

House Committee on Agency Reorganization and Reform February 21, 1991 -  
Page

These minutes contain materials which paraphrase and/or summarize  
statements made during this session. Only text enclosed in quotation  
marks

report a speaker's exact words. For complete contents of the  
proceedings, please refer to the tapes.

HOUSE COMMITTEE ON AGENCY REORGANIZATION AND REFORM

February 21, 1991Hearing Room D 3:30 p.m.Tapes 27 - 28

MEMBERS PRESENT:Rep. Clarno, Chair Rep. Hugo, Vice-Chair Rep. Katz  
Rep. Derfler Rep. Brian Rep. Campbell

MEMBER EXCUSED: Rep. Jones Rep. Clark

VISITING MEMBER:Rep. Stein

STAFF PRESENT: Susan Browning, Committee Administrator Scott  
Kaden, Committee Assistant

MEASURES CONSIDERED:None - Information Meeting Only

These minutes contain materials which paraphrase and/or summarize  
statements made during this session. Only text enclosed in quotation  
marks report a speaker's exact words. For complete contents of the  
proceedings, please refer to the tapes.

TAPE 27, SIDE A

008 CHAIRPERSON CLARNO: Calls the meeting to order at 3:42 p.m..  
Introduces Don Murray and provides personal and professional background  
of Mr. Murray.

039 DON MURRAY: Introduction and historical overview of organizations  
(1890 - 1995) with emphasis on modern Socio-technical system design  
(Principles): 1. Purposive organizations 2. Control variances at source  
3. Boundary location (system management) - Discusses a small experiment  
within government. - City Council project, working out the team process.  
The Council shared the same vision, but differed on how to get there.  
Proverbs 6: "People without a vision perish." - Addresses Measure Five  
("a turn around"). When your constituents tell you they want a "turn  
around," it is very important that you define both your vision and core  
business. - Please see Exhibit A for copies of overhead projector  
material and handouts.

TAPE 28, SIDE A

303 CHAIRPERSON CLARNO: This is not a typical hearing and it has been

very interesting.

312 REP. KATZ: Some of us clearly understand what you are talking about with regard to organizational structure. Some of us are trying to apply what you are saying to how schools are run. They are in a certain business and they are not performing very well. Have you ever done any work within the schools?

319 DON MURRAY: Yes, I have written a book on that topic. I sold it to my mother and three relatives. There is some technology out with regard to schools.

323 REP. KATZ: Effective schools, school site management, empowering the teachers, et cetera?

325 DON MURRAY: Yes. You begin by defining your client population. Define your customers. You have to have a mission. What is the mission of schools? Transmit the values of society onto the child? Make the children job worthy? With schools, you will not have agreement on the mission. You face tough challenges because you do not have one product. - Ability to get along and work together is vital (team players).

365 REP. KATZ: I think our board of trustees is dysfunctional, and our whole system is dysfunctional. But we must live with it and do the best that we can. This committee is supposed to reorganize the structure, and yet we still end up dealing with it in budget terms (we cut publications, cut travel, etc.). We are not getting into the systemic changes that we need to do.

383 DON MURRAY: With Measure 5, you are faced with a turn around. I would look at it not as a consultant, but as a citizen who reads the paper. I would ask myself, what is your core business? Not all government programs would survive.

395 REP. KATZ: So you would basically say that we should set our priorities in terms of our mission, as a state government. As opposed to us entering the core organization and telling that administration to change the way it runs the business?

400 DON MURRAY: I would agree with you. Your job is not to tell them how to change the business. You have to assign priorities and then have the administrators emphasize this, or cut that.

414 REP. DERFLER: I don't think we have a problem with vision, for I believe we all want the same thing. One of the problems we have is that we are here for only two years. The Governor is here for four years, so we as a group are not able to make long range plans. How would you address that issue?

423 DON MURRAY: Because you are here for two years, you must make a political choice and an ethical choice. "Do you bet on the long-term, based on your opinion. Or do you bet on the short term, based on what your constituents pressure you to do." Reference to John F. Kennedy, Profiles in Courage.

437 REP. DERFLER: So if we follow that direction, we are guaranteed to be here for two years.

439 DON MURRAY: No, not necessarily. If you are all individuals, then you will be. If you fight each other, that will occur. What would

happen if the group were to go to Silver Creek Falls and state that we are not coming out until we know what we are doing? We want to come out as a unit because our citizens (our shareholders) have said they are not going to pay for it any more.

456 REP. HUGO: I have had talks with Chairperson Clarno, and throughout the session this committee has been doing this backwards. We have asked agency heads to come in here and tell us, as legislators, how we can change the law to make them more effective. But the reason why the agencies are ineffective and disorganized is because we are ineffective and disorganized. I think the question should be "How should the Legislature be structured to be more effective?" - We are currently trying to determine a way to buy the same level of services with half of the funds. I think we should ask ourselves how we should spend the money we have, rather than attempt to do everything we have done in the past. I don't think the Legislature is structured to make those decisions. We are in business for six months every two years. The agencies will do what they want anyway, as soon as we leave town.

TAPE 27, SIDE B

028 DON MURRAY: Let's go back to business. "The Board of Trustees has a very important function, to hold management accountable to what it said it was going to do. If I were in your shoes, I would tell the agencies to go off to their retreats and come back to you with their plans. You all are the wrong folks . . . because you don't know about it." You should ask for several sets of blueprints, and choose from what they give you. You should give them some direction, though. You should base this on what the citizens want. "The shoe should be on their foot instead of yours, because you are too uneducated." You should know what the citizens want . . . keep one ear on the citizens and one ear on each other.

052 REP. DERFLER: Another problem is that we don't have a measurement process for our programs. If we don't have some sort of measurement, maybe we shouldn't fund the program. The problem is trying to measure the types of services provided to our citizens. How do you measure services and get accountability in those areas?

059 DON MURRAY: What you are asking is "How many different ways do you want to cut a family?" That is what you are asking me. Your services go to families. What would happen if you told the agencies to flip-flop (to organize in terms of the unit you serve, not the bureaucracy you are from. It would then be easy to measure the results. You would need to define the need of the family system, in terms of their needs, not in terms of our service. - I suggest you start to change your act. It will be hard because you are so large! Start with a community of 2000. Tell them to come back and tell you what their needs are. Make your system customer-oriented. - I don't know how you would do that. But I would ask the agencies for their top ten people and go off somewhere to do some thinking with other organizational design scholars.

113 REP. KATZ: That is exactly the challenge of the Department of Human Resources (DHR): to serve the family. They will come back with their little bureaus saying, "We all serve the family." We have to pose the question differently in order to change their organizational chart, to break those barriers and serve the family instead of themselves. I don't know how to pose that question to get them to change their boxes.

125 DON MURRAY: We did that with a little hospital in Vancouver,

Southwest Washington Medical Center. We did just that. We asked an elite group to design the hospital for the patient. We only picked one unit of the hospital. We asked seven different groups to build a working model which would serve the patient. Each of the seven groups came up with the identical model. In order for this to facilitate change, people will have to give up territory.

146 CHAIRPERSON CLARNO: Mr. Hugo brought up a very good point. When I began this committee, I asked each agency to bring to this committee ideas for improving their agencies. They haven't yet, because that is not the way they usually operate. We don't know much about their agencies, and yet they are not able to tell us how to improve their agencies. We are the board of directors, but we do not have any influence over hiring the agency heads. That is done by the Governor, i.e. the CEO. There is no incentive for the agency to cooperate and come up with a solid vision.

174 DON MURRAY: I think your point is that the reward system is not how you would like it to be. If you want them to work with one another, you have to break down those agency boundaries. - Thank you for inviting me here. This is one way I can give something back to the community that I love. I offer myself as a resource to you. I thank you for your service to the community.

193 CHAIRPERSON CLARNO: Thank you for your time and informative seminar. Meeting is adjourned (4:55 p.m.).

Submitted by:

Reviewed by:

Scott Kaden

Susan M. Browning

EXHIBIT LOG

Exhibit A - Don Murray - 87 pages