



LEADERSHIP ACUMEN Issue 2

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Bridging the Two Solitudes of Business and Government

Businesses, Professional Associations, and Not-for-Profit organizations are increasingly affected by government policy and legislation requiring compliance and affecting operational practices.

Taxation and payroll/employment conditions, professional standards and fees structures, safety and security practices, project funding, seed funding, licensing and quota allocations, economic development programs, environmental impact monitoring, trade platforms/subsidies, and mandatory insurance programs are a few of the areas of 'business' affected by government. As a result, very few organizational leaders today can operate effectively and meet their targets without due respect for, and relationship-building with, the various levels of government.

In Canada now, however; there are several current issues that would suggest government and the other sectors need to come together more effectively in dialogue. These include:

- Improvement of Productivity, Innovation and Competitiveness;
- Recalibration of Universal Health Care – what core services will we cover in future?
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- Kyoto ratification, the reduction of green-house gas emissions and implementation of sustainable practices requirements
- Trade liberalization and inclusion in various trading 'blocks'
- Citizen concern for higher ethical practice and tougher professional self-regulation
- More time-consuming government approval processes for new drugs, herbals and personal wellness devices
- Concerns over fraudulent business practices and improved Board oversight of businesses/organizations.

Unfortunately, for all the increased 'awareness' of each other's activities, actual operational decision-making seems to occur more and more in solitudes - unless both government and organizational leaders make it a priority to work together.

There are several pressures causing this isolation and resultant government relations challenges:

1. **Complexity** - Whether in government (as politician or civil servant) or in business, professional association, or not-for-profit/charity, the sheer volume and complexity of our day-to-day work has increased, leaving decreased time for intentional relationship building and cross-sectoral communication.

Also, as our own business complexity focuses our attention, we tend to forget about the need to include other sectors in our thinking and planning.

2. **Generational Succession** – In federal and provincial civil services we are in the midst of the largest senior leadership changeover – retirement and replacement – in history.

In federal, provincial and local government politics we are seeing a similar changing of the guard in whichever ‘party’ you choose to examine

In business – both big business and family businesses – the new generation has started to take-over leadership, and this change-over will continue over the next few years.

In the charitable and not-for-profit/professional sector, once again a significant succession wave has begun.

As a result, there are ‘new players’ in almost every senior leadership position on both sides. Unless those in the new leadership roles were mentored to create strong relationships across the sectors in the past, then almost all the relationships are at ‘square one’ and require establishment, nurturing, and building.

3. **Cross-Domain Appreciation** - Many of today’s emerging generation of senior leaders have risen through the ranks of their organization or immediate sector. Rare are those leaders who have direct, personal leadership experience outside their sector, or a combination of government/politics, business, and voluntary sectors.

Each of these broad sectors operates and makes decisions from very different contexts and frames-of-reference. In short, government makes decisions primarily on the basis of best overall benefit for community and citizenry. Plus, there is an influence due to the politics of the ruling party. Business makes decisions primarily based on ‘return to investors’ and /or service to client/customer. The voluntary sector makes decisions primarily on enhancing civil society and improving care/support for community members. Professional associations make decisions primarily on the advancement of the profession, protection of community through self-supervision, and improved benefit to the professional member.

Too often when organizations connect with government, both sides essentially bring their ‘positions’ to the table, without really understanding the common goals and interests they share.

Building bridges across the ‘solitudes’ therefore requires three key things:

1. Understanding/inclusion of government-‘business’ elements in the complexity models developed for their organization’s success - including prioritization of Government Relations as an important project to which the organization and it’s most senior leaders will allocate their time and attention.
2. Active outreach and intentional relationship development across sectors-by all sector leaders.
3. Enhanced understanding and empathy for the other frames-of-reference used by the different sectors in their decision making.

Canada has an immediate need to pull together its various sectors and its senior leadership cadre; to strengthen our global competitiveness, to increase our innovation capacity and practice, and to build wealth while acting as responsible stewards of our resources and communities for the next few generations. Senior leaders in all sectors other than government should make improved government relations a key goal for the future. Meanwhile, government leaders should be working on enhancing their relationships with the other sectors. This is one of the very important Leadership Competencies to be developed in today's new generation of senior leaders.

Exploring the Web!

<http://www.parl.gc.ca/Information/library/inside/index-e.htm>

Inside Canada's Parliament – is an introduction to how Canada's parliamentary system works.

<http://www.statcan.gc.ca/start-debut-eng.html>

This site is a 'one stop' web link for those who want key statistics, and other government produced economic information. Check here for Unemployment rate, GDP, Export figures, exchange rates, and fundamental economic concepts.

http://canada.gc.ca/howgoc/glance_e.html

A one-stop source for how government works, contact emails/phone numbers, Departments and Agencies of the federal government, Parliamentary and Senate Calendars, Committee reports, members of committees. It also links you to the websites of the various provinces and territories. This should be on the Web Explorer 'Favourites' list of all Government Relations/Public Affairs specialists and senior executives!

<http://www.cfib-fcei.ca/english/index.html>

Home-site of Canadian Federation of Independent Business. For those wanting to keep abreast of the issues of the small business sector, this will be valuable.

<http://www.conferenceboard.ca/>

Home site of Conference Board of Canada – the voice and research group primarily representing big business in Canada.

<http://volunteer.ca/en/en-home>

Home-site of Canada's Coalition of Voluntary Organizations

<http://www.vsi-isbc.org/eng/index.cfm>

Reference site for Canada's Voluntary Sector Initiative; and the work of the 3 Joint Roundtables studying various aspects of the relationship between the Voluntary Sector and Government.

<http://www.csae.com>

Canadian Society of Association Executives' home site. This is an overarching association for the Professional associations, industry associations and many other not-for-profits and charities.

<http://www.ppforum.com>

The Public Policy Forum is a Canadian not-for-profit organization that works to improve public policy and public sector management through multi-sector dialogue.

<http://www.infocom.gc.ca/eng/>

This is the home site of Canada's Freedom of Information Commissioner. It provides updates and articles on government policy affecting access to information, the potential effects of proposed legislation, and tips for how to better have your voice heard in the corridors of government.

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