City Leader Guide on Organizational Culture Change

Creating Conditions for Innovation, Collaboration, and High Performance in City Hall

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- An endorsement of a particular set of "best practices."

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- **Mayors and city managers:** an executive-level summary of the guide helps them decide if they want to commit to the work and provides questions that they can ask to prompt and gauge progress.

- **Senior officials** (e.g., department heads, chiefs of staff, senior advisors): the executive summary, diagnostic framework, and promising practices presented help them understand the approach and supervise staff, students, or technical assistance providers.

- **Staff, students, and others providing technical assistance to cities:** the full guide serves as a resource to structure their work.

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This is the first version of this City Leader Guide. The authors welcome feedback and will continue to improve and update the guide as they work closely with city practitioners and monitor emerging "promising practices" in cities. Please send your comments to **cityleadership@harvard.edu.**

Executive Summary

This guide helps city leaders and their staff systematically evaluate and transform the organizational culture of city government so that it aligns with and best serves the vision and values of their administration.

It offers the following to support efforts to bring about culture change:

1 A definition of organizational culture;

2 A framework (i.e., "the Culture Cascade") for implementing and assessing organizational culture change;

3 Real-world case examples from three cities (Kansas City, Missouri; Louisville, Kentucky; and Somerville, Massachusetts) that provide insights into what organizational transformation can look like, what works, and what does not; and

4 A self-assessment rubric that helps cities advance their culture change goals by identifying areas requiring the most urgent attention as well as appreciating areas where progress has been made.

Together, these four elements of the guide will support city leaders and their staff as they take on the difficult, but certainly not impossible, task of bringing about long-lasting organizational change at city hall.

What is Organizational Culture?

Although organizational culture is a commonly used phrase, its meaning can vary in both nuanced and significant ways, depending on the context in which it is used and who is using it. For the purposes of this guide, **organizational culture is the set of rules—formal or informal, written or not—that determine how work gets done.**[1]

Indeed, culture pervades everything, from how people are hired and promoted to how meetings are run and decisions are made to how setbacks are processed and successes are celebrated. However, culture is often unwritten—and at times can be at odds with what is in the employee handbook. Perhaps no one ever articulated explicitly what the culture is, because everyone is so accustomed to "the way things are done here." *Changing* the culture, however, starts with *naming* the culture. Until the unwritten rules, norms, and values are made explicit, it is hard to imagine what a different set of rules, norms, and values might look like and how the organization could adopt them.

Culture can change, but it may take years of consistent and coordinated effort across all levels of the organization, from the chief executive to frontline supervisors and their staffs. When culture does shift, it is palpable. Standard operating procedures change, the budget works differently, human resources (HR) approaches hiring, training, and promotions in new ways, and daily meetings are a fresh experience.

Culture cannot be changed by just announcing it. It is not a leadership decision that can simply be implemented. Organizational culture change is a multifaceted, multipronged process that needs to be carefully orchestrated and sustained in order to be transformative. This process involves explicitly stating the desired set of rules, norms, and values and investing in a widespread common understanding of how these rules, norms, and values guide how work gets done.

Organizational culture change is a multifaceted, multipronged process that needs to be carefully orchestrated and sustained in order to be transformative.

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[1] This definition is a variation of one commonly found in texts focused on organizational culture in the private sector, based on the authors' close reading of the literature. For an example of a similar effort to define the concept, see: Boris Groysberg, Jeremiah Lee, Jesse Price, and J. Yo-Jud Cheng, "The Leader's Guide to Corporate Culture: How to Manage the Eight Critical Elements of Organizational Life," *Harvard Business Review* (January-February 2018).

A Framework for Change: The Culture Cascade

When considering whether this guide is for you, ask yourself these two questions:

1 In order to advance your top priorities, will the current way of working at city hall—"business as usual"—be sufficient to succeed?

2 In a typical interaction with city government, is a constituent usually satisfied or even delighted?

If you answered "no" to either question (as do many mayors and city managers!), there is a good chance the culture of your city government is not matched to your current needs and goals. **This guide offers you the tools you will need to create and sustain a culture that best matches and serves your vision and values.**

In particular, the guide features a framework that we have developed for these purposes: the Culture Cascade. This framework prompts you to consider and evaluate the prevailing culture at city hall; articulate your desired goals; and then shape, implement, and sustain your culture change agenda.

Based on our review of the academic literature and our research on city government across the United States (in particular, our case analysis of culture change in Kansas City, MO; Louisville, KY; and Somerville, MA) we have identified nine essential steps that if followed will lead to lasting culture change. Together, these nine steps, listed below and depicted in Figure ES-1, constitute the Culture Cascade Framework:

Leadership Alignment: Setting the Stage

1. Vision and values defined

2. Senior staff reflect vision and values

3. Ecosystem engineer assigned

Communications and Decisions: Walking the Talk

4. New mechanisms for decision-making

5. Two-way communications tied to values

6. Policies and budget reflect the new culture

Human Resources and Data Systems: Making it Stick

7. Hiring and promotions tied to values

8. Training and incentives aligned with intended behaviors
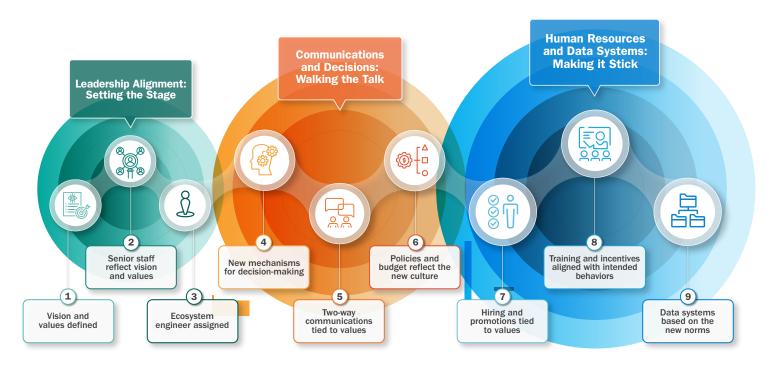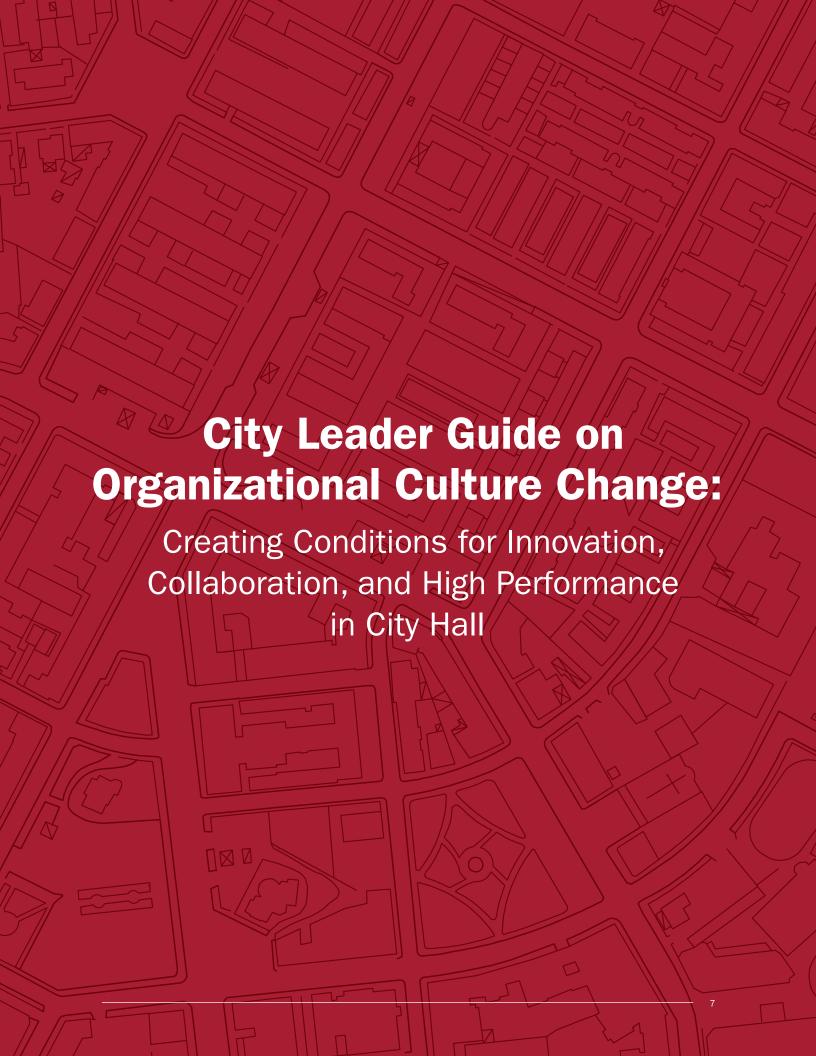
9. Data systems based on the new norms

Figure ES-1
The Culture Cascade Framework

Creating and Embedding Change: A Diagnostic Tool

The steps of the Culture Cascade Framework are meant to be implemented in order, beginning with leadership alignment and continuing to communications and then systems. But because some jurisdictions may have already completed some of these steps (whether systematically or not), the guide also features a diagnostic tool that provides a rubric for self-evaluation and goal setting.

We encourage city leaders to engage their teams from across the organization, as well as other stakeholders in the city, when using this assessment tool. Completing the assessment together creates an opportunity for shared learning and collective strategizing around the city's future culture. Differing opinions about your city's current readiness level are bound to arise; and inviting perspectives beyond the internal team can enhance the quality of your diagnostic, communicate a shared vision, and secure support.

Implementing and sustaining organizational culture change is admittedly a challenging endeavor. It is not a quick process, easily fixed by one innovation or the words or actions of just one leader. Instead, it requires time, effort, and commitment across the whole of the organization. This may sound difficult, even overwhelming. But by understanding and embracing all elements of the Culture Cascade Framework, you can achieve the changes you want to make, transforming city hall's culture in a meaningful and lasting way.

City Leader Guide on Organizational Culture Change:

Creating Conditions for Innovation, Collaboration, and High Performance in City Hall

Introduction: Organizational Culture—The Big Picture

At a 2019 Bloomberg Philanthropies CityLab gathering focused on new practices in municipal governance we interviewed a dozen mayors and senior aides about their experiences with advancing new programs in city hall. Some had success for sure, but many felt blocked or unfulfilled in terms of what they had hoped to accomplish. The challenge often came back to culture: "My senior aides get it, but frontline staff won't budge." "There is progress, but really most are waiting me out." "I've had real success with one innovative program but getting the whole organization to shift to that mindset is an uphill battle." And the most oft used line was a popular quote widely attributed to management guru Peter Drucker: "Culture eats strategy for breakfast."

While mayors and city hall staff often bemoan that culture devours the best laid plans, they do not always have a clear understanding of what culture is, how it can be diagnosed, and how it can be improved. It is possibly the greatest factor for success for any organization, yet it remains an elusive concept. City leaders notice when the culture is not conducive to innovation, collaboration, and high performance, but they can't always find the levers that enable change.

In the private sector, culture change is a much more prominent tool in the arsenal of change leaders. Ask any business executive the make-or-break characteristic of long-term success and one of the most common answers is culture: the values and norms driving the enterprise and animating workers and customers alike. Business executives can turn to scores of outlets and resources. There are countless magazines that discuss culture: *Money, FastCompany, Harvard Business Review*, and *Bloomberg Businessweek*. And, there are famous best sellers: *Who Moved My Cheese?*, *Dare to Lead*, *Good to Great*, each one about organizational culture and how to improve it.

Hardly any resources of this type exist for the public sector, however. This guide offers to fill that gap. It provides a framework for thinking about organizational culture that is rooted in the academic literature and a diagnostic tool to help local leaders examine their current situation, articulate desired goals, and shape a culture change agenda. It places particular emphasis on what mayors and senior staff can do to initiate, support, and sustain organizational change. After all, whether the goal is to improve resident satisfaction with government services like building permits or ensuring that a police department fully embraces racial justice reforms, culture change starts at the top.

Whether the goal is to improve resident satisfaction with government services like building permits or ensuring that a police department fully embraces racial justice reforms, culture change starts at the top.

Today, there is more urgency to create innovative, collaborative, and high performing (as well as truly inclusive) city halls than ever before. Over the past several years, cities have had to navigate a pandemic, a serious economic downturn, stark social and racial inequalities, and civic unrest, while continuing to perform the basic duties of municipal government. Successfully addressing these challenges requires enormous efforts from across the entire organization, as well as an ability and willingness to rethink current practices and work together to find better ways of operating. An organizational culture that is oriented towards innovation, collaboration, performance, and inclusion is a major enabling condition to do that work.

In fact, there is perhaps no greater argument for embracing such a culture than its potential for helping to address inequities and racial biases in local government, given the extent to which people of color and other historically marginalized groups continue to experience discrimination across the country, including as a result of unfair or inequitable municipal policies, programs, and practices. By providing a framework for transforming city hall's culture in an enduring and comprehensive manner, this guide supports city leaders' efforts to address these and other similarly challenging issues confronting their organizations and communities—while at the same time capturing and perpetuating their greatest successes and best practices.

Is This Guide for You? Overview and Preliminary Assessment

This guide aims to define organizational culture and to provide guidance to city leaders and their staff on what can be done to transform it. Authored by Neil Kleiman and Alexander Shermansong, New York University professors with long professional careers directly assisting local government, it is based on:

- a review of the business and public policy literatures on organizational culture change;

- a survey of forty public (primarily city) officials and field leaders from around the country; and

- an assessment of three cities that have experienced significant organizational culture change: Kansas City, Missouri; Louisville, Kentucky; and Somerville, Massachusetts.

We begin this guide by defining what we mean by organizational culture, after which we present the Culture Cascade, a framework that any city hall can use to unlock meaningful organizational change. We also offer a self-assessment rubric that allows jurisdictions to determine what elements of the framework they have addressed and what still requires attention in order to achieve their culture change goals. We then provide a case study analysis—developed around this framework—of Kansas City, Louisville, and Somerville to provide insights about what organizational transformation can look like, what works, and what does not.

Is this guide for you? Ask yourself these two questions:

> **1** In order to advance your top priorities, will the current way of working at city hall—"business as usual"—be sufficient to succeed?
>
> **2** In a typical interaction with city government, is a constituent usually satisfied or even delighted?

If you answered "no" to either question, there is a good chance the culture of your city government is not matched to your current needs and goals. Rest assured, however; you are not alone. In fact, it should not be a surprise that most mayors and city managers will also answer no to at least one of these questions. The way government functions in most cities is a product of reforms made decades ago, sustained and modestly changed in the years since, but almost never substantially revamped. In contrast, successive waves of transformation have reshaped how stores, banks, and other private-sector organizations serve their customers. Companies have adapted their leadership, strategy, training, and technology to meet new expectations and new environmental pressures. It is little wonder, then, that municipal government no longer meets the needs of constituents accustomed to personalized retail and service experiences or adapts fast enough to the accelerating pace of global change.

In fact, across the United States we found only a handful of municipal governments that have even attempted organizational culture change at scale. These include the three cities profiled in this guide, which all spent considerable time and effort pursuing culture change. Although the process remains incomplete even in these locales, each demonstrates that change is possible—and when done right leads to continued support of future innovation.

Based on our close observation of these three cities, as well as our review of the relevant literature, we have identified nine essential steps that if followed will lead to lasting culture change. Together, these nine steps form our Culture Cascade Framework.

The nine steps of the Culture Cascade, discussed in greater detail later in this guide, are:

Leadership Alignment: Setting the Stage

1. Vision and values defined

2. Senior staff reflect vision and values

3. Ecosystem engineer assigned

Communications and Decisions: Walking the Talk

4. New mechanisms for decision-making

5. Two-way communications tied to values

6. Policies and budget reflect the new culture

Human Resources and Data Systems: Making it Stick

7. Hiring and promotions tied to values

8. Training and incentives aligned with intended behaviors

9. Data systems based on the new norms

Organizational Culture Defined

Although organizational culture is a commonly used phrase, its meaning can vary in both nuanced and significant ways, depending on the context in which it is used and who is using it. We thus feel it crucial to start with a clear definition. For the purposes of this guide, **organizational culture is the set of rules—formal or informal, written or not—that determine how work gets done.** Another way of thinking about this is that culture consists of the formal rules of policies and written procedures as well as the informal rules of habits, routines, and processes that occur in practice.[2]

This definition may appear simple, but culture truly pervades everything. While the rules that determine how work gets done may not be written down or explicitly articulated, people can easily detect them. Think of a time you started a new job. What did you notice when you entered the office? The chatter and movement of a collaborative workplace? Or headphones and shut doors? Did staff punch out promptly at the five o'clock bell? Or did employees work through breaks to meet a twenty-four seven demand of service?

Culture is the collection of these detectable, but ineffable characteristics that influence everything from how people are hired and promoted to how meetings are run and decisions are made to how setbacks are processed and successes are celebrated. Some new hires may be attracted to implicit aspects of the culture, such as the values that motivate staff, daily work expectations, and level of technology use. Other recent hires and incumbent workers, however, may find that the culture does not suit them and decide to leave. The culture of the workplace thus performs a sorting role, perpetuating itself.

[2] This definition is a variation of one commonly found in texts focused on organizational culture in the private sector, based on the authors' close reading of the literature. For an example of a similar effort to define the concept, see: Boris Groysberg, Jeremiah Lee, Jesse Price, and J. Yo-Jud Cheng, "The Leader's Guide to Corporate Culture: How to Manage the Eight Critical Elements of Organizational Life," *Harvard Business Review* (January-February 2018).

However, because culture is often unwritten, it can at times be at odds with what is in the employee handbook. Perhaps no one has ever articulated explicitly what the culture is, because everyone is so accustomed to "the way things are done here." *Changing* the culture, however, starts with *naming* the culture. Until the unwritten rules, norms, and values are made explicit, it is hard to imagine what a different set of rules, norms, and values might look like and how the organization could adopt them.

Culture can change, but it may take years of consistent and coordinated effort across all levels of the organization, from the chief executive to frontline supervisors and their staffs. When culture does shift, it is palpable. Standard operating procedures change, the budget works differently, human resources (HR) approaches hiring, training, and promotions in new ways, and daily meetings are a fresh experience.

> *Culture can change, but it may take years of consistent and coordinated effort across all levels of the organization, from the chief executive to frontline supervisors and their staffs.*

Culture cannot be changed by just announcing it. Organizational culture change is not a leadership decision that can simply be implemented. Instead, it is a multifaceted, multipronged process that needs to be carefully orchestrated and sustained in order to be transformative. This process involves explicitly stating the desired set of rules, norms, and values and investing in a widespread common understanding of how these rules, norms, and values guide how work gets done.

What Does the Literature Say?

The literature on how public sector organizations work is voluminous. Yet, few texts focus on the specific topic of organizational culture in local government. This section offers a concise summary of the most relevant insights from a variety of fields, including political science, urban policy, sociology, management, public administration, and business administration.

Broad Consensus in the Business Literature

The business literature has the most to say about organizational culture. Beginning with Peter Drucker's classic 1954 text *The Practice of Management,* numerous business scholars have stressed the critical role of organizational culture and the need for managers to model and guide that culture in pursuit of productivity and success.[i]

Researchers in this field have offered a wide variety of organizational concepts and analytic frameworks for transforming culture; they have also reached a remarkable level of consensus on basic definitions and prescriptions (see, for example: Kotter and Haskett, 1992; Schein, 1992; Groysberg et al, 2018):[ii]

- Organizational culture is the set of beliefs, values, and ideas that are learned and shared;

- Though often unspoken and implicit, culture determines how things get done;

- An organization's culture is enduring, reinforced by social patterns, group norms, shared assumptions, and attraction-selection-attrition dynamics, but it can also change over time.

The literature also features wide consensus on *characteristics* (e.g., culture is shared, pervasive, enduring, and often implicit), *types* (e.g., a spectrum of creativity/control and collaboration/competition) and *strategies* (e.g., clearly articulated vision, enterprise-wide communication).

The working definition of organizational culture in this guide—the (un)written rules that determine how work gets done—is essentially an amalgamation of the many culture-oriented texts focused on the private sector.

Scholars assessing business culture have proven that, although exceedingly difficult, culture can be successfully transformed. Organizational transformation requires the alignment of strategy and culture (Hemerling and Kilmann, 2013).[iii] Leaders must clearly articulate how a change in culture is critical to the corporate strategy, or else their efforts will be stymied by ingrained practices and attitudes (Katzenbach, Steffen, and Kronley, 2012).[iv]

Unique Challenges for Local Government

The public sector in general, and city halls in particular, have their own characteristics, however. Do the lessons from and for business leaders apply to city leaders? Political scientists have for a long time been skeptical about the ability of mayors and local leaders to affect the broader systems of government. Historically, many scholars have viewed city leaders as vessels pushed around by interest groups, business leaders, and state officials. Canonical texts such as Paul Peterson's *City Limits* (1981) and Barbara Ferman's *Governing the Ungovernable City* (1985) stress that municipal executives face many governing barriers and often lack agency.[v]

More recent texts still tend to focus on factors outside the institution, including the role of governing coalitions, demographics, economics, and specific domains such as crime, transportation, and immigration (see Stone, 1989; Mollenkopf, 1992; Flanagan, 2004; and Trounstine, 2008, for examples of the more oft cited texts in the discipline).[vi] These and other texts provide valuable insights into the mayoral environment, but do not substantively advance an understanding of how organizational culture helps or hinders operational performance or how leadership can change culture.

Several texts specifically describe mayoral leadership traits and approaches (Yates, 1977; Holli, 1999),[vii] but this literature is quite thin, especially in comparison to the many texts and studies of presidential leadership. Moreover, it tends to focus on the individual, not the institution.

Some of the best-known works about government from the past century are written by authors who assess the so-called "administrative" or "bureaucratic" state. Among others, sociologist Max Weber (1922, 1978) and economist Anthony Downs (1967) have chronicled the rise of modern bureaucracy as a response to political corruption and the rapid societal changes in the 19th and 20th century.[viii] These authors detail the common attributes of precision, functional specialization, hierarchical organization, and the emphasis on technical superiority that were critically important for tackling challenges such as establishing new transportation routes and laying sewer lines.

Contemporary scholars of public administration have continued this tradition of detailing and analyzing characteristics and work processes of modern-day bureaucracies. Notably, the New Public Management school of thought emphasizes private sector approaches to address public sector challenges. Authors such as David Osborne, Donald Kettl, and John Dilulio argue that it is the "systems" as much as the "people" that preclude government progress. [ix] As with the previously discussed literatures, however, they provide little analysis of organizational culture. They instead focus on specific interventions such as competition, performance management, and customer service; the suggestion being that if you adopt managerial techniques borrowed from the private sector you can create a culture similar to that of high performing businesses.

More recently, scholars of public sector innovation have moved beyond efficiency to address the organizational transformation needed to take on significant societal challenges (Bason, 2010; Borins, 2006; Mulgan, 2009; de Jong in Cels et al, 2012; Goldsmith and Kleiman, 2017).[x] Innovation scholars often focus on new innovative practices (data and technology, new delivery concepts, use of behavioral insights) or on innovation strategies (how to navigate the challenges of implementing new practices). They acknowledge organizational culture can be either a barrier or an enabler but rarely operationalize the concept or offer reform paths forward.

A Custom Framework for Culture Change in City Hall

Given the richness of organizational analysis in the business literature it is tempting to simply apply it to a public sector environment. Indeed, McKinsey did so in a major study that used a business framework to assess eighty public sector turnaround efforts. The report found that eighty percent of these transformation efforts failed (versus seventy percent in the private sector). McKinsey noted that many of the civic failures were due to similar communication and management issues found in the private sector (McKinsey Center for Government, 2018).[xi]

Beyond the McKinsey study, however, few have applied theories of corporate culture to civic institutions. And this is for good reason, as the public and private sectors are quite distinct. Most notably, their missions are vastly different, with government (typically, or at least ideally) focused on the creation of public value and the distribution of services to all and businesses (typically, though not exclusively) geared toward maximizing profit and shareholder value (Nutt and Backoff, 1993).[xii] Other challenges that city halls face to a larger degree than other organizations are the prevalence of unions and a collectively bargained workforce, division between career civil servants and politically appointed executives, paucity of professional development resources, and limited incentives for improved performance.[3]

These key differences between the sectors mean that while the business literature is helpful for understanding government culture, it is not sufficient. This guide takes the core concepts from the business literature, incorporates insights on culture that are unique to the public sector, and develops a framework that is purpose-built for city hall—the *Culture Cascade*.

> *This guide takes the core concepts from the business literature, incorporates insights on culture that are unique to the public sector, and develops a framework that is purpose-built for city hall—the Culture Cascade.*

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[3] Notably, the literature we examined does not address any of these points. In fact, we found only one report related to the impact of unions on organizational culture, from Levi Niemenem of Denison Consulting, who observes that the culture gap between union and non-union is a potential "fault line" within an organization (see: "Unions Can Present Challenges to Organizational Culture and Change," *News Wise*, October 15, 2012, https://www.newswise.com/articles/unions-can-present-challenges-to-organizational-culture-and-change).

The Culture Cascade: Nine Steps for Transformation

Overview

We have defined culture as the formal and informal, or written and unwritten, rules, practices, and procedures that determine how work gets done. This presents mayors and senior city leaders with the daunting challenge of combating something that while often unseen is baked into virtually every aspect of daily work. And yet, there is limited guidance tailored for municipal leaders.

The Culture Cascade, a practical framework for local government leaders in the United States, as well as in many other parts of the world, helps fill this void (see Figure 1 for a visual representation of the Culture Cascade). To be clear, the framework does not advocate a particular culture—that is a choice only local leaders can make. But once a direction is chosen, this guide provides the tools to help implement it.

This section details the framework's nine steps; it also provides a self-assessment rubric that aids jurisdictions in determining what elements of the framework they still need to address in order to achieve their culture change goals. The next section will demonstrate what these steps look like in action in the three case studies.

Figure 1
The Culture Cascade Framework

Leadership Alignment: Setting the Stage

1 Vision and values defined
2 Senior staff reflect vision and values
3 Ecosystem engineer assigned

Communications and Decisions: Walking the Talk

4 New mechanisms for decision-making
5 Two-way communications tied to values
6 Policies and budget reflect the new culture

Human Resources and Data Systems: Making it Stick

7 Hiring and promotions tied to values
8 Training and incentives aligned with intended behaviors
9 Data systems based on the new norms

The Nine Steps

The Culture Cascade's nine steps are organized under three core pillars: leadership, communications and decision-making, and human resources and data systems. It is critical to understand each of the three pillars on its own because they work as standalone components that are advanced in sequence—one cascading and leading to the next. Note that although each step is designed to reshape specific elements of the existing culture, they are only fully effective when applied together.

Before discussing the framework, however, we want to issue a word of caution about taking on culture transformation: it is a difficult, complex, and lengthy process, requiring absolute commitment on the part of city leadership. As the steps reveal, change depends on a well-articulated vision, the engagement of staff throughout

the organization, relentless focus and repetition, and patience. True change requires years to take root.

Culture transformation does not happen by accident or by a one-time announcement of a change in leadership. In fact, in most city organizations, many forces work against organizational reform, and sometimes vocally so. For instance, it is all too common for a municipal executive to

> *Change depends on a well-articulated vision, the engagement of staff throughout the organization, relentless focus and repetition, and patience. True change requires years to take root.*

tout one set of values, while major decisions just below the leadership level continue to reflect different norms—especially in a crisis. Meanwhile, even when a mayor embraces a new leadership structure or data-driven decisions, HR and core data systems often remain as legacies of previous administrations, because civil service rules and collective bargaining agreements are so hard to change except through ad hoc fixes. This is why we stress that the steps must be addressed in sequence and in full; anything less will not withstand entrenched organizational norms and business-as-usual operating procedures.

Leadership Alignment: Setting the Stage

Culture change starts with aligning your leadership to the culture you want to introduce to your organization. This entails establishing the vision, values, intentions, and actions of the chief executive and senior aides. The behaviors and values of the chief executive, in particular, will define how decisions are made throughout the organization, especially when amplified by other senior leaders.

1. Vision and values defined

Culture begins at the top, with the chief executive painting a vision of the future and articulating a compelling need for changing how work gets done in order to produce different outcomes. The mayor should set a vision for the city at the very outset of his or her administration, describing results that matter to residents, while clarifying values that connect the vision to internal processes. Clearly articulated values describe the behaviors and norms that will enable those outcomes, providing staff with answers to "why" decisions will be made in specific ways. Leaders should note, however, that talking about "transformation" at the outset or disparaging the old culture can increase resistance from employees, especially those with long tenures who are vested in the status quo. A more effective vision highlights improvement and new approaches.

2. Senior staff reflect vision and values

After establishing a vision for the city, the mayor must organize his or her senior leadership team, including key hires such as a chief of staff, department heads, and a budget director. These individuals must share the mayor's vision and motivating values. Often, this means hiring an almost entirely new executive team. Because the mayor or city manager cannot be in the room for every decision, every day, senior staff need to act as proxies, passionately representing the chief executive's vision and organizational direction.

3. Ecosystem engineer assigned

Every mayoral priority requires leadership and accountability in order to succeed. While culture must be owned by each member of the senior leadership team, it also needs a single person who will take responsibility for planning and monitoring the remaining six steps of the framework. For change to cascade and take hold, culture needs a champion (or an "ecosystem engineer") who will ensure that each step is articulated and followed to achieve the desired results. This individual could be a deputy mayor, chief of staff, or even the HR director. The role is often filled, however, by someone without dedicated operational responsibility, someone of influence rather than direct authority. This allows them to fully dedicate themselves to the tasks most necessary for transforming culture, such as overseeing performance management and CitiStat programs,[4] coaching other executives, and innovating aspects of training and communications.

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[4] A data dashboard-type mechanism pioneered by the City of Baltimore (its own version an adaptation of NYPD's earlier CompStat program), CitiStat is now used by many cities in the United States.

Communications and Decisions: Walking the Talk

To activate the new culture, the executive's vision needs to translate into visible action and consistent communication throughout the entire organization. It is through these processes that the chief executive shapes the organization; they are the means by which a culture is fostered and advanced. And it is at this stage that the cascade truly takes effect. If the mayor, manager, or department head does not explain why decisions are made, others will form their own interpretation or default to existing organizational values.

4. New mechanisms for decision-making

In business, there is widespread acceptance of the role of analytics in both decision-making and accountability, but city government has historically lacked a standard mechanism for decision-making. As a result, it is crucial that the chief executive establish a highly visible mechanism that embodies his or her values and showcases the new culture. Many cities (including the ones we assessed) use versions of the CitiStat program. Others (as was the case in New York City under former Mayor Bill de Blasio) use decision memos that rely on a hierarchical chain of approval. Either way, a highly visible mechanism must be identified and serve as the focal point for policy choices, where new cultural attributes clearly guide the process.

> *A highly visible mechanism must be identified and serve as the focal point for policy choices, where new cultural attributes clearly guide the process.*

5. Two-way communications tied to values

Beyond senior staff meetings, the chief executive, her or his senior leadership team, and departmental directors need to provide clear, crisp communications that illuminate the new cultural expectations and inspire. Often this begins with a written document that spells out the values and norms of the organization, the *why* behind all key decisions. This is very much distinct from an organization's mission or strategy, which too often focus just on *what* should be achieved. In order to bring about culture change, it is instead essential to address both the *why* and the *how*, i.e., not just telling people what to do but also enabling them to believe why it is the right thing to do and the steps they can take to accomplish it. Furthermore, communications should not disparage what came before; instead, they should be framed in as positive a way as possible. Finally, once a clear strategy is in place, a range of interactive communications (newsletters, town halls, performance/operations reviews, and project charters) should be initiated. All too often, feedback happens only through informal means; culture change requires intentional (and regular) two-way communication.

6. Polices and budget reflect the new culture

Changes to culture at city hall often take hold as a result of the annual budget process or following major policy announcements. When money is allocated or subtracted in new ways, and when policy edicts shift the course of local government priorities, everyone—from department staff to residents—notices that a new approach at city hall has started to take root. In that sense, new initiatives and budget decisions are the most direct embodiment of a new culture.

Human Resources and Data Systems: Making It Stick

After completing the first six steps of the Cascade, the chief executive can next turn her or his attention to shaping the long-term future of the organization by addressing its core administrative systems. It is in this phase in which culture change moves from a momentary shift to an enduring set of rules and norms that will govern municipal operations for years to come. By reforming HR rules to hire and promote staff who share the mayor's vision and values throughout the organization and by implementing decision trees and training modules, new values are given life at all levels of the organization to last beyond just one administrative term. This is by far the most challenging level of change and the one where most organizational reform efforts often come to an end.

7. Hiring and promotions tied to values

Decisions about who gets hired and who gets promoted show staff whether what the chief executive says matters. If he or she declares that innovation is important but promotes people who have sustained the status quo, others will see a gap between what is said and what is done in practice. Embedding the values into recruitment protocols and new hire orientation brings people into the organization who already personify the intended cultural norms.

8. Training and incentives aligned with intended behaviors

Training and incentives represent perhaps the biggest gaps between how the private and public sectors approach culture. When it comes to training, municipal governments typically do the bare minimum to comply with the law and thereby provide few, if any, soft skill or mind-shift training opportunities to their employees. On the other hand, the companies with the most celebrated cultures—such as Disney and JetBlue—invest in their staff at all levels. The training they provide their employees is not just about learning technical skills, but it is also about developing a mindset that reflects new organizational values.

Incentives, meanwhile, are perhaps the most misunderstood aspect of how culture is propagated in local government. Although the term often brings to mind performance pay or bonuses, in a mission-driven organization like a city, non-cash rewards can be even more important (and are often one of the few options for recognizing public employees, beyond promotions). These incentives include recognition in front of peers or in a public forum, chances for professional development, and new assignments that provide exciting, fresh challenges.

9. Data systems based on the new norms

Technology can translate new norms into the defaults of performance reports, work allocation algorithms, public reporting, and more. All agencies use data to track performance, whether in relation to on-time service delivery or the degree to which residents' demands are met. Administrators also use data to plan budgets (finance systems) and daily activities (work order systems). When shifting to a new organizational culture, these data points should be amended not only to emphasize new norms, such as customer responsiveness or teamwork, but even to make certain behaviors the default, such as prioritizing work orders by due date or urgency.

Culture Cascade Self-Assessment Rubric

The Culture Cascade Framework is meant to be implemented in order, beginning with the leadership alignment steps and continuing to communications and then systems. That said, in many cities some steps are already in place. To the extent you can identify existing assets to celebrate, the incumbent workforce will be more likely to see the continuity and to see parts of themselves in the future. Use this framework to identify areas requiring the most urgent change as well those that you can build on.

The diagnostic tool below offers a rubric for self-evaluation and goal setting. We encourage city leaders to engage their teams from across the organization, as well as other stakeholders in the city, when using the tool. Completing it together creates an opportunity for shared learning and collective strategizing around the city's future culture. Although differing opinions about your city's current readiness level are bound to arise, by inviting perspectives beyond the internal team you can enhance the quality of your diagnostic, communicate a shared vision, and secure support. A copy of this rubric is included later in the guide as a separate worksheet that you can use when conducting your own self-assessment.

A Diagnostic Tool: The Culture Cascade Self-Assessment Rubric

	Nascent	Emerging	Ready
Leadership Alignment: Setting the Stage			
1. Vision and values defined	Chief executive speaks about vision and values, but not consistently	Chief executive speaks about vision and values frequently and consistently	Vision and values are defined in easy-to-understand messages or visuals
2. Senior staff reflect vision and values	Some direct reports are vocal champions for vision and values	Direct reports speak about vision and values	All direct reports frequently model vision and values
3. Ecosystem engineer assigned	Organizational change is assumed to be part of HR or another department	Individual is assigned to culture/operational change efforts, but is not fully embraced by the organization	Ecosystem engineer has developed trust with internal and external stakeholders
Communications and Decisions: Walking the Talk			
4. New mechanisms for decision-making	Chief executive's preferred decision mechanisms are not widely adopted	Chief executive's preferred mechanism is established, with some organizational participation	Leadership team fully participates in decision forum reflecting the executive's preferred style
5. Two-way communications tied to values	Chief executive's interaction with staff is ad hoc	Communication channels are established, but are not regular or two-way	Communication vehicles reach throughout the organization and foster consistent feedback
6. Policies and budget reflect the new culture	Budget and policy decisions are driven without consideration of culture impact	Some new policies reflect intended culture and norms	Key messages accompany and are built into all major announcements
Human Resources and Data Systems: Making It Stick			
7. Hiring and promotions tied to values	HR processes driven by bureaucratic and historical considerations	HR offers guidance on values-based hiring and promotion	HR and hiring managers embrace new mindset and behavioral assessments
8. Training and incentives aligned with intended behaviors	Training primarily focused on technical skills and compliance	Leadership development available around future norms	Training resources tailored to new behaviors at all levels and departments
9. Data systems based on the new norms	Technology and reporting systems are upgraded, but without considering cultural values or behaviors	Technology investment plans reflect operational and process shifts (e.g., 311 reformed to better include resident input)	IT chief embraces intended behavioral norms (e.g., new norms incorporated into all data tracking, reporting, and workflow management systems)

Three Cities and the Culture Cascade

A survey that we previously conducted with dozens of mayors dedicated to transformative policy and action revealed that the prevailing organizational culture, especially when unchanged over many years, frequently slows or ultimately dooms efforts aimed at changing that culture—and, for that matter, any effort to scale change beyond an isolated success.

The survey also found that few city leaders had attempted to take organizational culture head on, partly because most respondents had received virtually no encouragement or guidance on how to do so. But based on extensive conversations with field leaders and professional organizations, we identified three cities that had earned reputations for producing significant organizational transformation: Kansas City, Missouri; Louisville, Kentucky; and Somerville, Massachusetts. While this guide is agnostic in terms of what type of culture change a city aims to pursue, these three municipalities all focused on a data- and innovation-oriented approach to organizational reform.

Over a ten-month period (October 2019 to July 2020) we collected recent and historical documents pertaining to each city, conducted executive and mid-level interviews in their central departments, and observed team meetings. We also conducted a departmental analysis of two or three agencies in each city. All study subjects were asked to complete an online survey assessing corporate culture and performance. In total, we interviewed, surveyed, or observed more than one hundred municipal employees in each of the three cities, ranging from the mayor to frontline workers.

Taken together, the cities helped us understand and build the nine step Culture Cascade Framework. This section reviews the three cities' experiences with culture change, assessing how each took on various aspects of the framework.

(For summaries of the cities' overall experiences with culture change, see the Appendix.)

Phase One: Leadership Alignment

Vision and values defined: The prerequisite

To bring about change, a leader must provide clarity about the path forward. When setting out to change culture, a mayor or manager must articulate his or her vision, and the changes required to achieve it, in a way that cannot be misinterpreted and is authentic to the organization. In looking closely at how each city framed its policies, culture, and changes, we found that the sharper the administration's vision and values, the more likely they were to percolate throughout the organization. This was indeed the case in both Louisville and Somerville, where animated and well-understood organizational priorities led to visible shifts throughout municipal government.

> *The sharper the administration's vision and values, the more likely they were to percolate throughout the organization.*

In **Louisville**, Mayor Greg Fischer articulated the values of a new operating paradigm for the city: performance and process improvement supported by data. But far from a nebulous declaration, the mayor buttressed this governing philosophy with a set of oft-repeated catch phrases (e.g., "weakness orientation" and "breakthrough innovation"), while his executive team consistently reinforced these new norms through their own words and actions. As a result, every one of the approximately thirty city employees we interviewed—senior and mid-level staff—could clearly reiterate the mayor's values and parrot his expectations. This was a noticeable change from the previous culture which was based on relationships.

Mayor Fischer espoused a new operating mode rooted in the Lean Six Sigma approach, a method of continuous improvement that aims to eliminate waste by systematically measuring results, empowering employees, and focusing relentlessly on value for the customer.[5] Due to the widespread popularity of Lean Six

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[5] While Lean Six Sigma is commonly known as a business improvement method, the most successful implementations also use Lean Six Sigma values, tools, and training to reshape organizational culture. This is precisely the approach Mayor Fischer deployed.

Sigma in the private sector, the mayor had a fair amount of source material to draw from (e.g., books, training guides, and corporate partners). He was also attuned to others who had a similar vision and resources to share. As the mayor said, "I seek out others with a model, something I can use. That's why I gravitated to Bloomberg's What Works Cities Certification. They had a template and we were able to model ourselves against it."[xiii,6] All of these pro bono workshops, grant programs, and in-house trainings emphasized and reiterated the same core message about continuous improvement. This constant reinforcement, along with regular championing by the mayor, ensured that his message resounded with managers and staff alike.

Meanwhile, from the very start of his administration, Mayor Joseph Curtatone of **Somerville** made clear his vision for the city (and, implicitly through that, the values that informed the culture he hoped to foster at city hall): to make Somerville an even more exceptional place to live, work, play, and raise a family. He also stressed that business as usual would not get the city to that goal. Instead, it required professionalism supported by fresh thinking. Specifically, the mayor emphasized data-driven decision-making, while encouraging a culture of curiosity and an openness to what he termed "abnormal ideas." This was quite distinct from a government that had long run on patronage and more traditional workaday municipal output.

Mayor Curtatone's messaging differed from Mayor Fischer's in several key ways: he did not use as many catch phrases, nor did he partner with as many outside foundations and corporations. Curatone also had a more general focus on government improvement; a drive to reverse prior poor performance and the more provincial approach to governing. But the shift in direction for the City of Somerville was evident to the average government worker. The mayor's high-energy and consistent messaging provided a palpable sense of urgency.

Everyone in the city had a story to tell about a "funky" or "crazy" idea that the mayor had celebrated. Among the innovations he frequently championed: new promotional guidelines for police officers that, in a sharp break from traditional practice, emphasized attendance and performance; the creation of an annual citywide arts festival that grew out of performances by a local brass band; and the city's successful incubation of a parkour program, which was then spun off as a new organization. In addition, the mayor routinely recognized a select group of innovative employees at a "Cup o' Joe" ceremony held during the monthly department heads' meeting.

Meanwhile, in **Kansas City**, when a new mayor (Sly James), city council, and manager came to office in 2011, they embraced a unified approach to governing. This resulted in a remarkable alignment of priorities and goals laid out for the city. While this alignment led to the development of many innovative programs, it was not accompanied by a new narrative to animate the daily work processes of line staff. This lack of an explicit focus on organizational culture may have had consequences for the longer term. For instance, when a new administration came into office in 2019, it shifted away from KCStat (Kansas City's version of the CitiStat data dashboard) and some related data reforms. The takeaway: without the broader vision and values, a program—no matter how promising or how much a priority of a preceding administration—is just that, a program, and a program is not culture change.

> *Municipal governments are simply too large and complex for one person, even at the top, to transform without champions.*

Senior staff reflect vision and values: The first step

In each city, recruitment and alignment of a senior leadership team served as the starting point for implementing culture change. In every case, the chief executive prioritized selecting candidates who not only subscribed to his vision but who also had the skills to reflect it outward through values, language, and work style. Recruiting the right people can take weeks, months, or possibly longer, but without this critical first step, the change imperative simply will not filter down and reach the rank and file. Municipal governments are simply too large and complex for one person, even at the top, to transform without champions.

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6 Louisville is one of only two cities certified by What Works Cities as platinum, the program's highest level of recognition (for more on What Works Cities, see: https://whatworkscities.bloomberg.org/certification/).

In Louisville, Mayor Fischer aligned his team through a combination of creating new leadership roles, hiring into them, and defining a new lexicon for use across management ranks. In Somerville, Mayor Curtatone fostered team alignment largely through external hires of executives (many from nearby Boston-area colleges and universities) who were inspired by his vision. In Kansas City, with the vocal support of the mayor, the city manager promoted his team largely from within and sought to give significant autonomy to his department heads.

In **Louisville**, the mayor created a new role of "chief" to drive cross-functional thinking; these chiefs (akin to deputy mayors in some cities) became the new culture leadership team. According to Mayor Fischer, hiring the right mix for his cabinet was the single most important aspect of his organizational change efforts. "I sought out folks with eclectic backgrounds," he said, "but they always had to share my vision."[xiv] Indeed, he managed to recruit a diverse set of chief aides, with leaders from corporate America, intelligence agencies, and state government all bringing different perspectives to his administration. Interestingly, department directors initially chafed at this new layer of management, which signaled a break with the past administration.

One of the clearest points made in the business literature about organizational culture change is the need to develop a common language that reflects the intended change. This is something Louisville focused on more than the other case cities. Mayor Fischer's chief of staff, Ellen Hesen, noted, "When I first started, the mayor handed me a dictionary with all these [performance improvement] business terms. I am a lawyer by training, and I know all about terminology, but this was new for me. But I learned fast!"[xv] Indeed, a few core phrases, including "weakness orientation" and "breakthrough innovation," were repeated ad infinitum by numerous interviewees. The city's chief financial officer, Daniel Frockt, said, "I'm one of the only holdovers from the last mayoral administration, and the language was jarring to me. This was different. But I will tell you it impacted [how we work]. Structures can be created and taken away, but not language; it [sticks]."[xvi] Importantly, the mayor personally used the new terms frequently, asking questions during meetings, for example, in ways that modeled the "weakness orientation."

In **Somerville**, executives and managers projected the mayor's desire for "abnormal" ideas (although often in their own words). And many of the new senior hires were motivated by collaboration, innovation, and community engagement. This was in turn supported by a core executive team and new department heads who worked in proximity to one another (in part because the size of the public sector is far smaller in Somerville compared to the other case cities). Messaging came through at SomerStat meetings in which senior administrators were relentlessly pushed to develop creative solutions to operational challenges no matter their scale or complexity. The monthly "Cup o' Joe" ceremonies, meanwhile, served as a way to celebrate and emphasize the importance of innovation and creativity for staff across the whole of the organization.

In **Kansas City**, the city manager valued his tenure with the city, and he built his team through a combination of internal promotions and quietly asking some staff to resign (as opposed to firing anyone). He encouraged collaboration across departments but left it to the department heads to convey their own interpretation of changes to staff (rather than implementing a uniform citywide culture).

Kansas City in some respects fell into leadership alignment because of political circumstances. The city benefited from a holy trinity of the city council, mayor, and city manager united around a common platform. The stars aligned due to both (1) the pent-up desire to move fast after the previous administration's agenda had sputtered and (2) the specific personalities in all three offices clicking with one another. Moreover, Mayor James possessed a rare mix of ambition and an understanding of the limits to his authority. As a result, he became the cornerstone connecting disparate stakeholders together. This was embodied in a planning retreat away from city hall, organized by the mayor and city manager, that linked municipal leaders around a shared government agenda. During Mayor James' first term, the city council, mayor, and city manager collaborated closely with the "unwritten expectation that we were all in this together."[xvii] The mayor kept city leaders and senior teams in sync by always showing up to his appointments and never missing a KCstat or employee recognition event. That said, the mayor stopped short of defining a new language or values to support his vision.

Ecosystem engineer assigned: Orchestrating change

In all three cities, the role of the ecosystem engineer proved critical to achieving organizational reform. In each instance the person or office tasked with performance management was also responsible for orchestrating organizational change. This makes sense, as a big part of organizational culture change is aligning tasks and processes with goals. In each city, the entire leadership team endorsed the ecosystem engineer, which appeared to be crucial for their success.

In all three cities, the ecosystem engineer was responsible for operating the stat program, carrying out certain aspects of staff training, and creating and maintaining links between the new organizational direction and budget and policy decisions throughout the enterprise. The authority of the office varied across the three cities, however, and this had significant implications for the endurance of each city's new culture.

In all three cities, the role of the ecosystem engineer proved critical to achieving organizational reform. In each instance the person or office tasked with performance management was also responsible for orchestrating organizational change.

In **Louisville**, the ecosystem engineer was Theresa Reno-Weber, who served the city from 2012-2016. Bringing with her a mix of military, public sector, and consulting experience, she found herself in a potentially challenging position, as other staff, including Ted Smith (Chief of Civic Innovation), Margaret Handmaker (Innovation Team Director), and the mayor himself, were known as bold city innovators. Yet Reno-Weber found her niche. Although she had an appreciation for breakthrough change efforts, she also maintained a laser focus on her broader mandate. While the higher profile directors in the mayor's inner circle developed breakthrough innovations, Reno-Weber focused on reaching deep into the organization. As a result, many in the city gave her credit for not only building change mechanisms like LouieStat, but also tirelessly engaging agencies, identifying champions, grooming future leaders through new training programs, and spotlighting teams and individual successes throughout government. Reno-Weber also had the mayor's support at every turn and used that authority to both coach and prod at the departmental level.

In **Somerville** it wasn't one person, but the office of SomerStat, that embodied the new attributes of organizational culture. The office was ostensibly responsible for data and performance management, but it also oversaw many major policy decisions and—at the time of this research—even the budget process. The office has been run by a succession of directors, and the continuance of its role is a testament to the institutionalization of the initiative, rather than any one personality.

In **Kansas City**—as in Louisville—many of the organizational shifts emanated from the performance office, not the innovation side of the house. "Kate and Julie" (Kate Bender and Julie Steenson, deputy performance managers in the City Manager's Office) became shorthand for the new way of doing work. Fully dedicated to improving operating norms, the duo was key to designing and supporting organizational change. Beyond managing the city's stat program, they shaped an annual employee survey that did as much to drive culture as any other performance mechanism.

Phase Two: Communications and Decisions

New mechanisms for decision-making

In all three cities the mechanism established to help advance culture change was notably similar: a data dashboard and performance dialogue approach. With each developing and embracing its own version of what is commonly known as the "CitiStat" model, it is not surprising that they shared a data-innovation approach to cultural transformation. It is important to note, however, that other cities could pursue different approaches, such as one focused more on accountability, and identify a new mechanism, like executive decision memos.

By using CitiStat, the cities invested in regular, almost-formulaic forums to review progress and new initiatives. Each mayor in effect created opportunities where he could be seen to embody new values—sometimes even on television or through Twitter feeds.

Although all three cities took inspiration directly from Baltimore (the city credited with originating the CitiStat model), each implemented its stat program in different ways. Kansas City emphasized collaboration across the entire spectrum of city governance: the council, mayor, city manager, and all departments participated. Louisville was more internally oriented and focused on improving basic work processes and, more recently, cross-departmental outcomes. Somerville used the data sessions as a chance to engage in rapid reviews of new initiatives.

In many respects, **Kansas City** was quite creative with its stat program, which it used to bring together the council, city manager, departmental chiefs, and the mayor. What made KCStat so impactful were the many different elements that comprised and supported the program, including annual retreats, agency-based plans, and considerable data analysis. Moreover, the meetings—more so than in most cities or our other two case studies—were very much public affairs. Residents were encouraged to participate in the stat meetings both in person and virtually through social media. In fact, residents even tweeted in comments and critiques to stat meetings or about the dashboard, which city officials then incorporated into future metrics. The city's resident survey, meanwhile, served as a core data input for all metrics assessed through KCStat. (For approximately the past thirty years, Kansas City has regularly sought input from its residents to inform program and policy decisions.)

KCStat was not designed to profile one agency or spotlight a particular innovation. Instead, city administrators were committed to overall fidelity to the data process across agencies. As a result, KCStat became the central platform for city government through which plans, priorities, budget decisions, and policy were hashed out and debated with council members, department staff, and residents alike. As robust as the stat program was in Kansas City, however, we want to stress that because a formal mechanism is not a culture on its own, it can easily be discontinued. Indeed, KCStat came to an end when Mayor James left office and the new administration decided to focus on other priorities.

Louisville, meanwhile, used CitiStat in a more targeted manner, focusing primarily on changing basic work processes. Launched in 2012, LouieStat functioned as a visible platform that signaled a different approach to departmental management and accountability. In contrast to the previous administration, when city policy was typically hashed out in closed cabinet meetings and based on personal experiences, LouieStat embodied a new, far more transparent approach based on planning, data, debate, and professional growth.

Over time, LouieStat became the focal point for performance improvement discussions. Unlike other iterations of CitiStat, Louisville favored solutions over accountability, with interviewees reporting that the program was one-third focused on Key Performance Indicators (accountability) and two-thirds focused on problem solving (solutions). When observing a stat meeting, we noticed the mayor employed metrics as a jumping off point for a discussion of root-problem analysis and a way to involve other agencies. This was evident in how Mayor Fischer used the sessions and ran the meetings, both questioning and coaching his team personally.

Like Louisville, **Somerville** also relied heavily on its departmental stat platform to inculcate a new culture. However, rather than just having a data focus, SomerStat served as a catch-all for department-level decision-making: it managed the budget process, engaged in thorough process analysis, and facilitated inter-departmental projects and conflict resolution. As in the other two cities, the team responsible for SomerStat also had significant citywide operations influence.

Throughout Mayor Curtatone's tenure, SomerStat functioned as the recognized mechanism for changing city operations and, more broadly, city culture. It evolved from a punitive "gotcha" approach to one that was more collaborative, providing department heads more ownership and say. At the time of this research, SomerStat facilitated two thirty-minute department reviews each week, which were largely devoted to new initiatives. Its role in managing the budget process, meanwhile, required a level of rigor, analysis, and collaboration across the city apparatus. And when issues arose between or within departments, the administration usually tasked SomerStat to perform a deep analysis or resolve the conflicts.

Two-way communications tied to values

Beyond senior staff meetings, the chief executive, senior leadership team, and departmental directors need to employ clear, crisp communications that illuminate the new cultural expectations and inspire. Too often, feedback happens only through informal means; culture change, however, requires intentional two-way communication.

Kansas City developed a robust two-way communication system, with regular surveys for both residents and staff. These surveys provided data to leaders regarding opportunities for improvement in city government and public services.

In **Somerville**, much of the two-way communication was more informal than in Kansas City. Perhaps as a reflection of Somerville's smaller population, Mayor Curtatone had greater opportunity to engage directly with a larger swath of his employees and hear directly from them about their "abnormal" ideas.

In **Louisville**, the feedback mechanisms were embedded in the continuous improvement methodology (central to the Lean Six Sigma approach embraced by Mayor Fisher), with team members actively discussing opportunities for improvement with their managers.

Phase Three: Human Resources and Data Systems

It takes years for a new culture to take hold and overcome the gravitational pull of "business as usual." We found the only hope for ensuring enduring change is a concrete shift in core administrative procedures: hiring, promotion, training, and technology. These facets of municipal government are often determined by statute and work rules that can be extremely difficult to change.

Louisville was most intentional in its HR reforms, with a citywide emphasis on Lean Six Sigma training and several newly created positions at the executive and staff levels dedicated to carrying out culture change. Somerville embedded the culture largely through hiring, for both department heads and analysts, but rarely with union hires. Kansas City HR systems were largely a continuation of earlier practices.

> *It takes years for a new culture to take hold and overcome the gravitational pull of "business as usual." The only hope for ensuring enduring change is a concrete shift in core administrative procedures: hiring, promotion, training, and technology.*

In **Louisville**, a hallmark of Mayor Fischer's tenure has been to offer Lean Six Sigma and data training throughout municipal government. Employees receive badges for completing data training and certificates for training in continuous improvement. The city has also created a new staff position in almost every department focused on data and performance. The budget, meanwhile, is now driven by LouieStat and is based on cross-departmental outcomes. As a result of these changes to core administrative procedures, the culture now emphasizes continuous improvement. This lever cannot be overemphasized. Louisville has engaged in workforce development at scale, targeting senior aides and frontline workers alike. It has also deployed a diverse mix of training opportunities, including programs offered by foundation-funded training providers (Johns Hopkins' GovEx), corporate designed training (Humana and Toyota), and a significant amount of peer-to-peer training (most recently through the Louisville data academy that provides basic and advanced tech training to any employee seeking new skills). Training has covered both soft and technical skills and inculcated the mindset of continuous improvement.

The newly designed workforce sessions have provided opportunities to bring large numbers of staff together to reorient work processes, forge new professional relationships, and innovate together. For instance, a training organized by Toyota for the city's fleet and facilities department was attended by both the mayor and Theresa Reno-Weber (Louisville's Chief of Performance and Technology). It included participants from all levels of the organization, from senior leadership to frontline staff, in the process of creating ownership for new data measurement practices across the department.

Indeed, many city employees received some type of training. Most of the sessions focused on Lean Six Sigma, and fully ten percent of the city's five thousand-strong workforce received badges certifying acumen in the approach. Michael Schnuerle, the city's chief data officer said, "Through our peer-based Data Academy we have created a network in which staff know they can ask each other for help."[xviii]

In **Kansas City**, many of the HR changes reflected the city manager's own internal promotion. He in turn promoted from within the ranks, while new HR policies and practices (e.g., the Workforce Advancement Model) and emerging leader training (e.g., NextUpKC, a fellowship program for mid-career managers) also rewarded incumbent workers. Treating the budget as a "competition" also reinforced the value of longer tenure, since those with stronger relationships could often make a more compelling case for the needs of their departments or projects. As a result, Kansas City's organizational culture has remained tradition-based. In addition to surveys and analysis, the main vehicle for change has been professional development for rising managers, including NextUpKC; Cookingham-Noll Management Fellowships for recent graduates of master's programs; and the Academy Cohorts, a parks department initiative. In each case, participants develop their own networks across the city.

Under Mayor Curtatone, **Somerville** greatly changed its hiring practices for senior managers. It began emphasizing external recruitment, which meant hiring people who brought fresh thinking and new approaches to their jobs. In the past, department heads had consistently been Somerville residents often rewarded for political participation, and most internal roles were closely guided by union and civil service rules. In contrast, Mayor Curtatone sought senior talent nationally and he aggressively courted professional schools in the area for analysts and new ideas.

The mayor's impact on HR was most evident in the hiring of many new department heads, whose arrival presented an opportunity to rethink mission and operations. For example, the mayor recruited a new parks and recreation department administrator, Jill Lathan, to professionalize the department and, more importantly, to focus on equity. He told her, "Do everything that's good in any other city . . . the wackiest, craziest thing."[xix] Five years later, the parks and recreation department had been transformed. In the past a "good ol' boys' network" had determined everything from who could borrow the blue bus (whether a department employee or not) to which residents received permits. Now, the department's leadership team shares a collaborative, inclusive, professional ethos. And the results show: partnerships to operate two swimming pools, a football complex, two ice rinks, a boxing club, a new boat house; and much greater emphasis on athletic scholarships and programming for girls.

However, because Somerville placed less emphasis on training, employees outside the ranks of senior leadership had to absorb the new culture through osmosis rather than more formal means. Moreover, at a staff level, the outside-in hiring was largely limited to the SomerStat team, which functioned as an internal consulting arm of the city.

One data system reform worth reflecting on is **Kansas City's** resident survey, one of the greatest examples of resident input in the United States. Mayors and city administrators often tout their resident engagement skills. But remarkably few cities consistently survey residents, and almost none at the scale that Kansas City does. Initially sent out to residents about thirty years ago, the resident survey was significantly revised and improved during the James administration, as part of a greater emphasis on community responsiveness that stood at the core of the KCStat and performance office. With an annual response rate of about forty-five percent (from a sample of nine thousand households), the newly designed survey accomplished the almost unheard of: directly linking program and policy decisions to community members. Because so many administrators across all facets of city government are now newly activated and behaving differently based on this data input, the survey serves as a compelling example of how data system reform can embed culture change. However, because Kansas City's municipal leaders did not explicitly tie the survey to organizational change efforts, it did not reinforce other efforts that would have enabled them to reshape the organization more broadly.

Culture Cascade Diagnostic Worksheet

Earlier in this guide, we presented a rubric for self-evaluation and goal setting based on the Culture Cascade Framework. Below is a worksheet version of the framework. We encourage you to invite teams from across your organization and stakeholders outside of city hall to complete it with you. Including perspectives beyond those of your own unit will enhance the quality of your diagnostic, communicate a shared vision, and secure support for your culture change agenda.

Worksheet instructions: Select the status (i.e., nascent, emerging, or ready) that best matches the progress your city has made implementing each component of the Culture Cascade by checking the corresponding box in the "your city" rows. Please elaborate on each of your answers by providing relevant examples or reflections in the selected boxes.

A Diagnostic Tool: The Culture Cascade Self-Assessment Rubric

	Nascent	Emerging	Ready
Leadership Alignment: Setting the Stage			
1. Vision and values defined	Chief executive speaks about vision and values, but not consistently	Chief executive speaks about vision and values frequently and consistently	Vision and values are defined in easy-to-understand messages or visuals
Your city			
2. Senior staff reflect vision and values	Some direct reports are vocal champions for vision and values	Direct reports speak about vision and values	All direct reports frequently model vision and values
Your city			
3. Ecosystem engineer assigned	Organizational change is assumed to be part of HR or another department	Individual is assigned to culture/operational change efforts, but is not fully embraced by the organization	Ecosystem engineer has developed trust with internal and external stakeholders
Your city			

	Nascent	Emerging	Ready
Communications and Decisions: Walking the Talk			
4. New mechanisms for decision-making	Chief executive's preferred decision mechanisms are not widely adopted	Chief executive's preferred mechanism is established, with some organizational participation	Leadership team fully participates in decision forum reflecting the executive's preferred style
Your city			
5. Two-way communications tied to values	Chief executive's interaction with staff is ad hoc	Communication channels are established, but are not regular or two-way	Communication vehicles reach throughout the organization and foster consistent feedback
Your city			
6. Policies and budget reflect the new culture	Budget and policy decisions are driven without consideration of culture impact	Some new policies reflect intended culture and norms	Key messages accompany and are built into all major announcements
Your city			

	Nascent	Emerging	Ready
Human Resources and Data Systems: Making It Stick			
7. Hiring and promotions tied to values	HR processes driven by bureaucratic and historical considerations	HR offers guidance on values-based hiring and promotion	HR and hiring managers embrace new mindset and behavioral assessments
Your city			
8. Training and incentives aligned with intended behaviors	Training primarily focused on technical skills and compliance	Leadership development available around future norms	Training resources tailored to new behaviors at all levels and departments
Your city			
9. Data systems based on the new norms	Technology and reporting systems are upgraded, but without considering cultural values or behaviors	Technology investment plans reflect operational and process shifts (e.g., 311 reformed to better include resident input)	IT chief embraces intended behavioral norms (e.g., new norms incorporated into all data tracking, reporting, and workflow management systems)
Your city			

Conclusion

Almost every city in America has experienced a wave of innovation- and technology-driven improvements. From Boston to Sacramento, cities are advancing new platforms and strategies that are improving services and beginning to build back resident trust. But standing in the way of most of these efforts has been the cities' prevailing organizational cultures: the rules—formal or informal, written or unwritten–that determine how work gets done. In fact, many local government officials cite organizational culture as the single greatest barrier to effective and enduring municipal reform and innovation.

Given the importance of organizational culture for public sector performance, there is a surprising lack of research or analysis on the topic, whether in the political science, public administration, or consulting literatures. In stark contrast, there is a rich tradition and valuable set of publications assessing private sector culture. While far from comprehensive, this guide is one of the very first attempts to define and assess organizational culture in city government in the United States.

The guide should complement, not replace, other innovative programming and reform efforts that cities have embraced or are experimenting with. It is important to note, however, that no matter how effective a city's technology or innovation program may be, it does not itself shift organizational norms and work procedures. Such efforts certainly change behavior and performance, but those shifts are fleeting and often fade over time unless combined with other culture change strategies.

We hope this guide has helped you understand that culture change, while difficult, is in fact possible. The key to ensuring transformative change to city government is concerted, aligned, and sustained effort across leadership, communications, and systems (i.e., adhering to the nine steps of the Culture Cascade). If followed, this will lead to reform and culture change that endures.

The key to ensuring transformative change to city government is concerted, aligned, and sustained effort across leadership, communications, and systems.

Appendix:
City Summaries

Kansas City, Missouri

A culture motivated by robust resident surveys, while valuing relationships and tradition

Kansas City has developed a national reputation for embracing data and innovation, particularly through its longstanding resident survey, which was significantly revised and improved during the Sly James administration. However, although certain reforms advanced under Mayor James have been incorporated into the city charter, the administration that followed departed from some of his priorities and sought to shape its own culture through administrative reforms. In fact, Kansas City has a track record of reinventions—and resistance to them. For instance, in the 1990s, when the city manager distributed the renowned government reform tome *Reinventing Government* to almost the entire staff, some city hall employees embraced a form of passive resistance, simply deciding to wait him out.

The zeal for reform returned with Sly James' 2011 election. At the beginning of his term, the competition for obtaining the then just-launched Google Fiber service spurred new thinking and solidified James' vision for competing with other cities for business investment and jobs. But that was not the only motivation for reform. Administrators and council members were hungry for a more results-oriented style of governing. Pent up frustration from the last administration drove municipal officials and senior aides—especially the city manager, Troy Schulte—to pursue this shift in culture.

Mayor James had a clear governing vision. Externally, James aimed to make Kansas City a far more competitive city for jobs; internally, he sought to transform the city into one that strove for high performance. To support this vision, James invested his personal time and capital to support managers in improving operations throughout the municipal enterprise. Manager Schulte, in turn, envisioned holding department heads fully accountable for results and for continually improving performance.

However, despite eight years of having a mayor and manager focused intently on data and innovation, the organizational transformation of city government remains incomplete. Kansas City still exhibits a culture that very much values relationships and tradition. "Given the routine nature of some of what we were doing, I didn't want to unleash a wave of innovation at the lower levels of the organization, because that could be chaos," Schulte said.[xx] In fact, during our interviews we heard many administrators repeat the phrase, "Trust is really the currency." Employees' networks and personal connections, they explained, are just as important, if not more so, than formal organizational structures and processes. As one city official said, it is about "knowing who to call . . . [which] of our 4,000 employees knows about this and who can help you with this."[xxi]

These dynamics are also reinforced by a decentralized approach to governance that James and Schulte chose to keep in place. As a result, a resistance to, and questions about, certain changes—especially concerning the use of data—continues to this day. A recent hire said, "Coming in after all the data metrics, the general consensus after the fact is that we had a lot of data fatigue. . . . The things we thought were impactful may not budge the satisfaction regardless."[xxii]

Taken together, the mayor and manager pulled numerous data and breakthrough innovation levers. But in the end, the two leaders valued stability over transformation and supporting staff and internal promotions over external hires or fellowship programs. One way to look at these eight years is that the mayor and city manager changed the leadership of the city but not the culture. As their direct appointees retire or move to other organizations, many of the changes they had put in place have proven ephemeral.

Louisville, Kentucky

A culture of continuous improvement, based on a "weakness orientation" and professional growth

Louisville experienced extensive cultural transformation, with major activity within the Culture Cascade's third pillar of HR that extended beyond just senior management. Change was driven by a businessman-turned-mayor who was committed to transforming organizational culture and who had an especially strong interest in continuous improvement. Mayor Greg Fischer was thorough and relentless in pursuing his mission to remake local government, applying almost textbook business culture change strategies as he worked to achieve his vision. His strategies included: establishing new phrases and language to describe the work of government; clearly articulating new work processes and procedures; providing training to staff at all levels of the organization (nearly thirty percent of the workforce received some type of training); and consistently recognizing both breakthrough innovation and improvements to daily routines.

By employing these strategies, the Fischer administration marked a sharp break with past practices and the prevailing culture. Previously, the city had been led for five terms by one mayor who exercised a distinct "relationship" culture—those who were in the room with him received the bulk of his attention and thus had the greatest influence over policy. Upon taking office, Mayor Fischer ushered in a clearly defined cultural shift from this longstanding way of doing things.

At the core of Louisville's culture is the simple notion of continuous improvement, a phrase and philosophy that animates the business strategy referred to as Lean Six Sigma or Total Quality Management. It essentially means that work can and must always improve. Improvement, in this context, means understanding how every function, person, and task is performing at present and how it can get better.

In Louisville, continuous improvement is broken down into two main tiers that help distinguish what type of improvement should be applied. The first tier is "breakthrough innovation," extraordinary and bold new approaches that fundamentally shift how work gets done. The other tier, "daily improvement," comprises slight adjustments to routines such as changes to garbage pickup routes or to the number of questions on a government form. Continuous improvement emphasizes that every little work process counts and should be improved. Another critical characteristic of this concept is what is known as "weakness orientation." This means staff must always be prepared to discuss whatever is being presented, identify what is not working as well as possible, and propose improvements.

Louisville's management approach has also focused on instilling a "coaching culture" across city government. This has taken the form of extensive peer-training, technical assistance from corporations and philanthropies, and encouraging staff to work together and in teams. As part of this coaching culture, executives and managers put significant effort into helping their teams improve; they see shortfalls in performance as opportunities for growth, rather than a cause for discipline.

Somerville, Massachusetts

A culture that values fresh thinking, fueled by the embrace of new talent

Somerville Mayor Joseph Curtatone used his nine terms in office to dramatically change goals, norms, and operating procedures in his city, taking full advantage of being a strong mayor in a relatively small city experiencing rapid demographic shifts. He advanced change efforts through consistent messaging, recruitment of high-quality external talent, public recognition of staff, and a relentless call for "abnormal" ideas that were vetted and often put into action.

Shortly after passing the bar, Curtatone ran for the Board of Aldermen (now City Council) with a focus on improving city services for both seniors and youth. That experience made him "curious about how the city functions" and "concerned [that] the city did not have a compass." As Curtatone put it, the city had "no narrative, no plan about who we wanted to be."[xxiii] From the outset of his administration, Mayor Curtatone combined an outward emphasis on economic development with an internal focus on professionalism.

Mayor Curtatone's staff viewed him as a high-energy mayor with a clear governing philosophy focused on development, modernization, and the cultivation of fresh ideas. He very consciously and effectively used three levers to effect change and achieve these goals: demanding and championing "abnormal" ideas, making key senior hires to reshape city hall's culture, and elevating SomerStat as the mechanism for accountability and collaboration.

We observed Somerville's culture of constantly seeking to discover and elevate innovative solutions at meetings in which aides with good ideas were celebrated with a "Cup of Joe" coffee mug; SomerStat sessions that discussed new operating procedures; and departmental interviews that spotlighted fresh approaches to daily work. However, this orientation appeared more limited with union staff members, and we also found that when pushed, city staff rarely reflected on the new culture. The shifts in Somerville are evident, but because the city hasn't codified the changes made under the Curtatone administration, the new culture will be tested going forward.

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[xv] Telephone Interview with Ellen Hesen, Chief of Staff to Greg Fischer, Mayor of Louisville, Kentucky, May 1, 2020.

[xvi] Interview with Daniel Frockt, Chief Financial Officer, Louisville, Kentucky, at Louisville Metro Hall, March 5, 2020.

[xvii] Interview with Joni Wickham, Chief of Staff to Sly James, Mayor of Kansas City, Missouri, April 7, 2020.

[xviii] Interview with Michael Schnuerle, Chief Data Officer, Louisville, Kentucky, at Louisville Metro Hall, March 5, 2020.

[xix] Interview with Jill Lathan, Parks and Recreation Department Administrator, City of Somerville, Massachusetts, at Somerville Parks and Recreation Department , February 19, 2020.

[xx] Zoom interview with Troy Schulte, City Manager, Kansas City, Missouri, April 17, 2020.

[xxi] Zoom interview with city official, Kansas City, Missouri, April 15, 2020.

[xxii] Interview with Kansas City Cookingham-Noll Management Fellow, April 8, 2020.

[xxiii] Interview with Joseph Curtatone, Mayor of Somerville, Massachusetts, at Somerville City Hall, February 19, 2020.