure was adopted to allow council members to work on issues in an integrated manner and to give all council members a chance to discuss issues in a working session prior to formal council action.
  - Staff have begun working on cross-functional teams. Teams have been established to develop the council's research capacity, develop measurable outcomes for council activities, and revise the council's Regional Blueprint, previously called the Metropolitan Development and Investment Framework.
  - Management has indicated a strong interest in integrating physical planning and social or human services planning. Staff who were interviewed tended to agree that disciplines should be more integrated. "If we are talking about a transportation planning project," one said, "we should have a person involved in looking at the human aspects." Increased integration presents a challenge to management to allow staff to work together.
  - The council has taken on a number of controversial issues related to dual-track airport planning, implementation of the council's solid waste policy plan, and light-rail transit.
  - The executive director reorganized the council's communications function in an effort to improve the way the council represents itself to the region.
  - Interviewees said that a strength of the council was its sincere interest in trying to make systems more flexible and less bureaucratic.
-

- The chair and new council have made strides toward identifying priorities and laid the groundwork for determining the council's purpose in the region by focusing on the Regional Blueprint as a regional blueprint and on cost-effective delivery of services.

Management expert Peter Drucker says: "To start the turnaround . . . requires a willingness to rethink and to re-examine the company's business theory. It requires stopping saying 'we know' and instead saying 'let's ask.'" Although the council and staff still have no shared, overriding sense of why the council exists or what its role in the region should be, interviews and public discussion indicated a readiness on the part of many council members to determine "what business we are in."

## Defining the purpose

Defining the council's purpose is an essential first step in organizational renewal. It is difficult to design a structure for an organization without knowing the purpose of the organization.

*The inability to define a clear and convincing purpose in the past has had a high cost for the current organization.*

In the absence of an overriding purpose, staff will tend to cling to their expertise and functional specialty, managers will protect turf, and council members will look to the interests and elected officials of their districts. The effect is to make it much more difficult for any party to make sacrifices for the benefit of the whole organization. It may be more difficult for

council members to vote for interests of the region over the interests of their districts. It will be more threatening for managers to share staff and move resources from lower to high-priority areas, and more difficult for staff to relinquish areas of expertise and work on new issues where they may play the role of generalist or team member rather than expert.

*The council's legitimacy with its customers and elected officials in the region is also impaired without a clear purpose.*

Widespread agreement exists that a regional body such as the council is needed. The boundary-spanning problems of the region in the 1990s were considered by many of those familiar with the metropolitan area to be at least as compelling as the problems that led to creation of the council. The complexity and intergovernmental nature of these problems were said to require a single coordinating body to attend to them. Most of those interviewed for the study said the council has not been performing that function.

In 1991, Gov. Carlson issued an ultimatum imploring the council to become more active in solving regional problems or face elimination. In the 1993 legislative session, several legislators proposed radical changes in the size and role of the council, while others, with the support of the Citizens League, proposed a commission that would reinvent the Metropolitan Council. The council also proposed legislation to strengthen its role in metropolitan governance. Each of these actions signals, more than anything else, a loss of legitimacy for the council as it has been operating. The loss of legitimacy stems directly from the loss of purpose.

There is no clear view of the council's customers. When asked, interviewees gave answers that fit the council's customers into three categories: the governor or legislature, the local units of government, and citizens of the region. Nor is there a clear understanding or agreement among council members, staff, customers, and observers of what the council should be doing.

*The lack of clear purpose makes it hard to focus on opportunities to be effective.*

The council has no criteria or guidelines in place to indicate when the council should engage an issue and when it should stay out. Such criteria would state the council's business, the council's unique role in the region, and its role in implementation. They would help to narrow the range of possible activities for the council.

Staff and managers complained about being overworked and understaffed, but the council has a comparatively large staff and what is perceived as little impact, which suggests that they are not focused. Without criteria to guide what the council should be involved with and when, work will tend to accrue, and it will be more difficult to determine when to let go of it.

Some council members have responded to the ambiguity inherent in their roles — representing individual communities as well as the region as a whole — by “agreeing to disagree.” Another version of this has been to respond to the complexity of issues facing the region by taking a functional approach: a transportation program to deal with roads, a housing program to deal with shelter needs. However, most of the people interviewed for this study agreed that the needs of the region

will no longer allow the council to agree to disagree or to fail to take an integrated approach to complex issues.

## Obstacles to renewal

An organizational culture has developed over time that does not encourage risk-taking or flexibility. Several elements of the organizational culture make renewal more difficult:

*Staff do not have a clear understanding of the purpose of the organization.*

A major weakness in the organization is the lack of direction and vision the staff is given. Staff indicated that they have sought direction from the council but not succeeded: “Staff issued a challenge to the council that, before we could do more, the council needed to decide what it should be doing — their mission and why they are here. The council hasn't wanted to go out and challenge things over the last while,” staff members noted. Staff indicated that previous councils discouraged their attempts to clarify the council's mission.

*Staff sense that they are rewarded for not giving strong opinions, taking risk, or pursuing innovation.*

Staff indicated the hope that any reorganization would allow them to take risks, and that the governor and council would support them in doing so.

During this study, the council members, staff and stakeholders as well appeared to be in a holding pattern. Some council members were waiting for the governor or

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legislature to tell it what it should do. Many of the council's customers, the governor and legislature, interest groups and local units of government were waiting for the council to define its purpose and assume a more active role in the region. The staff were waiting for the council to direct them.

*Over time, protection of functional turf has emerged as a significant roadblock to the effectiveness of the organization.*

"The current organization promotes competition among directors. People don't think of the good of the whole organization — are more protective of turf," one said. Another said, "A certain amount of backstabbing is part of the [organizational] culture [at the council]." Team cohesion is impeded by an emphasis on turf protection. Team leaders reported difficulty in securing assistance from other managers who reportedly feared losing staff or power.

Osborne and Gaebler have noted, "Missions do not respect turf lines . . . . The solution is to reorganize around mission, not turf." In a mission-driven organization, staff and managers are more willing to make sacrifices because they understand that it is for the greater good of the organization and that they will benefit ultimately.

## Structural weaknesses

The organization's structures are outmoded. The needs of the region will require that the council deal with issues that transcend functional boundaries, and that it respond more rapidly and perform more effi-

ciently. Whatever the council's ultimate purpose, most observers agree that the staff organization must become more flexible.

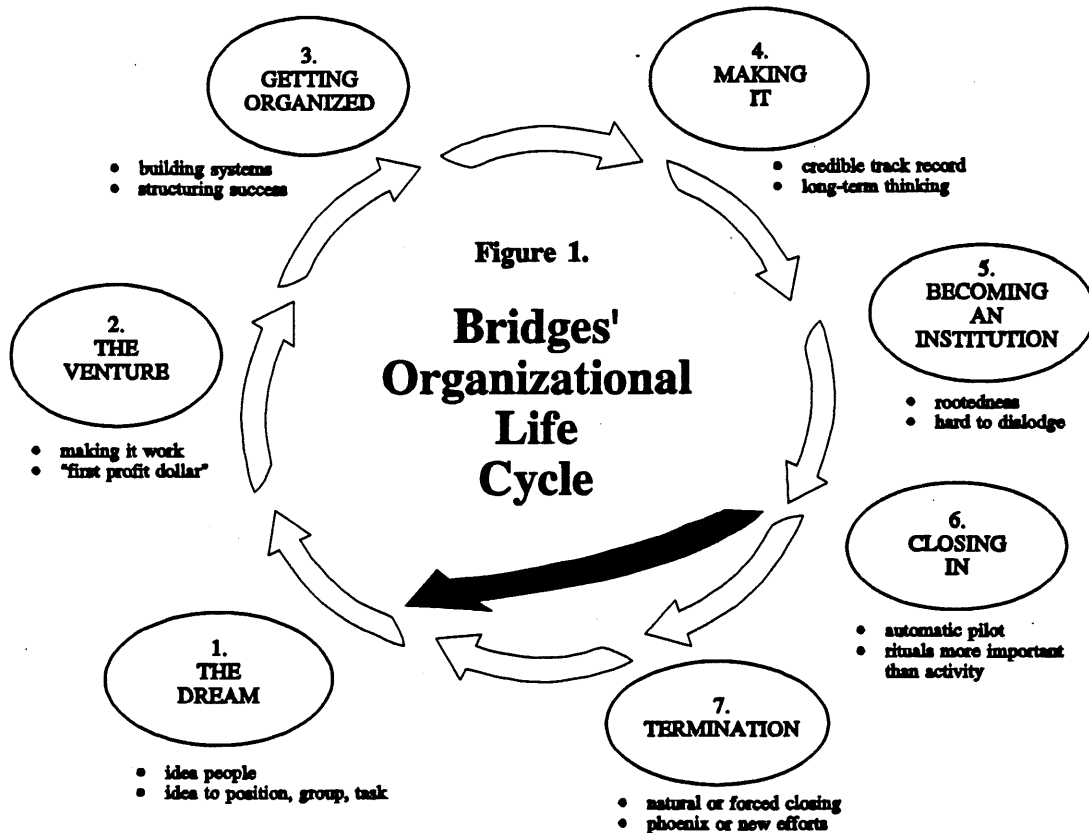
*An organization structure based on functional and support departments and divisions has contributed to the "compartmentalization" of staff.*

Staffers noted that the structure has contributed to a sense of inflexibility at the council. "The organization is becoming too compartmentalized," one said. The structure inhibits effective, cross-functional, cross-departmental teamwork. As jobs have been cut and people have feared the loss of their jobs, staff have grouped more tightly into functional units. The council's previous committee structure contributed to compartmentalization by linking functional departments with groups of council members to the general exclusion of others.

Staff noted that the last reorganization led to the creation of a bureaucracy heavy with rules and barriers to the flow of support and information. They noted difficulty in overcoming bureaucratic barriers in order to obtain support such as research skills, information systems assistance, and media help.

Outside observers noted that the council should also look for "low-bureaucracy" ways of implementing its strategies, with examples including the way fiscal disparities and regional parks are managed.

*The skill sets of staff have not kept pace with the changing needs of the council.*



As budgets have been cut, staff have been reassigned without retraining or concessions in the expected work product. Staff who leave the council often take with them skills that are needed but not replaced. The council needs the ability to deploy the skills needed to confront the emerging problems of the region, through training of existing staff and recruitment of new talent.

## Other challenging factors

Other factors have contributed to the council's dilemma, and will make organizational renewal a challenge:

*The organization is 25 years old.*

Organization consultant William Bridges has identified seven stages of the life cycle that public and private organizations often follow (Figure 1). The early stages he calls "dreaming, venturing, and getting organized." The middle stages are "making it and becoming an institution." The final stages are "closing in and termination." Organizations, in Bridges' model, may also go through renewal, returning to the early stages of the cycle.

At this point, the council appears to be at the closing-in stage where the organization is on automatic pilot, and rituals become

more important than having an impact. Bridges characterizes it as "fighting over deck chairs on the *Titanic*." The closing-in phenomenon breaks the vital link between the organization and its environment.

*The council is served by 184 employees.*

Although there is no absolute index of appropriate staff size for a planning body, it is important to note that a large staff can contribute to rigidity and inflexibility in an organization. It can be difficult to direct the energies of the organization toward achieving its goals. The need to accommodate a large staff within a reasonable span of control requires extra layers of management that ultimately slow the organization and make it unresponsive. Size can lead to extra time spent protecting turf and unnecessary down time while one functional area is less active.

*Planning organizations often have a difficult time defining their role because their product is not always visible or easily understood.*

Missions for planning bodies often seem vague and amorphous. A successful planning body has to cross jurisdictional and functional boundaries in ways that lead others to challenge its legitimacy. The fact that the council continues to discuss its "reason for being" is partly a function of its very broad charge to "coordinate the planning and development of the metropolitan area," and its few tools for implementation beyond formal reviews and persuasion. The decisions affecting development of the region are mostly made by others.

*The council's authority has been diminished over time.*

One staffer said, "We have teeth, but they are pulled selectively out" as different communities have ignored council policies or governors have worked around council authority. A council member said, "We have no teeth to enforce policies we develop. There has been some erosion of this over time: [Gov. Rudy] Perpich took things away, gave them to other groups (siting of the racetrack, for example)." Another said, "The council is not controlling development. The council needs to be more proactive. But it is difficult because we do not have any power or teeth. There is no enforcement mechanism to have local units of government follow the wishes of the council."

## Internal issues needing attention

During the course of this study, a number of internal issues arose that need attention, including communication, management, and staff-council interaction.

## Communications

*Staff have not communicated effectively with the council.*

The onus is on the staff to think through how their message will be heard and understood. It is not just a matter of communication skills, but a matter of strategy and thought.

Staff have tended to use jargon, acronyms, and "plannerese" in presentations and written materials. A council member noted that "communication is a problem. If you



don't get information out in an understandable way, you don't succeed."

Staff members acknowledged the problem: "We are a paper culture. If we get good ideas on paper, that will take on a life of its own. Maybe we haven't been good enough at convincing people to implement. We may not be effective enough with our paper."

*The council and staff have not communicated effectively with the region.*

One observer said, "They do a poor job of selling themselves. They need to do better with their marketing and communication. The customers do not understand what the Met Council does for them." A member said, "The Met Council does not do a good job in marketing. They just plod along and do not get the credit for the good work that they do."

Some noted that the council had not kept track of what it had contributed to the region and what the region might have been like if the council had not been there. A legislator said that the council needs to be more aggressive in getting to the public with its views on regional issues.

Finally, several outside observers suggested that council and staff need to have more contact with citizens in the region. A county representative said, "Human contact is important. They need to get stuff out for reaction. Development of opinion is held too close. The council isn't getting enough broad input." Another said, "Don't talk *at* folks — talk *with* folks — become partners. The council needs personal exposure to communities they deal with."

*The chair and executive director have responded by undertaking revisions in the way the council communicates with the public, focusing on the office of communications.*

The emphasis is on making communications more strategic and focused. Also, improving written communication skills is one of four training objectives for the organization in 1993.

*There is a communications bottleneck between upper management and the rest of the staff.*

Upper management has not always sufficiently explained the rationale behind decisions. In the absence of information, a rumor mill is created. Staff suggested that top management tends to work "among themselves and no one reports to the rest of the staff what is going on." Another staffer said, "Stronger communication between all levels of the organization is needed. There are gaps in communication and expectations between management and staff." Employees feel cut off without an understanding of how their work fits into the whole or a sense that they will be recognized for good work. A focus group of staff members said there is "too hard a line between upper management and the rest of the staff."

## Management

*The top levels of management tend to control more of the decision making than is necessary.*

The tendency is to limit the involvement of lower level managers, rather than "broad-

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ening the circle” and drawing people into the decision-making process in order to get support and input. The chair and executive director could help by opening the door to the next level, the department directors, who in turn should feel comfortable enough to invite the managers and supervisors in.

Insistence on control by top management can slow the flow of information among all levels of the organization as well as the performance of the organization. Increased delegation of authority from the executive director to other levels of the organization would help increase the sense of ownership of managers and staff in the work of the organization and free the executive director for policy and strategy development.

Interviews raised additional concerns about management of the council.

- Staff and managers both noted that too many layers of approval are required for the staff to be responsive and flexible.
- It is unclear whether it is the role of the executive director or the chair to provide policy leadership and policy management for the council staff. It appears that strategy and policy development have not been emphasized. Internal leadership has not been sufficient to help council members and staff move in a common direction.
- The work of management is seen more as an add-on task, with management skills assumed, rather than developed or rewarded. The management function is not valued or taken seriously.

## Staff-council interaction

Interviews with council members and staff indicated that the two groups have grown disconnected over time. They cited different reasons for this, which are discussed below, but agreed that a missing link exists that would allow council members to receive an appropriate amount of candid information and allow staff the opportunity to interact enough to ensure that their work is directly connected to council policies.

Some of the disconnection appears to be institutionalized: Staff reported being told not to attend council meetings, that it would look like they didn't have anything better to do. One staff member said, "The hierarchical structure of the organization doesn't encourage one-to-one contact with members. We're encouraged to go through the chain of command." Council members also reported sensing that staff are not candid in talking with them. "When we met with them more often it was easier to discuss hard questions because we had established a relationship," one council member said.

Both groups reported a general erosion of trust over time. Staff described having lost a sense of partnership, while a council member said, "Staff are on one side, we're on the other. I have no clue what they think about things."

One result of this breakdown in communication is that staff are still carrying out policies of previous councils. One manager reported, "These policies are still in effect until the current council changes them. This places staff in a very precarious

position. We are trying to do our work, but are not certain what the work is or should be." Another manager said, "It would help if we all had a better grounding in what the council wants to do. If they want to empower people to act, they have to keep us informed."

A longstanding obstacle to finding the right mix of staff and council interaction is the concern on the one hand that the council will be "staff dominated" and on the other hand that the council will "micromanage" staff activities. This dilemma is not unique to this board-staff relationship and must be consciously managed by the council's leadership. While the current committee-of-the-whole arrangement prevents either staff or council members from being too involved in the other's work, it has also prevented in-depth discussion of issues where it is needed.

One council observer said that the staff

cannot just play an academic role with the council but need to "get in the council's face, at the front, middle, and tail end of work." Staff should be held accountable for being teacher, facilitator, and coach with the council, this person said. "This doesn't mean the council is not in charge, but staff need to help them be effective."

At the same time, the council can help the staff be effective by making clear policy decisions when they are called for. One staff member talked about the 1992 *Trouble at the Core* report, which did not "lead to any specific approach to the issues, even after we presented some suggestions."

It is important to note that many interviewees, council members and staff alike, said that the potential for improved relations is in place. They noted candid discussions and an increase in mutual respect as signs that the trust level between members and staff is already improving.

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## PART 2.

# RECOMMENDATIONS

### **1. The council should effectively define its purpose.**

As long as the council is not in agreement on what it is in business to do and its unique role in the region, it is difficult to make more specific decisions about council programs and services. The council must begin by assessing the true need in the region for a regional governing body and who are its "customers," or whom it is in business to serve. A great deal of information about the need has already been generated through the "Vision 2015" focus group process and through interviews for this report; no consensus, however, has emerged. Similarly, the council has begun to identify customer groups and their expectations of the council, and can use this information to further clarify its role in serving those constituents.

The council has an opportunity to use this existing information as a foundation for redefining its purpose in the region and organizing itself around that purpose. As management expert Ron Zemke wrote in *The Service Edge*, "In service businesses of every size and description, the priority today is to continuously and carefully listen to customers, understand what they're saying as it applies to the business of serving them, and then respond creatively to what they tell you."

At the same time, the council must decide what powers and authority it needs in

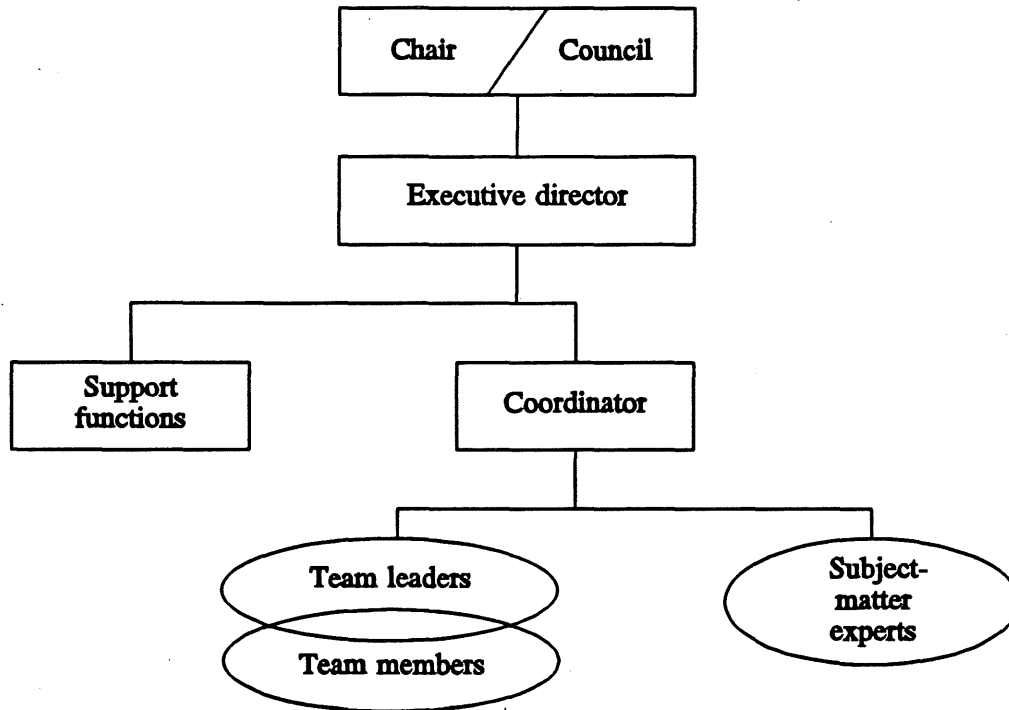
order to accomplish the purpose in the metropolitan area. This would address the concern expressed earlier in this report that the council has both been overlooked and retreated from controversy where it should have played a major role.

The council is the appropriate body to reassess and propose its useful role, powers and authority within the region. The enabling legislation broadly defines its purpose as coordinating the planning and development of the Twin Cities metropolitan region, which allows the council latitude to continuously refine its purpose as the needs of the region change over time.

### **2. The staff should be organized as a hybrid of consultants, subject-matter experts, and support personnel.**

The council staff organization must be able to respond to changing regional needs and integrate different disciplines such as transportation, housing, human services, natural resources, and economic development in approaching regional issues. Although staff have in recent years crossed department boundaries to work on short-term projects, the organization has made this difficult by continuing to require that employees seek multiple layers of approval, not adjusting other workload expectations, and not clearly communicating the common good toward which cross-departmental teams were working.

**Figure 2. Proposed Metropolitan Council organization:  
major staff groupings**



The staff must also be deployed in ways that make the best use of their skills over time. Rather than locking people into positions designed to respond to one specific set of needs, a more fluid organization structure would allow those employees to be assigned to different projects as different needs arise.

The following organization model would make it possible for the organization to take an integrated approach to its work in the region and to put employees to work where they would be most effective:

The staff would be aligned in groups of

team leaders, “generalist” team members, and subject-matter experts who would work together to take on different projects as needed (Figure 2). The team leaders would have skills in planning and organizing work, getting people to work together on a project, and managing the project process to a conclusion. Generalist team members would have skills in analysis, planning, consensus-building, problem-solving, research, or other tools for bridging local jurisdictional boundaries and developing regionwide approaches to managing development in the region. Subject-matter experts would provide technical expertise to project teams and customers.

They might sometimes act as team leaders, sometimes as team members, and at other times as a resource to teams, with limited involvement in the entire project.

Some staff may also be hired on a short-term basis to fill a particular need for the duration of a single project.

A strong, service-oriented support system must be maintained to uphold the work of these teams, including management, clerical, computer, human resources, communication, and other business support functions. Each group would be concerned with finding ways to make it as simple as possible for other parts of the organization to get their work done.

For example, managers would view their role in the organization as support for their assigned staff or projects. Their skills would include maintaining a connection to the larger organization; providing leadership, coaching, resources, and training to allow staff to work effectively; and helping to clear away obstacles to staff productivity.

The clerical support staff would need to be equipped to serve more fluid project teams as well as any ongoing functions maintained by the council. This might mean having a pool of support staff with responsibility for taking on typing, copying, document production, meeting organizing, and other support tasks as they arise for a variety of different "internal clients."

The role of the computer support staff would be to set up internal systems to enable employees to communicate and organize information as self-reliantly and

simply as possible. Once such systems are in place, their ongoing role would be to serve as troubleshooters as problems arise, to update and maintain hardware and software, and to provide training in basic computer use.

Other support functions would need to similarly evaluate their role in the organization and organize themselves to best meet the organization's internal needs.

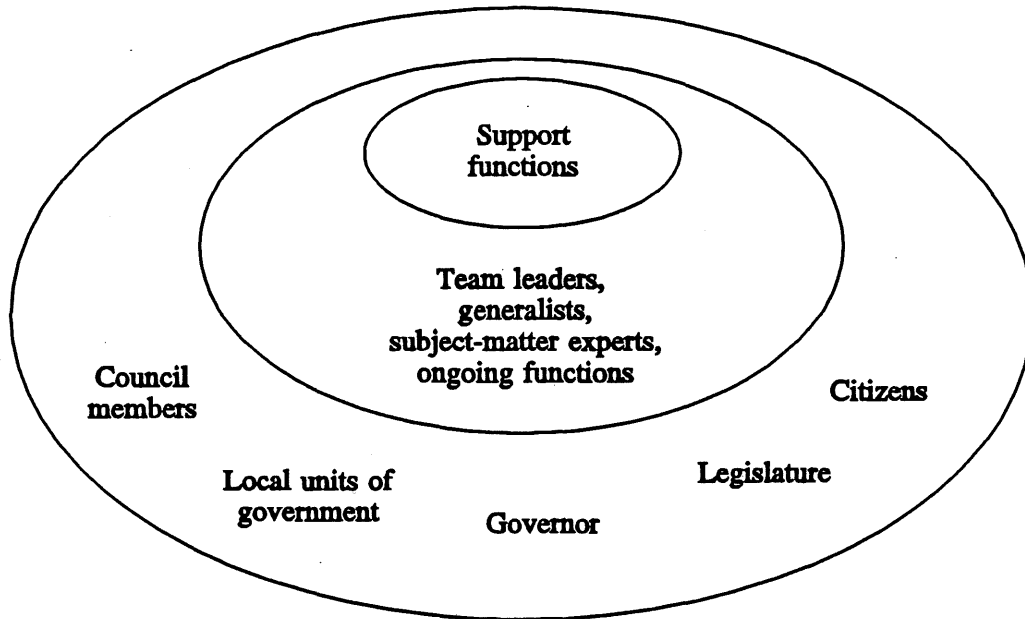
Each part of the organization would need to carefully think through its relationship to other internal groups and external customers. If an employee or group is not providing a needed product or service to an external customer, including the council members, they should be able to identify their role in supporting someone who is (Figure 3).

The whole staff could be organized into three main units: project teams, support functions, and ongoing activities, such as Housing Redevelopment Authority, Area Agency on Aging, and other operations that the council may choose to maintain. While much of the work would be done in teams, it would also be possible to have one-person assignments for projects not requiring a team approach.

**3. A process should be developed for shedding projects that no longer fit the organization's mission and for streamlining systems and work steps.**

The council needs a regular system of checking whether the work it has been doing or is asked to do fits its purpose in the region. Having a clear purpose would enable the council to decide what to take

**Figure 3. Proposed Metropolitan Council organization:  
support relationships**



on and what to shed. Once the purpose has been agreed on, the council must develop guidelines or criteria by which to check specific activities against the purpose. The guidelines might direct the council to ask a series of questions such as: Is it a regional issue? Is anyone else better equipped to perform this role? What is an appropriate way for the council to be involved in seeing that this policy is implemented? Does an issue point out a need for a new or revised council policy or does current policy already recommend a particular response?

Focusing the council's work only on purpose-related activities does not necessarily imply choosing involvement in a few topic areas and staying out of others. It may

mean finding the appropriate leverage points within the range of possible activities and directing the council's resources at those points. For example, having an effect on improving the availability of low- and moderate-income housing in the region may require a strategy of identifying and influencing key decision makers with the power to direct the development of the region, coordinating among various local government housing programs, and ensuring that transit systems make it possible to connect housing to jobs. In this example, there is no one clear set of "customers" through whom the council can direct its efforts, but there are people and groups throughout the region who are best positioned to help implement the council's policies. As the council recognizes and

makes use of leverage points, it will be better able to strategically select ways in which it can most effectively address a variety of issues, rather than erecting a permanent structure for dealing with every need.

A key role for the organization's leader, therefore, is to make use of an internal network of people with skills and understanding to track issues, identify leverage points, and figure out where the council can have the most impact in the region. This type of network could be a formal team made up of staff advisers or could be individuals in the organization consulted as different issues come before the council.

The council can ensure that it remains relevant by regularly reviewing its purpose and policies. This review should take into account coming changes in regional needs and should include evaluation of how well the organization is carrying out the purpose. The more flexible staff organization described above should be able to periodically correct its course to adjust to changes that the council identifies in this review process.

The staff must also review their work to identify ways to improve their own effectiveness. Reviewing and streamlining work processes would not only benefit the council's customers but would help to ease the sense of being overworked that was expressed by many staff. For example, the council's referrals process, whereby reviews conducted by the council are centrally coordinated through the comprehensive planning and local assistance division, was streamlined several years ago, freeing staff and improving the timeliness of review.

Other areas may similarly begin by reassessing their role in the organization and adjusting their services accordingly. Another approach to work-shedding would be to apply modern quality tools to regular work processes to identify unneeded steps and opportunities for redesigning work.

#### **4. People should be moved around within the organization and in the region.**

Council members, staff, and external observers pointed out a number of ways in which the staff and council members have become compartmentalized, both physically, in the building, and structurally, in the council's functional approach to regional issues. To overcome this, there are a number of options that would move council members and staff into new places and situations and increase their exposure to different ideas and viewpoints:

The staff and council should look for opportunities to get out into communities more to visit places their work involves. For example, when convening a group to talk about aging, the meeting could be held at a retirement center.

The staff could benefit from opportunities to work for a limited time at other public and private agencies and units of government on "mobility" assignments. Such staff would be lent to other work groups to broaden their understanding of work in that agency, to develop new skills, to offer new skills to the borrowing agency, and to bring a better understanding of the council to these agencies.

These goals would also be achieved by



bringing in staff mobilities from other agencies and through council staff providing technical assistance, facilitation, and other consulting roles with other agencies.

The council could also boost its capacity to serve diverse needs in the region by working in partnership with other entities such as other units of government, technical experts, process consultants, non-profits, business, and academia.

Moving staff around both physically and in different project teams would also improve the vitality of the organization. An organization structure that is based on more fluid, limited-time projects would require that people regularly interact across different physical and organizational boundaries. The building may need to include more space for team meetings or portable work stations to allow a group of employees to sit in close proximity for several months. Employees would need some regular points of contact with the whole organization, such as regular briefings and a "crossroads" area where they can regularly find out what other people are working on and hearing about in the region.

Employees would also be exposed to a variety of issues as they take on different projects for different lengths of time. Subjects that once belonged on the "turf" of one functional area would be shared by different combinations of employees, depending on the issue and the particular need for council involvement.

Finally, there should be a strategy to move people on and out of the organization when necessary. Many internal and external observers agreed that the emphasis has

been on preserving jobs for existing staff to the point of weakening the ability of the entire organization to do high-quality work. The new strategy would include training for managers and team leaders in performance management, training for people who are placed in new roles, and outplacement services for those whose skills don't match the organization's needs.

## **5. Build meaningful communication between staff and council.**

Council members and staff should find ways to restore communication that has been lost since moving to the committee-of-the-whole structure. Although most observers agree that the new structure has streamlined the council's work, both council and staff expressed a need for informal mechanisms to allow staff to present information and discuss issues with council members. For example, staff could arrange a block of time to meet with council members to learn about and discuss the pros and cons of any given issue.

The role of staff in presenting information and arguments in favor of and against different sides of issues should be clarified. As one council member said at a recent work session, "We shouldn't micro-manage, but we do need to 'microunderstand' the issues," in order to make sound policy decisions. One outside observer of the council said the staff need to be "in your face" in talking with council members about the different positions the council could take. At the same time, council members need to listen to and argue with the staff in order to ultimately take positions that are considered from all possible angles. Such a relationship would build

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trust and help to overcome concerns that the council could become "staff dominated" as well as concerns that the council could be underinformed.

## **6. Build staff capacity to work in the new model through training, planning, and communications.**

Redesigning the organization to rely on teams of generalists as the primary way of implementing council policies would emphasize a new set of staff skills. Team leaders would need to be able to manage projects and the people who work on those projects. "Generalists" would need a variety of process facilitation, research, problem-solving, coordinating, communicating, and consensus-building skills. Subject-matter experts would need to be resources to a number of different projects. People in supporting functions would need to be able to respond to a variety of different requests and be prepared to change course along with the rest of the organization.

During the transition into these new roles, people would need time for planning, training, and becoming accustomed to new ways of doing things. Because there is no recipe laying out the steps needed to get from "the old" to "the new," each of the new, permanent work units needs to conduct planning in order to clarify its role and decide how to proceed toward fulfilling that role. People would also need training in order to pick up unfamiliar roles. Management would have to establish the expectation that all this change will take time to achieve and help staff find ways to manage ongoing requirements during the transition time.

The success of this new approach to the council's work will depend on strong and persistent communication throughout the organization and outside to its constituents. Management theorist Peter Drucker says that in order to build an effective working group, each employee must ask, "What information do I owe?" This approach assumes that each individual knows something of value to others in the organization and that the organization cannot survive if only select groups are privy to select information. Therefore, it is the obligation of everyone to consider what information they have that needs to be passed along and the obligation of management to create formal and informal structures for communication.

Some of these structures might be formal staff meetings to communicate both "what" and "why" about the latest council news, informal brainstorming or problem-solving sessions to generate ideas, and informal staff and council interaction sessions.

The principle of discovering and communicating information that is "owed" applies as well to the council's external communications. Council management must develop a public relations strategy for communicating information that is important to people outside the council and faithfully pursue that strategy. Without an effective plan for making sure that its external audience is informed, the council sacrifices the opportunity to show its ongoing relevance to the region.

Ron Zemke characterizes each point of contact with an organization's public as a "moment of truth," in which the customer

has an opportunity to develop an impression of the entire organization. By this token, the council's external communications present countless moments of truth every day. For this reason, reports and other communications must be presented in formats and using language that is clear to ordinary people. As staff and council

members have more contact with people in the region, they must be able to listen as well as articulate the council's policies. They must be able to identify and communicate the values that the council shares with those people the council would like to influence.

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## PART 3. IMPLEMENTATION

**I**n order to achieve the above recommendations, the council must undertake a step-by-step process of clarifying its purpose, structuring the organization to carry out that purpose, and putting in place the new structure. What follows is an implementation scheme to guide this transition process.

It is typical for organizations to spend a year or more designing and carrying out this type of internal reinvention. Although this may seem like an interminable period of transition, those affected by the change will be far more willing to tolerate and even help along the process if they have a clear rationale for the change, they know the plan for achieving the new model, and they have opportunities along the way to be involved in making it happen.

Because no organization shares the same circumstances with any other organization, there is no blueprint available for moving from one phase to the next. The steps must be invented by a group of motivated staff and council members and led by a skilled transition manager, in consultation with the chair and executive director. It is possible, however, to prescribe an overall process for moving toward the new model and to identify resources needed along the way:

### 1. Identify the purpose

The first step in the transition process is to identify the purpose that the Metropolitan

Council must serve in the region. The process for doing this must go beyond writing a mission statement, although such a statement should be part of the process of defining and declaring why the council exists. The purpose must be based on evidence of the true need for a regional governing body and should guide all further decisions about what the council should do.

Because the council already has collected data on what customers think should be its business, the next step would be to assemble that data into some possible definitions of what the purpose would be. These alternatives would be presented in a series of public forums to a large cross-section of the council's constituents, including cities, counties, other regional agencies, business, and others, and those constituents would be asked to react to the alternatives. In this way the council could get beyond the broad statement, "to plan and coordinate the orderly and economic development," to gain a more substantive understanding of what could be its role in the region.

These meetings should be conducted by outside facilitators, with council members and staff present to hear the views of their constituents. The data collected at these meetings should be assembled and organized at the council for use by the appointed council in ultimately determining its purpose.

Next, the council would need to meet to review, discuss, and decide on the purpose

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based on the data generated at the public meetings and their own understanding of the council's place in the region. The meeting would be structured in such a way that council members could review the data in depth and discuss what the data reveals about the organization's purpose. It would also identify the different groups of customers and stakeholders served by the council, clarify the council's relationship to those groups, and define how the council is uniquely able to meet those groups' needs.

After reviewing and interpreting the data, several different views of what business the council is in may emerge, from which the council must develop a unified purpose statement. The product would be a declaration of the council's role in the region, stated in language that describes the benefit to the region of the council's existence. The statement would include a description of why the council exists, who its customers are, how the council provides a unique and valuable service to the region, and the values it holds in carrying out its work. The council must also define what powers and authority it needs in order to carry out the purpose within the region. This may lead to seeking legislative approval for the council playing a different role than it has in the past.

Such a statement of purpose would become the foundation of the council's work, and should be used as a constant reference point in deciding where and how the council can most effectively be involved in regionwide issues. The clarified purpose would enable the council to explain and defend decisions it makes.

## **2. Create an internal transition team**

Although the appointed council is the appropriate body to define the purpose, there is a need for a group of staff and council members to work together on strategies for carrying out that purpose. Such a team, representing a cross-section of the organization, would make use of existing institutional knowledge about what the council does and could be doing. The team can also bring the views of others in the organization into decision-making about the council's activities and structure and ensure that decisions are communicated throughout the council.

The work of this team would be to lead and monitor a transition process from beginning to end, from helping to organize the public meetings on the council's purpose, to developing strategies for how the organization can carry out that purpose, and guiding the organization into its new structure.

A workable size for this group would be 17 people, all of whom should have the following qualifications: willingness to participate, recognition of a need for change, orientation toward future possibilities, general knowledge of the whole organization, respect among peers in the organization as being open-minded and fair, and ability to represent the entire organization rather than an individual part. The makeup of the team would include council members and staff, with the chair and executive director playing active roles.

The group should be led by a person with experience and skills in the process of

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transition management, who may be contracted with to lead this process and build internal capacity to carry it on after his or her departure. There is also a role for an internal leader who would work closely with the transition manager to coordinate transition activities and manage communication with and involvement of the rest of the staff.

It is recommended that members of the transition team be selected with staff input and with attention to the above qualifications.

It is important for the transition team to see itself as a group of equal collaborators in the process of building a new organization. In the context of the team's work, a council member and a staff representative would play equal roles in discussing and deciding how to proceed.

A particular challenge for an internal transition team is to hold the charge of leading the change effort above personal concerns about preserving the status quo. However, other internal groups of this type have shown that staff are still best equipped to design their own transition because of their knowledge of and passion for the organization. Several government agencies that have undergone an internally managed change process have found that staff are vigilant in their attention to keeping each other "honest" as they redesign the organization. Some participants have said that the motivation to create an organization that meets customers' needs and makes the best use of staff resources overcomes any desire to preserve comfortable, but outdated, working patterns.

### **3. Conduct transition team activities**

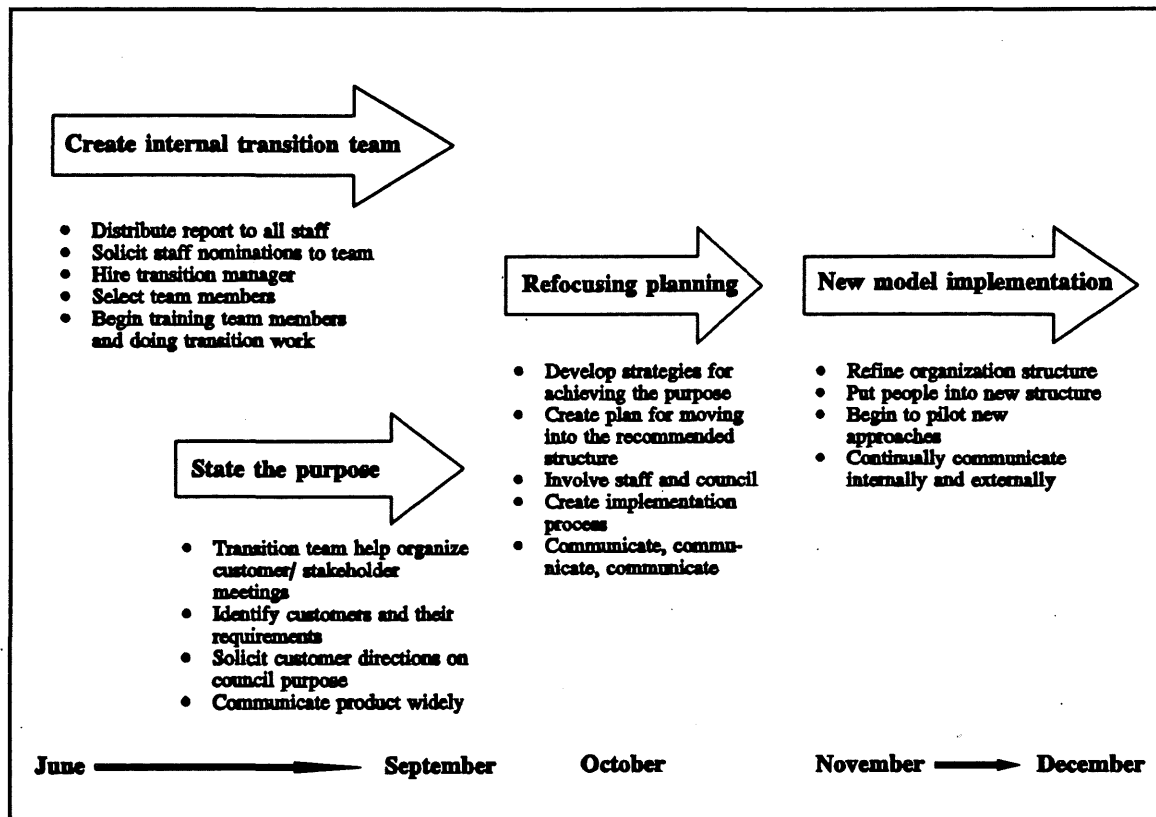
As outlined in the description of the transition team, the purpose of this group is to lead a process for designing the organization appropriately to fit the purpose. A specific work plan and timelines will have to be developed in cooperation with council leadership and the transition manager, but the main activities would include:

1. Organizing public meetings on council purpose
2. Helping to process data from those meetings for the council's deliberation on purpose
3. Developing strategies for the council to achieve that purpose
4. Developing a plan for moving into the recommended structure
5. Managing broader staff involvement in the change process by soliciting ideas and communicating decisions made
6. Developing a process for implementing the strategies and monitoring progress toward that end
7. Creating opportunities to pilot new approaches to work being considered as part of the organization redesign
8. Identifying opportunities for news releases to the public about decisions being made.

### **4. Other transition considerations**

The type of change the council will be entering into can be both exhilarating and terrifying to everyone involved, with many

## Metropolitan Council refocusing process



variations in between. The bad news is that this rollercoaster ride of experiences cannot be avoided, even by doing nothing. In fact, doing nothing may guarantee the rollercoaster ride, with the council having no plan for maneuvering through the bumps along the way. The good news is that, with a plan in mind and a process for developing a new structure, the chances of coming through the ride intact and functioning well are far greater.

The change process offers the council the opportunity to try new things, drop things, or adjust things that don't succeed. One role for leaders of the transition is to set up the expectation that this is an experiment that involves taking risks and stum-

bling along the way to the new mode. They can increase the chances for success during transition by creating an environment that supports taking risks and learning from mistakes. This may involve intentionally trying out some new structures on a temporary basis, such as informal information and discussion times involving staff and council members, or piloting a team to model the new flexible-team structure.

During the transition process, the chair should have an informal system of checking decisions with a loose network of community leaders. This group would not be as formal as a steering committee, but would act as a resource and reality check

to the council as it considers various alternative models.

### **5. Implementation product**

If the council adopts and acts on these implementation steps, it will truly begin a process of "reinventing" itself. At the end of this process, it will have a clear and specific purpose, a fresh approach to fulfilling that purpose through its structure, there will be community support for and understanding of the change, and it will have the potential for significantly improved impact on the development of the region.

Other government agencies that have revitalized outdated missions and redesigned themselves in line with customer needs

have begun to show startling changes. A delighted client of one large state agency reported receiving state help in resolving a problem that had languished before the agency's redesign. Another large state staff agency with a reputation for "control" rather than "service" has begun redesigning all of its services with an emphasis on customer needs rather than on possible customer violations of protocol.

It is impossible to predict the exact outcome of the Metropolitan Council's reinvention, but it has an opportunity now to become a powerful and cohesive force for addressing the issues raised by the council members and staff, legislators, citizens, and other constituents who contributed to this report.

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# APPENDIX: CURRENT COUNCIL ORGANIZATION STRUCTURE

The Metropolitan Council staff is organized into six major departments and offices. Three operating or line departments — Human Services, Metro Systems, and Research and Long Range Planning — conduct the policy and planning work of the agency. The Department of Administration and offices of the chair and executive director serve as staff functions providing policy leadership, oversight, and support to the line departments. Each of these six areas is described below.

## HUMAN SERVICES DEPARTMENT

The Human Services Department complements the planning of physical infrastructure by approaching regional issues from the human investment perspective. It also implements regional policy through the operation of two of its divisions — Housing Redevelopment Authority and Aging.

The Housing, Health and Human Services Planning Division is developing a complex data base that provides a foundation for anticipating investments in services for citizens of the region, such as siting of schools, libraries, housing and correctional facilities. In the area of housing planning, this division provides leadership for the orderly development of housing within the region by analyzing demographic trends and market forces.

The Housing and Redevelopment Authority implements regional housing policy by providing subsidized housing and rehabilitation services through a variety of federal housing programs that support approximately 4,500 metro area families annually. It also operates a centralized regional housing clearinghouse that links persons in vulnerable populations to affordable rental units and handicapped-accessible units.

The Aging Division serves as the region's Area Agency on Aging and as such receives and distributes federal Title III, state and U.S. Department of Agriculture funds to grantees for the provision of services to older adults. The division staff also conduct research and data collection on issues related to service delivery systems for this population.

## METRO SYSTEMS DEPARTMENT

The Metro Systems Department assists the Metropolitan Council in setting public policies for the regional sewer, transit, highway, airports and parks systems. This department also carries out the council's state mandates to plan for solid waste management. In addition, Metro Systems oversees the performance of the other metropolitan operating agencies with special emphasis on fiscal policy and governance. This department is made up of four operating divisions.

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The Metro Governance Division oversees the delivery and financing of regional services by reviewing and recommending approval of the implementation and financial plans of the Metropolitan Waste Control Commission and the Regional Transit Board; major capital projects proposed by the Metropolitan Airports Commission; and a five-year capital improvement program submitted by the Metropolitan Parks and Open Space Commission. The council also sells bonds for the Regional Transit Board, Metropolitan Waste Control Commission, and Metropolitan Parks and Open Space Commission and reviews and approves the operating budget of the Metropolitan Sports Facilities Commission. This division is also responsible for developing a regional plan for a regionwide 800-MHz trunked radio system for government use.

The Natural Resources Division addresses legislative mandates in areas such as nonpoint source pollution control, water supply planning, water quality management, and parks. It is responsible for conducting specific biological lake and river studies; developing a water use data base; and developing and administering the regional sewer policy plan. Natural Resources staff also manage a parks grant program and master plan review process.

The Solid Waste Division assists metropolitan counties in the development of regional solid waste management facilities and programs. Staff also assist other local units of government as well as the private sector with solid waste facility planning. Review of facility permit applications and landfill certification reports is also conducted by this division. The abatement grant program

provides resources for implementation of waste reduction and recycling projects and public education activities.

The Transportation Division receives substantial federal and regional funding to carry out surface transportation and aviation planning activities. The division reviews major regional transportation, transit and aviation decisions of other transportation agencies. It also assesses the transportation impacts of local government comprehensive plan amendments. Division staff conduct urban travel research and forecasting that serves as the base for major transportation recommendations.

## **RESEARCH AND LONG RANGE PLANNING DEPARTMENT**

The Research and Long Range Planning Department is made up of two divisions that provide research support to other council departments and maintain the council's Regional Blueprint, which serves as the broad policy framework for all council policy plans.

The Research Division serves as the official metropolitan depository for the 1900 census. Census data along with other regularly collected information supports the work of the council in other departments. The data is also used as a basis for developing and revising the Regional Blueprint and other system plans, and for determining the capacity needed in metropolitan systems facilities. Research staff report on trends affecting policy decisions within the region. This division is also responsible for coordinating the council's efforts to develop and promote successful models for effective and efficient delivery of local government services.

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The Comprehensive Planning and Local Assistance Division coordinates, tracks and reviews all local government comprehensive plans or amendments to plans to ensure that they adhere to the council's Regional Blueprint and policy plans. The division is responsible for revising the Regional Blueprint to accurately reflect the council's basic growth and resources management strategy. Division staff also assist local governments and other regional agencies in implementing the council's policy directions as established in the Regional Blueprint and guide chapters in order to encourage the orderly and economic growth of the region.

#### **ADMINISTRATION DEPARTMENT**

The Administration Department manages the council's financial, electronic information, and physical assets. The department oversees regional capital financing through the council's bonding authority for projects of the Regional Transit Board, Metropolitan Waste Control Commission, Metropolitan Transit Commission, and Metropolitan Sports Facilities Commission and the council's own parks and solid waste programs. Staff coordinate a centralized purchasing function, budget development process and publication and information distribution center.

The Finance Division administers an integrated budgeting, project accounting and financial system; monitors grants; oversees cash management; and prepares a comprehensive annual financial report.

The Information Systems Division administers computer operation and applications and provides data base administration and

geographic base file and mapping functions that support the work of council departments.

#### **OFFICES OF THE CHAIR AND EXECUTIVE DIRECTOR**

These offices provide leadership in policy development to the council itself and management of the day-to-day operation of the organization. The chair's office oversees the council's intergovernmental relations and legislative program. Staff also support the advisory committee process. The Legal Department provides comprehensive legal services to the council, its advisory committees, staff and the Metropolitan Parks and Open Space Commission.

The Executive Director's Office coordinates the work of the line departments. In addition, it includes Human Resources, Affirmative Action, and Internal Audit. The executive director also oversees the council's communications functions.