

# How to Successfully Develop and Manage a Sustainable Country or Region

By Yves Van Nuland and Grace L. Duffy

## Abstract

*The recent political events in the United States have prompted the authors to suggest an approach to more effectively address society's needs while using resources optimally. The United States has maintained a constitutional republic with a thriving economy for more than 200 years. A structured society composed of loosely coupled states provides citizens local voice in public affairs and encourages entrepreneurship for economic growth. A system of federal agencies and organizations exists to provide common services and overall defense. Although this article focuses on United States examples, the Society and Active Citizenship (SAC) model is applicable to all countries. The SAC model can be applied to organizational processes to maximize their effectiveness, regardless of the form of overall government. To our knowledge, a formal management model does not yet exist that can assess the extent to which a country is well managed and how management of the country leads to excellent and sustainable results for all its stakeholders. This article briefly describes the main characteristics and tools of the SAC model, and it also explains the value of such a model and the advantages for the multiple country stakeholders.*

## Introduction

The focus of the SAC model is management of the whole public sector. There are two categories addressed. One is the general government, agencies that report directly to politicians. Examples include governmental entities such as ministries, agencies, and departments, and regional and local organizations such as



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**Table 1: How well is our country managed?**

|    | Questions   | Known | Unknown |
|----|---|-------|---------|
| 1  | How many AOPS are there in your country?  |       |         |
| 2  | How much of government tax revenues, grants, and fees go to the AOPS (directly and indirectly)?     |       |         |
| 3  | Do you know the KPIs and results of each AOPS in the country?                                       |       |         |
| 4  | Do you have proof that every AOPS applies continuous improvement?                                   |       |         |
| 5  | Do you know how each AOPS aligns its KPIs to their strategic plan?                                  |       |         |
| 6  | Does each AOPS create partnerships with other AOPSs to achieve better and more synergistic results? |       |         |
| 7  | To what extent are the AOPS results easily and broadly communicated to everyone in the society?     |       |         |
| 8  | Is there clear evidence that the achieved results are sustainable for all AOPS?                     |       |         |
| 9  | Can you expect that these excellent results will continue to be excellent 50 years from now?        |       |         |
| 10 | Are the results equitable in providing welfare and well-being?                                      |       |         |
| 11 | Can your country be considered as a benchmark for other countries?                                  |       |         |
|    | <b>Total:</b>   |       |         |

counties, cities, fire departments, and police stations. The second category includes public service organizations, such as public schools and universities, not-for-profit organizations, public-private partnerships, and government contractors (such as defense and social service suppliers). The latter category consists of organizations that depend on taxpayer funding for at least 50% of their budget through direct payments or grants. When we speak of the public sector in this article, we are referring to both categories.

Public service organizations can be classified based on criteria such as task, ownership structure, legal status, degree of autonomy, financing and budget structure, distribution of financial surpluses, or “publicness.” When the organization is more than 50% dependent on tax or social services funding, we call it a public sector organization. Therefore, we refer to these entities as all organizations of the public sector (AOPS).

This article introduces a nonprescriptive yet efficient model in which the public and private sector play complementary roles in supporting the needs of society. This article introduces, based on

author research, the first comprehensive model for the management of a country.

## Is Your Country or Region Well Managed?

It is important to establish a basis for how well integrated the public sector services are in the country or region studied. The authors believe that any country, whether a democracy or a dictatorship, should be sustainable.

If you have at least seven positive answers to the questions in **Table 1**, you probably live in a prosperous country with satisfied citizens. With three to seven items positive, there is much work to do to implement a successful approach for managing your country. If you have fewer than three positive answers, your country is far from being a model country with excellent and sustainable results.

## How Many AOPS Are There in Your Country?

The United Kingdom supports more than 100,000 organizations in its public sector. A small country such as Belgium (11 million inhabitants) supports 26,500 organizations in the public sector. Because of the composition of the United States, it is difficult to ascertain a total number of organizations more than 50% dependent on tax or social services funding. A recent search identified an approximate number of 1.5 million non-profits, some subset of which may receive more than 50% of their funding from taxes and social services funding. These large numbers, plus those organizations directly controlled by federal, state, and local governments, prompt questions: To what extent do the activities of these many organizations overlap (federal, state/province, county, city/village)? Do they all add real value to society? Even when we have such an abundant number of organizations, are all key activities of a country fulfilled? Are the objectives, targets, and results achieved available to everyone? Do these organizations contribute effectively to the solution of actual societal problems?

### Proof of Need

The AOPS spends money on thousands of initiatives yearly. We can ask dozens of questions about the effectiveness of their contributions. Here is a limited list of possible questions:

- How are strategic plans verified to deliver planned results? Are strategic plans in place?
  - To what extent does society grasp the logic of planned spending? If we would list all U.S. government spending, line by line, we would have tens of thousands of issues. Are all these expenses necessary? How effective are they in providing community services and well-being?
  - To what extent are we adequately and correctly informed about the fragmentation of expenditures? Is there overlap among these expenditures? For example, how many and which AOPS are working (directly and indirectly) on reducing poverty? Although several AOPSs are pursuing programs to reduce poverty, we still have the same (and even higher) percentage of the population that are considered poor.
- How useful are all the expenses? Expenses are rarely audited at a zero-based budget to verify that they are still needed. The strategic usefulness of the expense is seldom reviewed.
  - To what extent can tax money be spent more efficiently? We can spend a dollar only once. It is useful to think about the strategic return on expenses before making budgetary choices.
  - How much money is spent on administrative overhead versus direct services to meet the need/solve the problem?
  - How do governments handle unexpected expenses, such as natural disasters, failures of public infrastructure, and resulting damage such as pandemics?
  - Is risk management used by governments in their strategic planning?

Answers to these questions can be very enlightening. After all, there has never been so much money spent by governments in absolute and relative terms. And yet pressure groups complain that it is not enough. Does this not encourage reflection? Are we doing well? Can we be more effective?

Today, data are available through hundreds of databases, but are we well informed? Do we know how to find the information we need? In 2019, the richest 1% of Americans collected more than one fifth of all income in the United States (20.9%) and paid a slightly higher share of the overall federal, state, and local taxes (24.1%). Meanwhile, the poorest fifth of Americans received only a small fraction of the nation's income (2.8%) and, as a result, paid a small fraction of the total federal, state, and local taxes (2%). Although this information is found with a quick internet search, not all citizens are skilled at navigating the internet for this type of data.

It is important not only to do things right, be efficient, and apply cost management, but also to work in the right direction. Optimizing the wrong things is senseless. Therefore, the following questions must also receive solid and substantiated answers:

1. Are we creating the right jobs in the country?
2. Do we provide the right training opportunities and in sufficient numbers? Are the right people aware of the opportunities and able to obtain training?

3. Is each AOPS focused on its core tasks, or are they working past the scope of their mission?
4. Has overlap been eliminated between two or more AOPSs that do the same or similar work?
5. Do we spend tax revenues economically?
6. Will we be able to pay future debts? It is not just about paying existing national debt but also the costs of an aging population (pensions and medical costs of the baby boomers, for example), infrastructure updates, and measures around climate change.

The first point, however, is particularly important and is hardly addressed in politics, the media, the AOPS, or academic discourse. If we have enough of the right jobs with the right support structure, economic growth will be large enough (more than 2% economic growth per year) to pay the costs of the other five points listed previously. To continue to pay all state and federal expenditures, it is necessary that there are many jobs (companies) that pay high wages (high-tech companies, automotive, chemicals, pharmaceuticals)—and thereby create high economic added value. The average wage in those occupations is at least three times higher than the minimum wage. But employment has evolved in the opposite direction over the last 20 years. Some observations:

- More government jobs are being created in agencies, states, counties, cities and municipalities, non-profit organizations, and the health sector. Many of these are contractors, since there are usually limits on the number of civil servants. Contractors are not counted the way civil servants are, so numbers are not readily available.
- Before the COVID-19 pandemic, more service positions such as cleaning, garden maintenance, hotels, bars, and restaurants were available; all are jobs that pay one to one-and-a-half times the minimum wage.
- The cost of a college education has increased beyond the ability of many seeking to enter highly skilled career paths.
- New technology has contributed to the loss of high-paying trade jobs and cheaper training costs.
- Until recently, many large factories were closed or relocated to other countries (such as automotive, pharmaceutical, medical devices, and steel). These factory jobs paid three

times and more than the minimum wage. Many higher-paying, hourly jobs have been lost over the last 30 years or have transferred to countries with lower paid workers.

The taxes and Social Security contributions on high wages are, in absolute value, many times more than those on lower wages. This fact does not discount the necessity for a wide range of jobs in the public sector and in the private economy. Higher wages are generally required to compensate for the majority of AOPS positions in the country; lower wages provide those with less education or fewer skills meaningful work and an income. Federal government civil service jobs are mostly professional positions now, not the clerical jobs of the 1940s and 1950s.

## Actual Challenges

Today, our society faces a series of challenges, including:

- Successfully integrating migrants into our society, in terms of reception, training, employment, and integration into social life
- Keeping social services affordable (costs for the aged, pensions, and health insurance)
- Finding solutions for current mobility problems, in both rural and urban environments
- Streamlining the bureaucracy that has continued to grow year after year, not only in regulations, but also a multiplication of the number of public organizations and a fragmentation of tasks performed by different AOPS
- Reducing government debt back to normal proportions
- Achieving economic growth (necessary to reduce debt and to safeguard social services)
- Preventing growing social and financial inequality
- Providing internet access for all
- Minimizing the negative impact of industrial activities on health (tobacco, alcohol, sugar)
- Building bridges between polarized groups
- Giving everyone in the country the opportunity to find reliable data in a user-friendly way that eliminates fake news

- Further developing the current prosperity and well-being so the next generation has greater opportunity through continued scientific and technological research

All AOPS are accountable for the management of the aforementioned challenges. They must manage these efficiently (doing things right) and effectively (doing the right things). Such challenges include stimulation by and partnership with the private sector.

## Presupposition

Organizations in a country can be roughly divided into two groups: AOPS and non-AOPS. The latter comprises all privately owned companies (small and large, multinationals, the self-employed, and specialized professions).

An AOPS has two core tasks:

- Create a favorable framework so the society can develop to the maximum. In concrete terms, this means public safety and order, a well-adapted infrastructure, scientific research, education, a properly functioning judiciary, tax authorities, well-functioning customs and inspection services.
- Redistribute wealth and develop the well-being of its population. Creating opportunity and improving education/job training will serve to balance wealth more effectively. Also, research stimulates new jobs and products.

## Assumptions

The SAC model is based on the following assumptions:

1. Private business creates added economic value.
2. Businesses cannot survive without satisfied customers.
3. Government and AOPS have a duty to create a favorable climate, a foundation, and a context for doing business.
4. Government and AOPS do not have an entrepreneurial business model.
5. Well-being comes after and because of prosperity, not the other way around.

6. Prosperity and well-being are managed via management of key performance indicators (KPIs).
7. Leaders of all AOPS behave responsibly, and each contributes to success (accountability).
8. Leaders of all AOPS show their results publicly and convey how they contribute to success.
9. The SAC model is a systemic approach. The result is influenced by systemic forces.
10. Applying the Pareto principle, 80% of the end results can be achieved with 20% of the resources (people and money).
11. Identifying and managing the right indicators of success is not always obvious; feedback from third parties is necessary.
12. One weak link in the success of the economic and social system can have major consequences on the outcome for the society at large.

In all types of organizations, everything starts with the application of the accountability of the executive suite and senior officials in everyday practice. Only in this way is it possible to use public money in an economical, structured, and sustainable way and also obtain necessary savings. It is important to make the responsibilities clear, measurable, and transparent.

## Society and Active Citizenship Model (SAC Model)

In this section, we will describe the SAC model and related KPIs.

### Description of the SAC Model

Traditional management models (such as the Malcolm Baldrige Award, European Foundation for Quality Management (EFQM), Common Assessment Framework, and ISO 9000) help leaders manage their organizations. However, there is no management model yet for the management of a country or region, except for financial and political management (state economics). Based on our extensive experience with the Baldrige and EFQM models and the management of dashboards and indicators, we can now describe a management model for a whole society.

The model consists of a cycle of 10 links:

Link 1. Foundation and context

Link 2. Initiative

Link 3. Investments

Link 4. Staff recruitment and talent development

Link 5. Production and services

Link 6. Profit

Link 7. Taxes and Social Security

Link 8. Distribution of prosperity

Link 9. Increased well-being

Link 10. Lessons learned, fed into next planning cycle

Note that the order of the links is important (**Figure 1**). Each link must be well developed to sustain an effective country management. Each link is influenced by stimulating and inhibiting factors. Each link is as strong as the management of all underlying entities.

The SAC model starts with creating and maintaining a foundation (link 1) through which private entrepreneurship becomes possible. This first link is managed mainly by the AOPS. It includes subjects such as infrastructure maintenance, inspection, and control activities. Entrepreneurs take initiative (link 2), set up companies, make investments (link 3), recruit staff (link 4), manage operations (link 5), and make a profit (link 6). They contribute to the development of the country by paying taxes and employing its citizens who also pay taxes. The tax money is managed by the government (link 7). This further develops the foundation for living, working, and leisure (link 8).

Many AOPSs are responsible for the development of the well-being of the people (culture, education, healthcare). Each AOPS, when it employs a self-assessment method such as the Malcolm Baldrige National Quality Award (MBNQA) or the Excellence Model of the EFQM, analyzes areas like human and gender equity, resilience, sustainability, safety, public health, ecological issues, integration of certain groups within society, and stake-

holder satisfaction (link 9). Organizations from the well-being sector (culture, education, healthcare) are now able to improve the well-being of the population in a systematic and structured way.

Links 1, 7, 8, and 9 are managed largely by the AOPS. Links 2, 3, 4, 5, and 6 are executed mainly by privately owned companies. Link 10 applies to all.

The nonprescriptive nature of the SAC model is one of its strengths, in contrast with standards such as ISO 9001 and ISO 14001, which have a mandatory character. However, within the SAC model the responsible managers are accountable and must behave responsibly.

## Key Performance Indicators

A direct or indirect hierarchical structure of the AOPS exists within most countries. The leaders of each individual AOPS within that structure develop their own vision, strategy, and operational plans. They ensure these are aligned with the higher-level organization. In turn, the KPIs of each organization are aligned with the vision, strategy, and operational plans and mission of the higher-level organization. Each indicator is managed by a functional owner. This is done in a structured, standardized, and systematic way. Each indicator contributes positively to the realization of its organization's higher goals (vision and strategy), and these in turn contribute to the realization of even higher goals. In this way a tree of indicators is created that follows the organization chart.

Ideally, each AOPS has its own organization chart. Each function in this chart has a leader, and this person is accountable for at least two KPIs. Progress is published monthly against these two KPIs on the organization's website. In the United States, they are also subject to executive and legislative actions. Besides a vertical alignment of objectives, there is also a horizontal alignment—partnerships between an AOPS and other organizations. For example, the responses to COVID-19: partnerships among departments of health, teams of doctors and nurses, hospitals, institutions, and universities working on public health (epidemiologists), call centers (contact tracing), police, cities, and municipalities during the response within a country or region.

In the context of managing a country or region, many thousands of indicators must be dealt with. KPIs must have three essential characteristics to effectively achieve sustainable results. As measures are rolled up the tree of indicators, managers of these

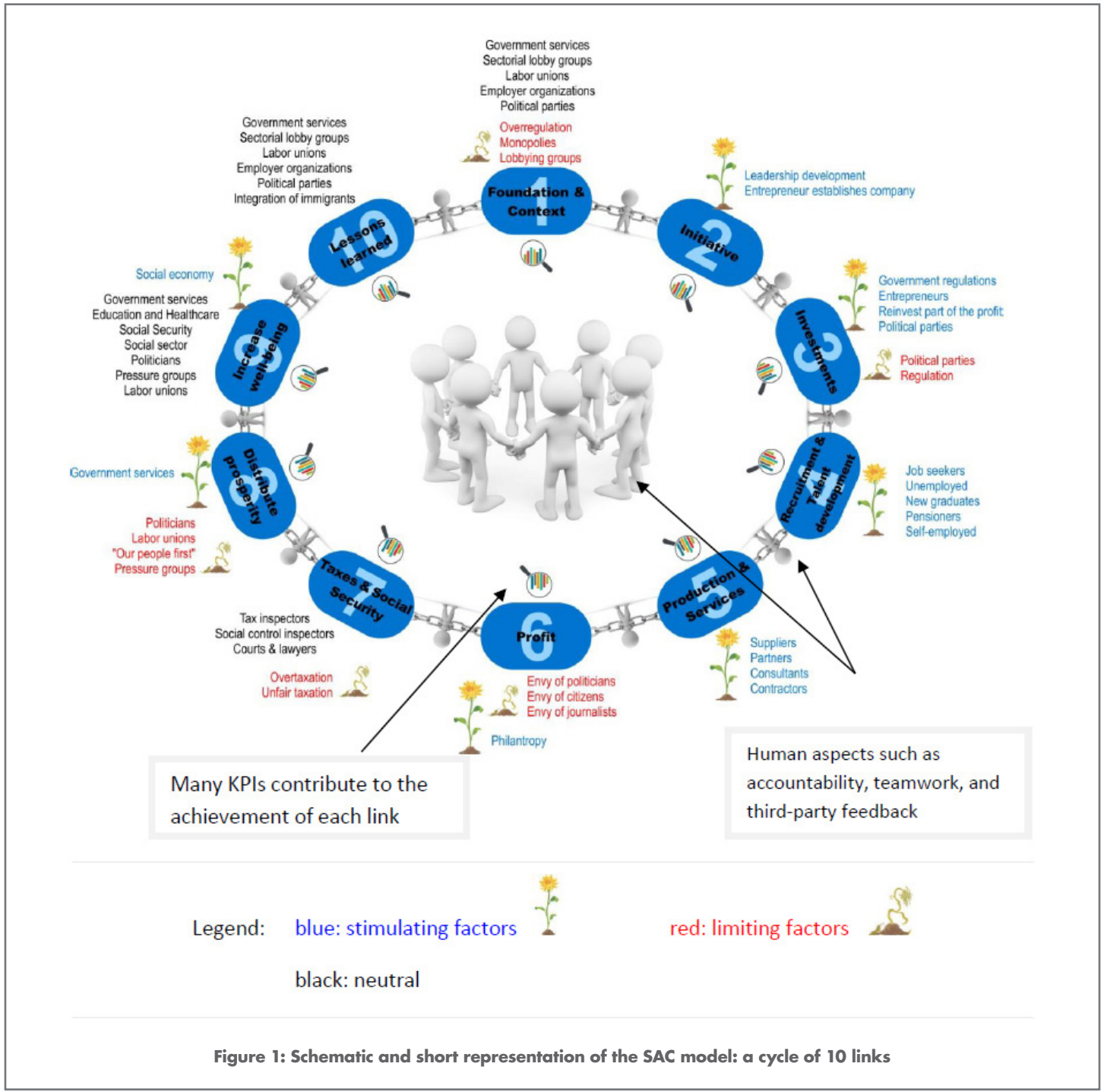


Figure 1: Schematic and short representation of the SAC model: a cycle of 10 links

indicators must remain accountable and provide accurate and transparent data.

**Accountability:** Three conditions must be fulfilled simultaneously: 1) each leader has two KPIs per core activity that are published on the department website monthly; 2) the leader takes feedback from third parties seriously; and 3) it shows the results of at least five years of continuous improvement in operational performance. This is how sustainability is achieved.

**Accurate information:** Information must be validated through the KPI description on the organization's website. The layout of the KPI is structured and standardized. One parameter is the accuracy and detail of the measurement method, the sampling method used, and the interpretation of the results.

**Transparency:** The KPI owner describes the AOPS objectives in detail on the website after each strategic planning cycle. Each month the KPI owner publishes the results of operations in the form of KPIs understandable to stakeholders and to third parties accessing the site. Finally, the manager personally interprets the facts and lessons learned, including decisions and action plans to improve performance in the coming month. The website must encourage stakeholder input. KPIs must be handled in an accountable way, not as a punishment (unless there is mismanagement). Otherwise, managers are reluctant to use them or may manipulate the numbers.

The owners' indicators consider the feedback from their immediate environment, as well as that from external or third parties when the measurement guides external activities, which leads to better management of the indicators guiding positive management practices. When these indicators are published on the organizational owner's website, anyone who accesses the website can provide feedback on the effectiveness of the organization. Such an ability to monitor and provide real-time feedback is reflected in the name of the model: Society and Active Citizenship model.

Note that the 10 links are a continuous cycle, not a single thread (see Figure 1 again). As those responsible for each link activity publish their results based on the tree of indicators, the active citizenship portion of the model is realized. In Florida within the United States, for example, this active citizenship portion takes several forms: citizen and third-party participation in city and county commission meetings, direct website feedback, letters to the responsible department or the news media. Analysis of this

feedback triggers the move from link 10, Lessons Learned, back to link 1, Foundation and Context.

Since the SAC model consists of a chain with 10 links, the chain is only as strong as the weakest link. Each party contributes equally to the whole. **Figure 2** shows the sequence of the 10 links, as well as the stimulating (blue color) and inhibiting factors (red color).

The SAC model is a task-orientated approach (KPIs, results, process management) as well as a people-oriented approach (teamwork, accountability, third-party feedback, leadership development of leaders of each AOPS). All this is done in a structured, systematic, and process-oriented way. The goal is to achieve excellent and sustainable results for the country. But more is needed.

## The Outcome of Employing the Model

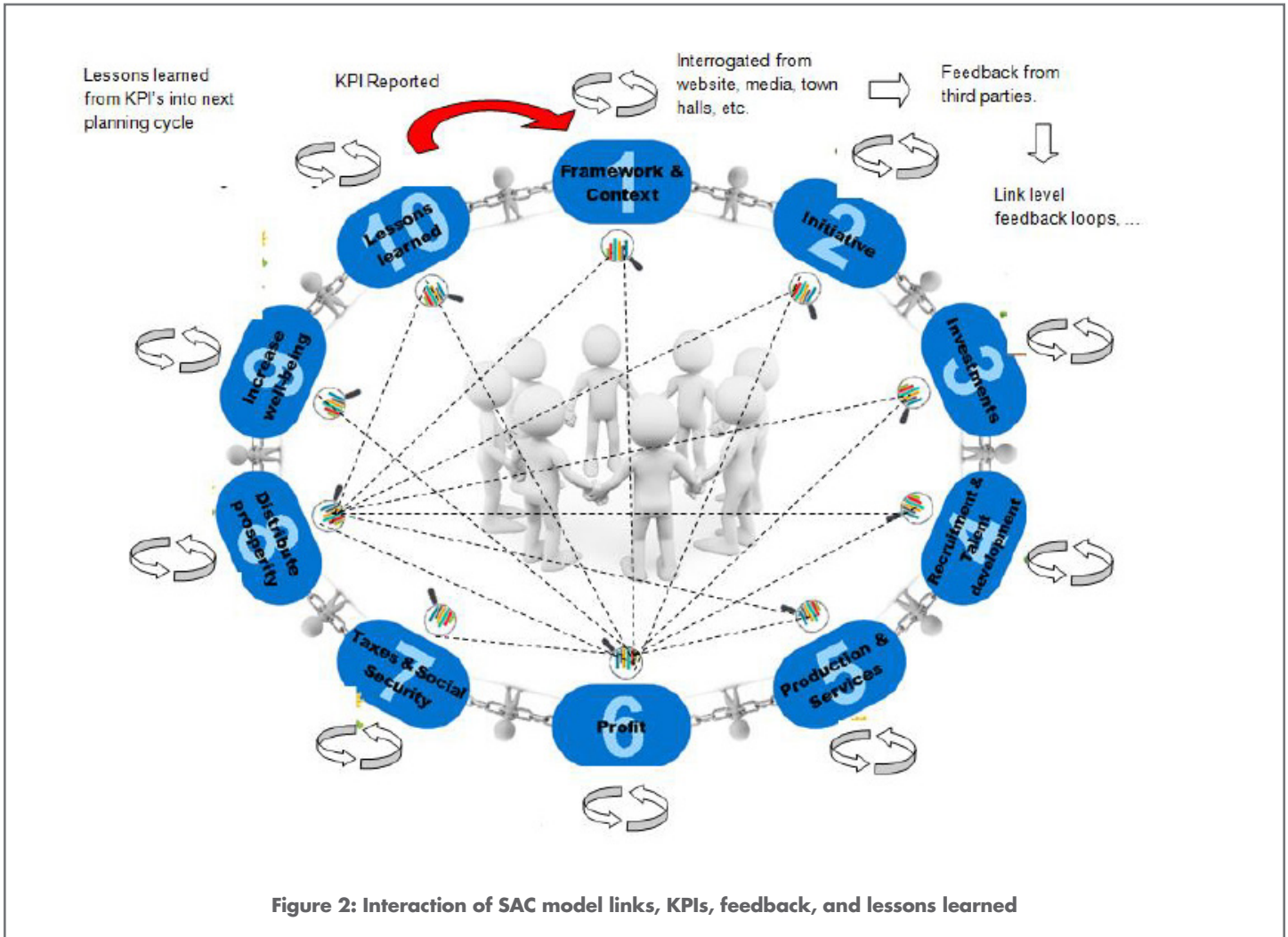
Although the use of indicators is extensively addressed in the management of an AOPS, this does not mean that it is only about hard, cold figures. On the contrary, it is about creating a warm society where people of different ages, origin, race, beliefs, etc. can live harmoniously with each other. Human equity is important and cannot be over emphasized. However, the involvement of the citizenry and other stakeholders must not only be addressed in generalities. The steps in the 10 link SAC model must be clearly defined, measured, analyzed, and improved. The application of the model must be concrete, deliver excellent results, and be viewed positively by the different stakeholders.

## Interaction Among the 10 Links

The following paragraphs briefly describe the interaction among the 10 links, critical success factors, the principles, and the SEE-tool of the SAC model, which will be described later in this article.

Each of the 10 links influences one or more other links. The model must be viewed as a symbiotic, flexible system for delivering added value to all country stakeholders and citizens. There is a logic among the 10 links of the SAC model. The sequence is important. Figure 2 illustrates interaction of the links; related KPI reporting, interrogation, and feedback from interested parties occur at all points of the cycle. Accountable functional owners at each link manage their tasks based on KPIs set by the organization. Feedback from interested parties provides both proactive, innovative ideas, and reactive corrective action. Such feedback





is used for ongoing decision-making within the link functions. The links impact each other, as illustrated by the dotted lines internal to the circle of links.

Internal lines are illustrative, not inclusive. Finally, major lessons learned and summary indicators are fed from the analysis in link 10 back to link 1 for proactive, strategic planning for the next improvement cycle. The foundation and context created by the AOPS must be clear (link 1) before policies can be written or businesses can effectively function. As the saying goes, "You must

bake the cake first (links 2 to 6), before you can serve it (link 7 to 9). Doing the reverse does not work."

Let's look at some examples of interaction among the 10 links. Consider the second wave of COVID-19 infections in the United States and Europe. In October 2020, a major second wave of COVID-19 infections appeared. Schools and colleges opened, college administrators sanctioned sports, and many churches resumed in-person worship. States did not require masks and opened restaurants and beaches. Consequently, lots of family members, including grandparents, became infected. Hospitals

were overwhelmed again. Many countries closed their society a second time (lock down). This is an illustration of link 9. The impact on the other links is tremendous. Companies stopped investing (link 3), stopped hiring people or dismissed personnel (link 4), lowered production volume (link 5), made less profit (link 6), and paid less taxes (link 7). The reaction started on one link (link 9) and caused a reaction through the whole cycle (links 3 to 8). What was the root cause of this problem? Link 1, Framework & Context. The AOPS together with the politicians failed to communicate well, enforcement of the restrictions was weak, and situation monitoring was also weak (contact tracing of the sources of coronavirus). Was link 10 well applied? Apparently not. After the first wave (March-April) it was assumed that the preventive measures were put in place to avoid a second wave.

A second example of the SAC model is portrayed in Figure 2: A chemical company produces agricultural sprays (link 5, production and services). When it neglects the safety and environmental conditions, it can harm people living in the surrounding area. These peoples' health is at risk (link 9, increases well-being).

These two illustrations are examples of negative impact. There is also positive impact. The same chemical company implements a major investment (link 3, investments) and hires new collaborators (link 4, recruitment and talent development). The prosperity of the company's people and the local community is increased (link 6, profit, and 8, distribute prosperity).

## Characteristics of Sustainable, Effective, and Efficient Country Governance

In *Why Nations Fail: The Origins of Power, Prosperity and Poverty*, authors Daron Acemoglu and James A. Robinson investigated many countries around the world, some going back 2,000 years. They isolated 11 critical success factors (CSFs) for sustainable development (50 years or more) of a country or region. They discovered that inclusive institutions, those that seek to serve their citizens rather than amass wealth at the top, have certain factors in common. The absence of one or more of these factors means that a country will not develop in a sustainable way.

These 11 CSFs are:

1. Legal certainty (including separation of powers)
2. Property rights (land and house ownership, money, savings, and shared ownership)
3. Democracy, pluralism, and freedom of political expression
4. Education
5. Innovation and creative destruction
6. Globalization and free trade (including free market and individual freedom of choice)
7. Inclusive political institutions (versus extractive institutions)
8. Integrity versus fraud and/or corruption
9. Infrastructure (roads, railways, ports and airports, education, telecom, energy supply, water supply, sewage, water treatment)
10. Accountability of the leaders
11. Human rights and freedom of expression

These 11 factors are the fundamental pillars on which the foundation of society rests. Imagine a house being built in a swamp. You must first sink 11 pillars deep in the ground so the house will stand solidly. It is not enough to choose a few factors and wait to develop others later. All 11 CSFs must be actively developed and put into practice. This article adds an additional factor to the list: remuneration policy. How the entity, individual, or teams are rewarded for their contribution.

Remuneration policy is CSF number 12. All 12 are taken into consideration in the development of the SAC model. Discussing these characteristics in detail is beyond the scope of this article; however, each characteristic must be considered when establishing a basis for running a country. A follow-up article will present a detailed discussion of these 12 CSFs.

In the case of extractive political institutions, the leaders ensure that they serve themselves well, maintain the current structures,

retain all power, and prevent regular citizens from gaining power or influence. They “extract” and channel the wealth of the citizens, natural resources, and the possessions of people and the country toward themselves as much as possible. They strive for status quo and ensure that the distribution of the wealth (of the country) flows mainly to them.

In contrast, in inclusive institutions, the 12 CSFs described previously are fully met: citizens can develop, take initiative, and create prosperity, divide prosperity, express their opinions, and push through political changes. Citizens see both their prosperity and their well-being increase.

## Principles

The SAC model is also based on the following principles (**Table 2**)

The list in Table 2 is based on the authors’ 40 years of experience in applying management methods in organizations. This is not an unrealistic scenario. Singapore has proven that it is feasible.

## SEE-tool

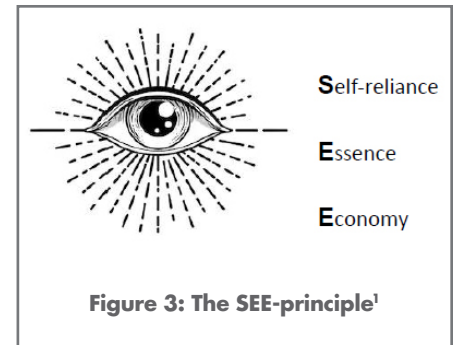
Thanks to civil servant and citizen interaction, not only does the AOPS improve (better results) but so does society as a whole. This interaction is more effective when the self-reliance–essence–economy (SEE) principle is applied (**Figure 3**). The SEE-tool is a fast, iterative exercise to maintain the effectiveness of a decision or activity. Every leader of the AOPS systematically applies these simple principles, reflected in the following three questions:

1. To what extent is the decision contributing to the increased self-reliance of the citizens and companies? Therefore, only rarely will subsidies be given to citizens or companies.
2. To what extent is the activity and its corresponding KPIs essential to and within the scope of the AOPS?
3. To what extent are all activities executed economically? Is the procedure or process too complex?

If the answer to any of the three questions is negative, the leader should redesign or delete that activity. The SEE-principle is employed much like the plan-do-check-act (PDCA) cycle for sustainability or continuous improvement of a process, activity, task, or decision.

**Table 2: Principles on which the SAC model is based**

1. The general interest precedes the interests of individuals and/or groups.
2. Long-term decisions are decisive.
3. AOPS and businesses create real added value.
4. Citizens are encouraged and may question the issues and investigate them critically.
5. Priority is given to initiatives that positively contribute to improving the country’s balance of trade and balance of payments (this is one of the foundations of a country’s prosperity).
6. Investment in the country continues even if the circumstances are not favorable (e.g., recession).
7. There is encouragement of the use of citizens’ self-reliance.
8. Constant consideration of what the significance is of the activities and goals.
9. Use the resources provided economically.
10. “The world is our village,” that is, the world market is the starting point where companies can (survive) in a competitive way. Do not rely on a protected market or position but look at and consider the most efficient competitor in the world.
11. Every manager is accountable for the efficient execution of his/her core tasks, being both task- and people-oriented, both process-oriented and results-oriented.



Let us illustrate this for one AOPS. Complete the following table.

**Table 3: Step-by-step plan for the application of SEE-tool:**

|   | Step   | Finding |
|---|--|---------|
| 1 | List of core activities.<br>The number of core activities =  |         |
| 2 | There is at least one KPI for each core activity.<br>The number of KPIs =  |         |
| 3 | List of strategic objectives.<br>The number of objectives =  |         |
| 4 | There is at least one KPI for each strategic objective.<br>The number of KPIs =  |         |
| 5 | Calculation.<br>(Number of core activities + number of strategic objectives)/number of members of management team. Is this number greater than 5?                    |         |
| 6 | Calculation.<br>Average number of hours per week that a member of the management team works actively with his KPIs.<br>Number of hours/week/member management team = |         |
| 7 | Apply the SEE-principle to several core activities.<br>How many core activities should you cut?  |         |
| 8 | Apply the SEE-principle to several strategic goals.<br>How many strategic goals should you cut?  |         |

Steps 1–4 involve entering data. Below is some discussion about the completion of Table 3:

Step 5: If the average number of KPIs per member of the management team is much larger than five, ask whether all the tasks are core to the organization.

Step 6: Is the number of hours/week/members of the management team less than 8? If so, is the manager busy with other tasks that are not core or strategic goals?

Steps 7 and 8: Applying the SEE-principle to all core activities and strategic goals. For each KPI (core activity and strategic goal), ask the following three questions:

1. Does this activity increase the self-reliance of the citizens and/or companies?
2. Is this part of the essence (core task) of the organization?
3. Can the activity be carried out better, differently, and more economically?

## Pareto + SEE-principle

The Pareto principle is the 80/20 rule, which surmises that with 20% of your time or 20% of your resources, you can achieve 80% of the planned results. Leaders of an organization know that they must focus on *essential* tasks. They do not need to control everything; they must monitor only 20% of all tasks. Only 20% of the activities are key!

In addition, you can apply the Pareto principle a second time. If a leader of an AOPS applies the SEE-principle on every core activity, he/she will discover that only a small number of core activities are left that he/she must *monitor*. Having done so, the leader becomes very efficient in his/her leadership approach. However, some organizational managers try to control everything, which is impossible.

## Structural Reforms: What to Do?

We live in a time in which much *data and information* are available. This is the case with public sector organizations but:

- Much information is available (internally and via websites), but it is not always accessible.
- Sometimes information is missing or cannot be found (try to find the number of people employed in all organizations of the public sector in your country in one document or one webpage).
- A lot of information is fragmented (it takes a lot of work to find the things you need); the information is spread over many places (government organizations) and sources (databases).
- No relationship is made between core measurements and their impact on society in relation to other functional core measures (e.g., the state of Oregon recently passed a law to legalize small amounts of cocaine for personal use, while the state prohibits use of plastic straws to protect wildlife and reduce litter. Core measures of maintaining a productive society and population are subverted, while focusing on an ecological goal of reducing litter).
- Many statistics are produced but hardly any indicators are used by AOPS.

- The data in the many databases are not always reliable, complete, or precise.
- Many input and process indicators are available but hardly any output and outcome indicators.
- The question then arises: Can the country or region be managed differently and better? If so, how? The answer is yes, if the following criteria are applied:
- Every AOPS proves added value for each activity.
- Each AOPS website clearly shows which savings have been achieved in the past year due to productivity improvements.
- The AOPS demonstrates how it economically manages its budget.
- It demonstrates how it contributes to a positive trade balance and a positive balance of payments for the country.
- It contributes to the realization of long-term objectives (10 years and beyond).
- It contributes to the increase of self-reliance of businesses and citizens.
- It eliminates non-added value activities (e.g., by simplifying the regulations, focusing on less fragmentation, shortening lead times such as permits).
- AOPS investigates how it can improve the response speed toward its customers.
- It supports the general interest.

A “yes” answer is possible only if all managers of the AOPS can demonstrate with which indicators they work and which results they obtain systematically and structurally. In the context of accountability, and transparency of organization management, all managers publish their indicators and results on their organization, department, or service website monthly.

## Advantages

The SAC model allows the following elements to be accomplished:

1. The accountability of all managers of the AOPS

2. The transparency of the use of public money
3. The correct use of resources that leads to desired and planned results
4. The active participation of the citizen in the policy pursued due to constructive feedback
5. The formation of a counterweight to anti-politics and focuses on the needs of society, not just the elite
6. The maintenance of at least as much prosperity and well-being for future generations as we experience today
7. The promotion of a positive environment in which to live, work, and relax in this country or region

It is not often that these elements are all well developed within a country, region, or community. Probably only a minority of readers will agree that all seven criteria are consistently met within their country. But a country can produce sustainable results if the seven elements in the list are fulfilled.

## Conclusion

The SAC model is a first, not the last, step toward a sustainable society. The model is completely new and therefore needs further study. Combined with the exploding power of emerging technologies, the SAC model can achieve revolutionary improvements in the management of a country. The SAC model provides a roadmap for successful management evolution.

The model can be applied in every country or region where governments are founded on serving their citizens, and this article gives only a basic introduction to the model. The elements of the SAC model will be described in more depth in subsequent articles. We are grateful for the constructive feedback received from Christena C. Shepherd and Janice Stout of the ASQ Government Division.