

GORDON CHASE AND PUBLIC SECTOR INNOVATION

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Gordon Chase and Public Sector Innovation

Gordon Chase taught us a great deal about public management, and particularly about innovation in the public sector. His character and style suggested the personal qualities that contribute to successful management and innovation: the role of strong moral commitments, enormous energy and drive, and a determination to show that government can respond effectively to problems confronting the society. His managerial successes in New York City (including the Lead Poisoning Program, the Methadone Maintenance Program, and the Prison Health Program) indicated how temperament can combine with circumstance and managerial technique to produce important results in the society. And his book on public management offers useful advice about how to get things done in government, focusing particular attention on the techniques for mobilizing political constituencies, and dealing effectively with both overhead agencies and community groups.

I plan to explore these "lessons" from Chase's career from two different vantage points. The first is frankly admiring. It views Chase as the epitome of a top-down, substantively oriented, programmatic innovator in the public sector. It seeks to understand Chase's successes as a guide for others seeking similar styles and accomplishments.

The second perspective is more exacting. It asks what, in addition to Chase's accomplishments, could reasonably be expected from a public manager bent on making the government become more responsive and effective through innovation. Specifically, it focuses on the question

of whether and how Chase created a political and organizational climate that allowed his organization to be innovative even without his direct intervention.

I will also argue that these two different perspectives correspond to different stages in the development of the field of public management. In many ways, Chase's management style was perfectly suited to a view of public management that made particular policy and program innovations the hallmarks of a manager's career. In its focus on the implementation of particular programs, designed to achieve specific substantive results, and necessarily disconnected from the routine, maintenance activities of public sector organizations, Chase was the kind of manager who could become a useful instrument of policy analysis; the sort of person who could be counted on to implement new program ideas.

The second perspective that asks the question about how well a manager is using all the assets entrusted to him, how well he has positioned his organization for performance in the future, and how much opportunity and challenge he has created for others in the organization to innovate is not a question that we knew how to ask very well in the late seventies, but are learning to ask now. It is a perspective that is encouraged by the development of our understanding of the strategic management of public sector organizations; that views organizations as portfolios of policies and programs; and that sees the adaptability and responsiveness of the organization as a whole as the important focus of managerial attention. From this perspective, valuable organizations are the proper concerns of management, and valuable policies and programs but a part. From this perspective, the key issue is how to make the organization as a whole innovative, rather than rely only on innovation

from the top guided by policy analysis staffs.

Gordon, no doubt, would have shown us how to do this well, for he learned throughout his career. It is a tragedy that his early death prevents us from observing his answer, for we would surely learn. But his spirit - his desire to embody the best that public sector managers could be, and to create programs and organizations that produced value for the nation's citizens - survives to challenge our own spirit, imagination and technique as we consider the continued problem of managing well in the public sector.

Chase as a Program Innovator

Three programs created in New York City from 1970-1973 during Chase's tenure as the Commissioner of the Health Services Administration (HSA) stand as evidence of Chase's innovative spirit and capacity: the lead poisoning program, the methadone maintenance program, and the prison health program. To understand how these programs were created we have the advantage not only of case studies of each, but also of more general studies of Chase's management style. Taken together, these sources may instruct us about how temperament, orientation, circumstance, and skill combined to produce important innovations in governmental performance.

Lead Poisoning

Chase created the Lead Poisoning Program in response to a perceived increase in lead poisoning among the city's ghetto children. The cause of the problem was lead based paint that flaked off walls of ghetto apartments and toddlers who liked to suck and chew to take in dangerous quantities of lead. The consequences of the poisoning

included nothing more serious than nausea and fatigue if caught and treated in time, but permanent disability and death if the levels of lead in the blood rose to very high levels. A treatment for lead poisoning was available, but was expensive, and its effectiveness diminished over time. It was also true that the treatment was only valuable if the illness was diagnosed properly. Prevention was generally considered to be superior to treatment. Prevention could be accomplished either by effective parental supervision of children, or by eliminating or covering the lead based paint with other materials such as wall-board.

The problem of lead poisoning was known to the health authorities because cases appeared in the many health stations throughout the city that provided maternal and child health services. It had been treated as a routine health matter that could not be addressed effectively through any means other than treatment because the prevention efforts depended either on extensive education of parents, or or extensive rebuilding of the New York City housing stock - a task that was both expensive and bureaucratically difficult since the responsibility and capacity for building repairs lay outside the health bureaucracy.

The issue got a boost, however, from a series of articles written for the Village Voice by Jack Newfield that captured the attention of the New York political community. He described the problem as one that could be solved if only its existence could be more widely acknowledged and understood - an enterprise that he claimed was hopeless. Of course, his skillful articles and the claim virtually guaranteed the result that he had predicted was impossible.

Chase responded to the challenge by commissioning an analysis and a program design to deal with the problem. The program included

enhanced diagnostic efforts within hospitals and maternal and child health programs. Treatment capacity was expanded to meet the newly discovered cases. The program also included an agreement with the Building Department to repair the houses from which lead poisoned children came. And, as an unexpected benefit, the publicity about the issue, and the expanded diagnostic efforts elevated the public's consciousness of the problem. This, in turn, seemed to produce more effective parental supervision, for the rate at which lead poisoned children were diagnosed soon began to fall, and fell far more than could be accounted for by the small scale housing repair program. The lead poisoning program was overseen, and its effects documented, by a special unit called the Bureau of Lead Poisoning created within HSA and reporting directly to Chase.

Methadone Maintenance

A far larger problem facing New York City during Chase's tenure was the problem of heroin addiction. It was variously estimated that New York City had about 500,000 addicts. It also seemed that the number was increasing rapidly, and was reaching younger populations. Indeed, one junior high school in central Harlem discovered through a urinalysis program that 50% of its eighth graders were positive for quinine - a substance that was widely used to "cut" heroin so that the tiny doses needed to produce a high would have some bulk. The heroin epidemic was not only implicated in trapping ghetto children in a life of drug dependence, but also in generating very high levels of property and violent crime throughout the city.

To deal with the heroin epidemic, the city had a limited number of programs. One of them was an experimental treatment program called

methadone maintenance. The program was based on providing heroin addicts with measured, oral doses of another addicting drug called methadone. The theory was that these doses of methadone would "block" the addicts craving for heroin by taking up all the receptor sites. As a result, heroin users, injecting themselves with heroin, would fail to experience the rush that was so reinforcing that it became the basis of their addiction. This would interrupt their dependence on heroin. Moreover, since the pharmacological action of orally administered, stable doses of methadone was less disruptive to mental states than intravenously injected, unmeasured doses of heroin, the addicts mental states would be more regular. That, in turn, would allow the opportunity for counselling, training, and improved employment. Finally, since the addicts need for heroin would be diminished, they would no longer have to commit crimes to finance their habits. Thus, methadone maintenance could be expected to improve the behavior and condition of heroin addicts significantly.

At the time Chase was the administrator of HSA, this was more than a theory, but only a little more than that. There were a few experimental programs treating approximately 1,000 heroin addicts. These experimental programs were producing some promising effects: they were able to retain a significant number of users in treatment; the fraction that were being arrested seemed to go down; and the fraction that were employed or in school seemed to increase. But there were methodological weaknesses in these studies. More careful studies then being prepared showed much less clear cut results on crime. And, in the background, there were worries about the long run health impact of methadone maintenance on users, the risk of diverting methadone from the program to street use, and the general sense that it was wrong to

do nothing more for heroin addicts than shift their dependence from street level heroin dealers to government sponsored methadone programs.

From Chase's perspective there was a further problem. The agency that had the principal responsibility for developing New York City's response to the heroin epidemic was not Chase's Health Service's Administration, but a different organization that had been specially created for this purpose called the Addiction Services Agency. That agency had committed most of its spirit and resources to a different approach to treating heroin addiction called "therapeutic communities." An important feature of that approach was a general hostility to any form of drug dependence. Consequently, that agency was hostile to any substantial increases in the level of methadone maintenance provided by the city.

Despite the substantive and bureaucratic risks, Chase decided that it was imperative that the city expand its capacities to deal with the heroin epidemic by dramatically expanding its capacity to provide methadone maintenance. Once again, he commissioned an analysis that established the substantive value of methadone maintenance programs relative to alternative approaches to the problem. He sought a mandate for expanding the program by sending a memorandum to the mayor promising that he could have 40,000 heroin addicts in treatment in less than two years. Even before he had explicit authorization, he began negotiating contracts with hospitals to provide the services he wanted. He established a Bureau of Methadone Maintenance headed by an energetic physician named Robert Newman who reported only to him. And, in his eyes most importantly, he "started counting:" he mandated a weekly reporting system that would keep him informed about the number of

centers that were being opened, and the number of addicts that were now in treatment. Two years later, 20,000 addicts were in methadone maintenance programs. The Addiction Services Agency, stung by the competition, had dramatically increased its own level of service - going from about 3,000 in treatment to 12,000. Thus, the City's capacity to meet the heroin epidemic was dramatically increased in both variety and scale.

The Prison Health Program

A third problem that attracted Chase's attention was the problem of supplying quality health care - physical, mental, and dental - to the city's burgeoning prison population. Chase was alerted to problems in this domain by a memorandum from the Deputy Commissioner of Health shortly after his appointment. After discussions with the Bureau of the Budget to determine the priority to be accorded to prison health, and the availability of resources to work on the problem, Chase commissioned a study to evaluate current performance and determine needs.

The study, released in September, 1970, revealed serious weaknesses in all aspects of the program. An examination of the facilities revealed that they were dilapidated and over-crowded. The personnel supplying the services were largely physicians who had retired from more demanding medical careers. The policies and procedures governing emergency and routine care were lax and imperfectly observed. Consequently, it was not surprising that the principal indicators of the quality of prison health care were bad: suicides and medical deaths were both unusually high.

These findings acquired more than ordinary urgency as a result of disturbances that occurred in New York City's jails just prior to the

release of the report. Although the quality of health care was not one of the rioting urgent demands, it did appear on their list. In response to the riots, the Mayor re-juvenated an independent watch-dog agency called the New York City Board of Corrections, and placed William J. vanden Heuvel as its chairman. This created a general political context within which anything that could be done to improve conditions inside the jails would have relatively greater value.

As in the case of the Methadone Maintenance, Chase's ability to contribute to the problem was limited by the fact that the line responsibility for the problem lay with another city agency - namely, the Department of Corrections. Indeed, the problem was even greater because the health program for the prisons was physically and organizationally embedded deeply in the Department of Corrections. As a result, Chase had to work at the edges of the problem. For a year, he met regularly with a high level group that included the Commissioner from the Department of Corrections and others searching for ways that concrete improvements could be made. The original substantive focus was on reducing over-crowding in the psychiatric wards, and increasing the speed with which competency exams could be given. This was accomplished by contracting much of this work out to psychiatric clinics in the courts rather than doing it through the psychiatric wards within the prisons. In addition, they managed to establish a methadone maintenance clinic within the jails. Still, after a year of work and consultation, there was relatively few real improvements in performance to show.

Consequently, in August, 1971, Chase addressed a memorandum to the Mayor asking that he be given the responsibility and authority to manage the prison health care program directly. Predictably, the

Department of Corrections objected. Their objections were swept aside several weeks later by Mayor Lindsay after a public hearing on the subject of prison health care, held by the Board of Correction, had embarrassed the administration by indicating confusion about who was in charge of the health care program.

With his new grant of authority, Chase quickly established an operational chain of command to make improvements in the prison health care program. Alan Gibbs, an Assistant Administrator of HSA, was appointed co-ordinator of the prison health program. Gibbs, in turn, appointed Frank Schnieger to head the medical part of the program, and Edward Kaufman to head the psychiatric component of the program.

Schnieger immediately fired about 50 prison physicians, converted the personnel lines to part-time jobs (which effectively doubled the salary of the physicians working there), and hired 100-170 nurses with new resources from the Bureau of the Budget. He also established strict standards for physical examinations, and used the newly appointed nurses as a quick screening process to insure that "sick calls" within the institutions were conducted more quickly, comprehensively, and accurately. Follow-up care for those prisoners sent to outside hospitals was facilitate by making the prison physician his primary care physician. Medical records and facilities were also improved. With more and better quality personnel and improved procedures, health care began to improve.

Kaufman had an even more ambitious agenda for mental health. Egged on by Chase's concerns about the high rate of suicides in the prison, Kaufman tripled the number of mental health staff in the prisons (from 40-140 people) within three months of his appointment. They created "therapeutic communities" within the prisons, provided

individual psychological counselling, and ran occupational therapy classes. When they thought that their programs had too little room to operate within the oppressive regime of the prisons, they protested to the newspapers and sat-in on Chase's office.

Both health programs generated resistance from the Department of Corrections, since both programs seemed to undermine the authority of the Department, and to create new security problems. The stricter physicals, for example, slowed the rate at which in-coming prisoners could be processed, and thus left the prisoners between the buses and their cells in insecure areas for longer periods of time. Similarly, some prisoners found ways to use materials from the "occupational therapy classes" to make blackjacks to use on guards and one another. Over time, these matters were resolved, but not without continuing hard feelings on both sides.

An evaluation of the prison health care program two years after it was taken over by HSA produced a mostly favorable result. Medical deaths of prisoners declined dramatically - from 38 in 1969, to 11 in 1974. Suicides were not reduced; in fact, they seemed to increase - despite the increase in psychiatric care. Dental care also seemed to improve; for the first time, more teeth were filled than were removed. But many people thought that the most important effect of the health care program was associated with bringing "outsiders" into the environment of prisons. The presence of well-trained, well-motivated physicians and nurses in the prisons seemed to produce a generally beneficial effect on the atmosphere and performance of the prisons.

The Lessons for Program Innovators

It is difficult to be rigorous in drawing lessons from these few instances of managerial accomplishment. Nonetheless, a few things stand out as distinctive in Chase's approach to innovation in the public sector. Some are aspects of temperament, character, and outlook. Others are features of the situation. Still others are associated with managerial technique.

The Temperament of Innovators

Perhaps the most distinctive temperamental quality is Chase's independent perspective, and his outward-looking commitment to the task at hand. He is neither absorbed with the problem of tending his organization, nor awaiting authorizations from his boss to guide his action. His attention is focused outward on the problems of the City for which he feels responsible. He feels broadly entitled to act on his perception of what needs to be done.

Associated with this quality is a second important temperamental quality: Chase is willing to face political and bureaucratic conflict and run substantive risks in pursuing purposes that he takes to be important. He is not so reckless and undisciplined that he triggers unnecessary fights. But he is not afraid to place bets on uncertain programs, or to stand against political opponents, or to challenge bureaucratic rivals.

Situations Conducive to Innovation

These temperamental qualities mean that Chase sees opportunities of particular kinds in his world. There are some configurations and circumstances in his environment that trigger him to take action. If the three programs can be taken as representative, the crucial environmental features that mobilize action are essentially four.

First, the existence of a neglected, objective problem somewhere

near or within Chase's jurisdictional responsibilities. Second, the existence of some political pressure to deal with the problem - generally, external political pressure of some kind. Third, the existence of some relatively simple, straightforward approach to the problem that can be taken "off the shelf" and applied to the problem. Fourth, some existing operational capacity that can be quickly summoned and deployed in implementing the simply defined program. Generally, this meant some bureaucratic capacity under Chase's control, or one that could be purchased easily through service contracts.

Note that this list of essential features of a given situation define a socially profitable and doable enterprise. These are the things one would want to see in a formal prospectus filed to justify a new venture. The existence of an important, neglected substantive problem, and an emerging political demand guarantees that there is some value to be created, and some capital that will be forthcoming to sustain the effort to produce that value. The existence of "off the shelf" technologies means that the risks associated with innovation are reduced. The fit between the desired program and some operational capacity within or near to Chase's organization means that the program is administratively and operationally feasible. In short, the enterprises appear to be high value, low risk enterprises.

Given these facts, one might decide that the situation rather than Chase produces the result. The time was right. Anyone in Chase's position would have chosen to undertake the program. But it seems to me that this is exactly why Chase's outlook is so important. What is distinctive about Chase's approach is that his commitment to producing valuable innovations causes him to see these things in a situation. A

more traditional public manager who thought of his responsibilities in terms of maintaining his organization, or insuring institutional continuity, or avoiding political visibility and conflict, or refusing to run substantive risks with untried, potentially expensive programs, would probably not see the opportunities that Chase sees, or would evaluate them in negative rather than positive terms. So, temperament and outlook is what allows Chase to spot the opportunities.

The Techniques of Program Innovation

Managerial technique plays an important role along with temperament and the situation in which Chase finds himself. We at the Kennedy School have found it useful to think about managerial techniques in two broad categories: those that are directed outwards to an authorizing environment that supplies the manager with the money, permissions, and authority he (or she) needs to capitalize his (or her) enterprise, and those that are directed inwardly (and sometimes outwardly) in efforts to build and exploit operational capacity to produce the planned activities. Chase shows considerable and distinctive skill in both areas.

In managing relations with his authorizing environment, Chase took consistent advantage of objective evidence of the existence of the problem, and the emergent political and media interest in dealing with it. In short, he used the task and the political attention to legitimate (and continue to legitimate) his enterprise. This allowed him to withstand criticisms from political and bureaucratic opponents, to mobilize agencies that can contribute needed operational capabilities, to extract concessions from overhead agencies that oversee budget, personnel and contracts, and to maintain the continuing flow of licenses and money that he needed to continue.

Key elements in his successful efforts to manage the mandate for his enterprise included the sheer simplicity of his approach to problems, and excellent press coverage sustained through assiduous attention to his relationships with the press. He told the necessary story well. He produced a flow of facts and news consistent with his story. There was enough controversy about what he is doing to make the story interesting, but not so much as to detract from the main substantive issues. And he treated reporters fairly and well in helping them cover his activities. His temperament played an important role here as well, since his substantive approach is consistent with his style: simple, straightforward, morally impassioned, administratively clean.

In managing the implementation of his innovative programs, Chase took an equally distinctive and straightforward approach. He found a particular individual to whom he could delegate responsibility for managing the implementation of the new program; he formalized that delegation by establishing an organizational unit whose jurisdiction is identical with the scope of the planned innovation; he commissioned a staff unit to write a detailed "program plan" defining all the steps that are necessary to implement the program, and which are on the "critical path" to successful, timely implementation; the targets agreed to in the plan were quite ambitious; and he developed an information system specially designed for the program that kept him informed about the development of the program, and offered occasions for him and the program manager to talk about its development. In short, he administered the program as though it were a separate, independent program that required continuous and close monitoring. He

used project management techniques to oversee an investment that results in the organization having a new set of on-going operating capabilities once the project is completed.

To aid the program manager who was stuck with the responsibility for getting the new program up and operating, Chase made several important contributions. His political work to maintain the mandate for the program meant that the program manager had money and broader tolerances in approaching other organizational units for assistance, and moral standing when he was forced to deal with outside political groups. In addition, however, Chase did not insist that existing organizational units be utilized in carrying out the program. If there were some capabilities within the organization that could be used, that would be fine. If, however, it seemed wiser to reach outside the organization for new capabilities through contracts, that, too, would be fine. Indeed, in many respects, going outside was often better because the manager could write into contracts specifically those things he wanted done without having to go through the complex bureaucratic and labor negotiations that he would face if he were trying to make changes in policy and procedure manuals, or labor contracts. So, Chase provided his program managers with a great deal of administrative room to exploit in finding the capabilities to implement the programs.

Perhaps the last important thing to be said about Chase's approach to innovation in the public sector belongs most properly in the realm of temperament and outlook. In the end, Chase was perfectly willing to take substantive losses in the performance of a program if it proved administratively or politically impossible to build into the program all the important characteristics. He couldn't, in the end, get the Building Department to repair the apartments of children who had lead

poisoning; he couldn't, in the end, win the concessions needed from the Department of Corrections to operate a first rate prison health program. So, he wasn't a purist in implementing a program. He was willing to take a half a loaf rather than none at all even when the half loaf he took was much less than had originally been hoped and promised.

Viewed from the vantage point of a policy analyst, this approach was not ideal. The programs he implemented were done in haste. Extravagant promises that could not be reliably fulfilled were made. The programs were weaker in substantive terms than a policy analyst would like. And his commitment to evaluating them and finding out whether they were really successful was quite weak compared to his zeal for launching them.

On the other hand, Chase made something happen in government. Moreover, it was something that was plausibly linked to value. His outlook distinguished him from grey bureaucrats who were imprisoned by current substantive knowledge and experience, or who fussed endlessly with organizational arrangements without ever asking about purpose or value. He left a distinctive mark on the organizations he joined, and a mark that was substantively directed. Therefore, to those who wanted to make a substantive contribution to government, his example, while not perfect, was quite appealing.

In terms of managerial technique, Chase's example pointed to the power of policy analysis and program design when joined to administrative courage, political opportunity, effective press relations, and relatively simple management techniques such as program management, PERT charts, and regular monitoring of performance. In a

world in which academics thinking about public management were thinking about the design and implementation of new programs as the essential tasks of public sector managers, Chase was a powerful and instructive hero from whom a great deal could be learned. The question that worried us then, and worries us even more now, however, is whether that is the right perspective from which to evaluate public sector management.

Chase as Organizational Strategist and Innovator

Given Chase's significant accomplishments, it seems not only ingracious, but somewhat reckless to suggest that there might be an even higher standard against which public sector managers could reasonably be judged. This second standard would consider not only the value of the particular new programs that a manager initiated and executed, but also how he (or she) brought the main force of the organizations entrusted to them to bear on the significant problems facing the society, and created political and bureaucratic conditions that favored a stream of innovations - not all sponsored by the manager - that positioned the organization or the society to deal with significant social problems. This is the perspective that one might adopt if one were evaluating Chase not as a program innovator, but as an organizational strategist who maximized the value of his organization over time, and created the conditions under which others could be usefully innovative.

It is significant that even against this demanding standard Chase's performance stands up well - not only relatively, but absolutely. In viewing Chase as a strategist, one would find a great deal more to discuss than the three programs described above. One would recall the first rate performance of HSA in organizing the response of

both private and public sectors to the sudden legalization of abortion to insure that high standards of quality were maintained, and that accurate information was generated that could inform the continuing public debate about the wisdom of this controversial policy change. One would also recall Chase's early salvos against health insurance companies on the issue of cost control. In short, there were a great many substantive initiatives Chase took to fill out the hopelessly broad mandate given to the Health Services Administrator beyond the particular programs credited to him.

In addition to these efforts to mobilize the private sectors of the society, and to deal with pressing health problems outside the scope of his immediate organization, Chase created an image of excellence in management, and recruited to government many who were like himself, or could become like him under his tutelage. He did not really transform the culture of the organizations he led. But in the circle of people that he brought into government, a powerful culture of accomplishment was created. The people who worked directly for him were inspired by his example, and protected by his skillful management of the external environment. In such circumstances, they produced. Moreover, they carried the orientation, styles and techniques they learned while working for Gordon into many other organizations and settings. In this important sense, Chase made a contribution to culture and performance of public sector management.

What Chase did not do, however, was to give his organization an overall mission that was appropriate to the times, nor re-position its main line operations to increase their productivity and value, nor widen the tolerance or support for innovation inside the organization

beyond that magic circle that he was able to create by dint of personal charisma and competence. The substantive symbol of this failure the inability to confront two managerial nightmares: the problem of improving the financial and medical performance of New York city's public hospitals through the cumbersome vehicle of the Health and Hospitals Corporation; and the problem of improving the performance of the Department of Mental Health and Retardation that operated largely through a network of contracted services. These huge operations - involving more than 80% of his budget, and accounting for the vast majority of the potentially valuable care delivered by his organization - remained unchanged by Chase's tenure. There was no notable increase in innovative spirit; no dramatic improvement in the quality of management within these institutions; no improved fit between the tasks that these organizations confronted and their operational capabilities. They remained the Sargasso Sea of the Health Services Administration.

The procedural symbol of Chase's limitations as a strategic manager is that he was unable to enlarge the City's tolerance for innovation and experimentation in the Health Services Administration. He found ways to circumvent and avoid the overhead agencies that managed money, people, and contracts. But he did not work on them directly to make them more capable of accounting for the value of experiments; or of developing managers with Chase's orientation, outlook and skill rather than those who were qualified by virtue of their knowledge as revealed in their ability to pass tests; or of widening the variety of government services without sacrificing either costs or accountability. Thus, the financial system, the civil service system, and the contracting system remained much as he found them - obstacles to effective innovation, and for that reason, obstacles to

re-positioning organizations for improved performance.

Issues and Implications

Chase fitted our conceptions of excellence in public management when we viewed the principal objective of management as the initiation and implementation of innovative, substantively valuable policies and programs. Of course, even in this world, policy analysts could complain about Chase's performance because he sacrificed some important piece of a particular program for political or bureaucratic reasons. (For example, the preventive aspects of the lead poisoning program received less explicit attention than they merited because it was hard for Chase to mobilize the bureaucracies and people that could contribute to the prevention of lead poisoning.) Still, he gave all of us who worked on policies the hope that something useful could be done; that there was a reasonable hope that political and bureaucratic life could be breathed into a good idea; that the government was not locked into a political world of endless delay and vacillation, nor a bureaucratic world of inertia where the behavior of organizations at T+1 always equalled behavior at T.

In a world where we are thinking about the management of organizations rather than policies (that is, where we are using the goal of wringing the maximum value from public sector organizations performing over time as the touchstone for evaluating managerial performance) Chase's approach to management still stands as a model. After all, when one looks across his programmatic accomplishments, his successful efforts to mobilize public and private agencies to face emerging problems, and his ability to inspire and train a group of

public sector executives who not only performed well for Chase, but went on to perform well in other organizations and train new cadres of public managers in Chase's outlook and techniques, one sees a wave of effects that becomes large enough, and inevitable enough to be called a strategic impact.

Still, a big question remains. That question is how public sector managers might create adaptive, innovative organizations that can position themselves to deal effectively with emerging problems, or changing political demands, or to exploit emerging new program technologies. Such organizations need 50-100 people in positions where they can claim and use resources to feel as authorized to take problems seriously and act on them as Gordon Chase did. Our preliminary research on the creation of innovative organizations suggests that producing that result requires a manager to work on the mechanisms of accountability to make them more tolerant (perhaps even demanding) of innovation. These mechanisms include both the political environment that consists of legislative oversight, media attention, and interest groups, and the administrative environment of financial systems, personnel procedures and contracting arrangements. Until we do this, we will have a few excellent public sector managers whose feats of innovation we can celebrate, but few excellent public sector organizations that reveal their ability to adapt and innovate across the domain of their responsibility and over time.