



GEARING UP FOR DAY ONE OF THE NEW TERM

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PRESIDENTIAL TRANSITIONS, WHETHER a second term for a current administration or the first term for a new president, are a hallmark of US democracy. In the former case, history suggests that more than 40% of senior political-appointee positions—including many department and agency leaders—will turn over between the time of the election and six months after inauguration. In the latter case, a new administration will need to fill about 4,000 positions, including 1,200 that require Senate confirmation. The bottom line: a large number of new leaders will be taking the helm at agencies throughout the federal government—a bureaucracy with a \$4.7 trillion budget and a workforce of 4 million people.

The task ahead for those new leaders is complex. Traditional challenges associated with taking over a large government organization include the need to establish credibility quickly among both internal staff and external stakeholders, such as the White House and Congress, and mobilizing the organization around a common vision and a clear set of priorities. But 2021 will present an additional hurdle: it will be the

first transition in history to be largely virtual. Many government employees are now working remotely due to the disruption caused by the pandemic. As a result, incoming cabinet members and other leaders will need to find ways to manage their transitions with limited face-to-face interactions and a greater reliance on digital tools.

Given that the country faces critical health and economic challenges generated by this extraordinary pandemic, the stakes for the next transition are high. On the basis of BCG's extensive experience with management transitions in the private and public sectors, we have identified four steps that can help the incoming wave of government leaders hit the ground running.

Step 1: Get Smart on the Issues

An incoming leader must gain a quick understanding of the agency that they will be leading and the challenges it faces. This starts with some basics, including understanding the full responsibilities of the job itself, learning who reports to the agency chief, and identifying the relevant statutory and regulatory authorities. An incoming

leader should also discern the budget parameters and constraints for their organization and whether the agency or department essentially functions well, faces significant disruptions, or is in urgent need of major reform. Briefing materials, which each agency is required by law to compile, are a key source of this information. These materials are created by the career civil-servant agency transition team, led by an agency transition director. This team can not only help brief an incoming appointee but can also serve as a guide in the early days of the appointee's tenure.

Formal briefing materials, of course, are just the starting point. A new leader should meet with senior agency leaders and with the broader civil-servant staff to hold listening sessions and conduct rapid pulse checks. Such information-gathering efforts can help expand a new appointee's understanding of the agency to include the leading risks and issues facing the organization and the major initiatives or changes already under way.

Incoming leaders must also gain insight into the experiences and needs of their customers—including external groups that help provide agency services and the public citizens who receive those services—in order to develop effective strategies for their organizations. Leaders of health care agencies, for example, should gather information from hospital administrators, medical professionals, and beneficiaries of their agency's programs. The methods of gathering that information will vary by agency, but they can include one-on-one conversations with both customers and the agency personnel who work closely with those customers.

If briefing materials do not already include information related to the organization's COVID-19 response, new appointees should request it. They should examine:

- Current plans for returning to work and overall reopening plans
- Areas of the organization actively involved in the pandemic response

- The impact of the Coronavirus Aid, Relief, and Economic Security Act on the agency
- The impact of remote work on different departments, job types, and citizen services

As this process unfolds, new leaders must be careful to set the right tone in terms of a commitment to transparency, adherence to a high ethical standard, and support for the agency's career workforce. Those principles should be reflected in the early decisions around building out the leadership ranks and communication and interaction with employees. Ultimately, a leader's moves in the early days will go a long way toward signaling that they respect the expertise and knowledge of the career staff, which are instrumental to advancing a leader's priorities.

Step 2: Set Priorities Quickly

New leaders need to set clear priorities at the outset of their tenure and then focus on them relentlessly to create meaningful near-term impact. Speed is critical, given the time it takes to make lasting change in government and the relatively short duration of many agency heads' tenures.

Priorities should reflect the agendas of both the president and the cabinet secretary (in the case of subordinates to cabinet officials), as well as Congress. It is also smart to seek early and regular input from senior career officials, because they often know what reforms are needed and where significant progress can be made quickly. In addition, members of the broader organization, as well as the individuals who will be accountable for results, should participate in setting priorities. Town hall meetings, focus groups, and surveys can be great tools for gathering input on priorities and building buy-in for action.

Some priorities should be highlighted, and the sequencing of action around different priorities is critical. If something small can be fixed right away, do it. Early, visible improvements will send a positive signal and

build credibility. Overall, an incoming leader should spell out which priorities will be acted upon first and which can wait. A new leader should not be afraid to make big bets on the basis of what they have learned during their due diligence and according to the administration's overall agenda.

Incoming leaders should understand what will be required in four areas in order to execute those priority initiatives:

- **People.** Assess what sorts of people, skills, and teams will be needed.
- **Process.** Zero in on processes that will need to be revamped.
- **Capabilities.** Determine the organizational expertise required.
- **Technology.** Identify the technology, data, and tools (including in digital) that will be required to implement the priorities.

New leaders will also need to think about how these priorities will impact the organization—for example, whether the changes will be felt across the entire agency or only within certain units. And they should assess how difficult each priority will be to implement and then plan for how they can proactively draw stakeholders into those efforts.

Step 3: Create a 100-Day Plan

The top two or three things on the list of priorities form the basis of the 100-day plan. Again, determining the right sequencing of action on those priorities is important. And the leadership team should develop a plan for mobilizing the organization to act on those priorities—one that reflects any potential pitfalls and risks.

Leaders should determine whose support is needed to implement the priority initiatives, including the American people and key internal players and other governmental stakeholders, such as the White House, the US Office of Management and Budget, and congressional leaders. Once that eco-

system is mapped and understood, new agency leaders should build support among the groups. Creating real dialogue with governmental stakeholders is vital. New leaders should ask them to candidly assess the organization and provide input on their past experiences and then consider that information during the development of implementation plans. And new leaders must move quickly to start that conversation—such early actions will go a long way toward building a productive, long-term relationship.

During the kickoff of the first 100 days, new leaders must keep in mind that their plan should not be considered set in stone. As new information becomes available, and as events unfold externally, the 100-day plan will likely need to be adapted, refined, or even overhauled. During this period, new leaders must also keep a close eye on how they are spending their time. Given the myriad demands on an agency head's time, it is easy to let matters that seem urgent supersede issues that are truly important. New leaders should periodically review their calendars to understand how much time they are devoting to actually advancing their priorities and how much time they are spending on lower-value activities, such as excessive staff meetings, activities, or program reviews that are tied to longstanding agency initiatives. An agency leader unable to carve out significant time for high-priority initiatives should delegate some responsibility in order to free up more time.

Step 4: Focus on Employee Engagement

Incoming leaders face two primary challenges when it comes to strengthening employee engagement: managing the changes brought on by the pandemic and driving the desired vision, values, and ways of working throughout the organization.

Pandemic Changes. The pandemic has wrought major changes in the way government works, particularly the accelerated shift toward digital tools and remote working. Many agencies have essentially

gone through a rapid digital transformation in a matter of months.

New leaders will need to quickly understand how this has impacted employee engagement. The Best Places to Work in the Federal Government rankings, which assess every agency on the basis of employees' views of the organization and their individual jobs and provides insight on where agencies excel and where they come up short, can also be a valuable resource. Although the 2020 rankings will be delayed due to COVID-19, historical ranking information, along with a current assessment of any given agency's specific remote-working arrangements and challenges, can help identify necessary changes. And the listening sessions and pulse checks noted above can yield insight on how new working arrangements have impacted morale.

New leaders can harness that information to identify where their organizations need to make adjustments to their remote and hybrid work arrangements. In particular, they should be sure to adopt established best practices for such work, including creating a level playing field for all employees, empowering frontline leaders to help their team members navigate the shifts, and providing employees continued emotional support and opportunity for social connectivity.

Building a New Foundation. New leaders must also strengthen employee engagement by embedding the values, vision, and ways of working that will be the foundation for the administration in the years ahead. They can drive this change through a variety of activities. For example, new leaders should integrate civil-servant employees into their initiatives and plans at all levels of the organization; these

professionals possess a wealth of knowledge, expertise, and commitment to serving new leadership and the agency mission—regardless of which political party is in the White House. Indeed, involving career civil servants in problem solving and strategy building from day one can increase a new leader's odds of success. In addition, new leaders must clearly communicate and develop roadmaps for achieving the new priorities, as well as establish solid milestones for measuring progress. Finally, they should install clear governance structures and processes to ensure that employees understand who is accountable for progress on various initiatives.

EVERY FOUR YEARS—WHILE the public focuses on the polls, campaign rhetoric, and debates that define a presidential election—a massive planning effort kicks off behind the scenes. That effort, which will help guide either the second term for an incumbent or a fresh start for an incoming administration, ensures a seamless continuity of government. And it is ably led by career civil servants who are committed to carrying on the mission of their agency regardless of the political party in power.

The transition this year is particularly critical, given the real and unprecedented challenges posed by the pandemic. But if the challenges are significant, the opportunity to make a significant impact is even greater. New leaders should move quickly to understand the organization they will lead, set clear priorities, draft a robust 100-day plan, and draw on the talent of their workforce. Those that execute in all four areas will ensure they hit the ground running—and deliver results for the American people.

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