

# Power, Politics, and Budgeting:

Don't Hate the Player, Don't Hate the  
Game, Change the Game

# *Our Problem*

**Power** + Politics + Finance =



# ***Definitions***

**Power**

The ability to achieve goals

**Politics**

Debate or conflict among those  
having or hoping to achieve power

**Power Politics**

Self-interested pursuit at  
the expense of the  
common interest

# *Three Principles*

Don't Hate the Player

Power politics is a natural response to some incentives

Don't Hate the Game

Politics is how debates & conflict resolve in democracy

Change the Game

Channel power and politics in a positive direction

# The Sources of Finance Officer Power

**Persuasion**



**Agenda Setting**



# Finance Officers Exercise Power Through Ideas

“We are governed, our minds molded, our tastes formed, our ideas suggested, largely by people we have never heard of.”



Edward Bernays

Finance officers have ideas. If the idea is convincing and can spread, then it can ***persuade*** others to make a change

**However, ideas must compete with other ideas....**





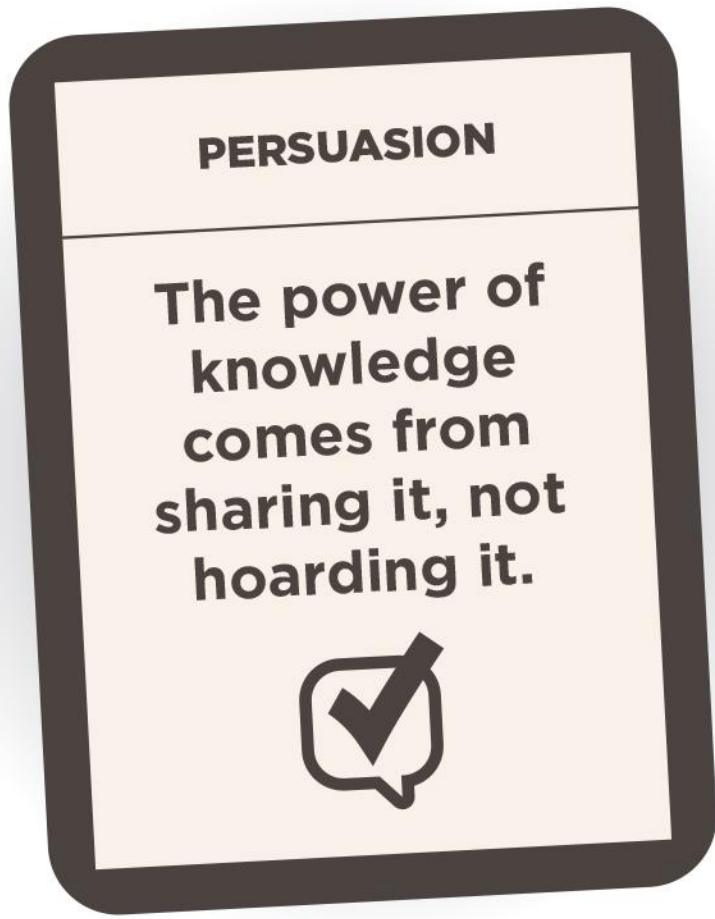
## Persuasion Cards to Play



“The finance officer knows things others don’t”



## Persuasion Cards to Play



If others can better appreciate the finance officer's worldview, they will be more receptive to the finance officer's ideas.



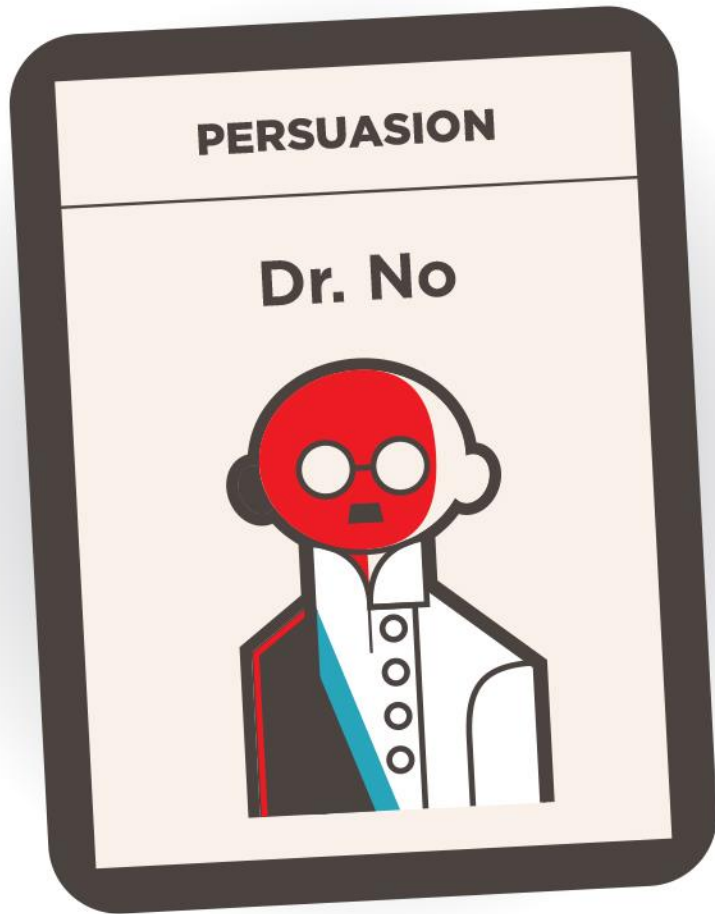
## Persuasion Cards to Play



Trust is a finance officer's most valuable asset. The GFOA ethics program shows how to enhance trust.



## Persuasion Cards to Play



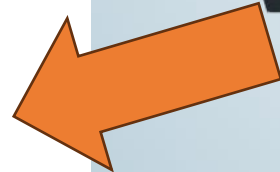
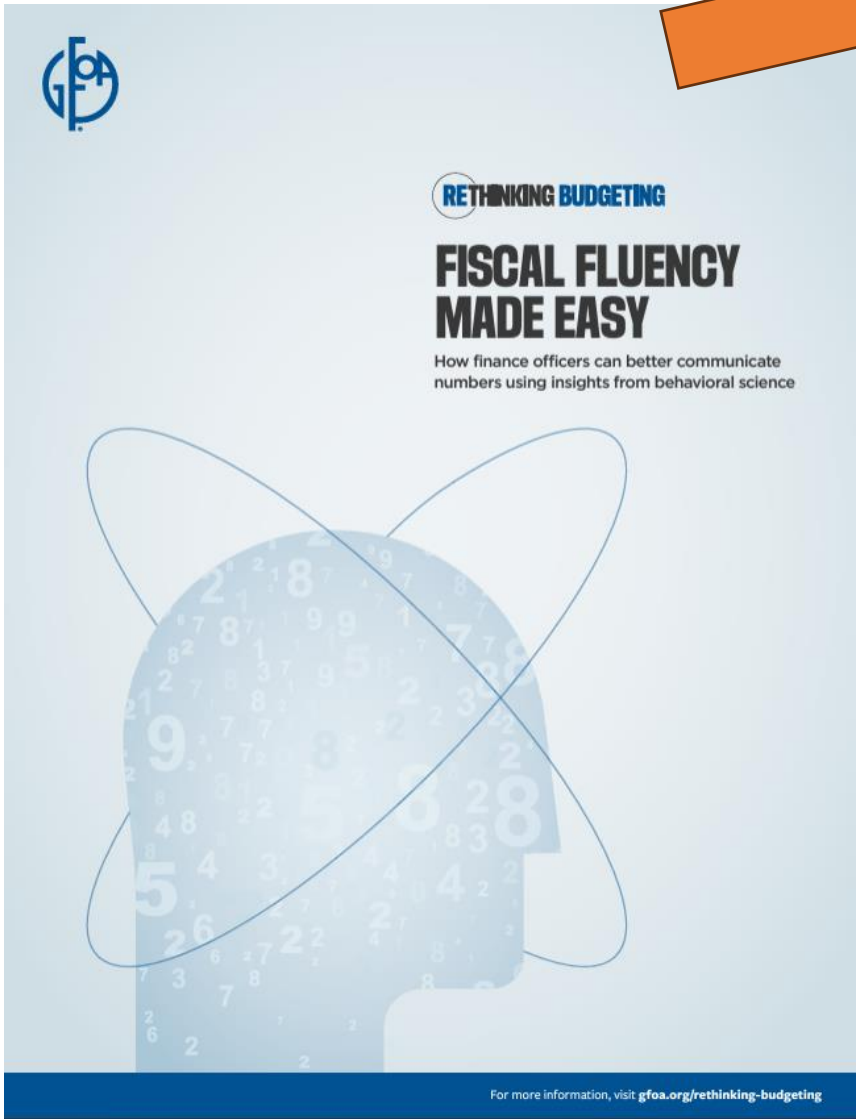
Rather than “No”,  
say “Yes, if ...”



## Persuasion Cards to Play



Keep ideas simple, use metaphors and stories, and tune your language to suit the political environment.





## Persuasion Cards to Play



Cultivate relationships  
inside and outside of  
local government that  
can enhance your  
persuasive ability.



# Agenda Setting Cards to Play

The finance officer often may not be the final decision-maker, but the public finance officer often *designs the decision-making process*.

Design the process to provide a better context for decision-making.

Asking the right questions, establishing clear priorities, and considering wise options is the essence of agenda setting and thereby “changing the game” of power politics.



# Four Key Roles of the Decision Architect

- Widen the option set
- Test assumptions
- Find high-value options
- Foster trust in the process





***Persuasion***  
+  
***Agenda-setting***  
=



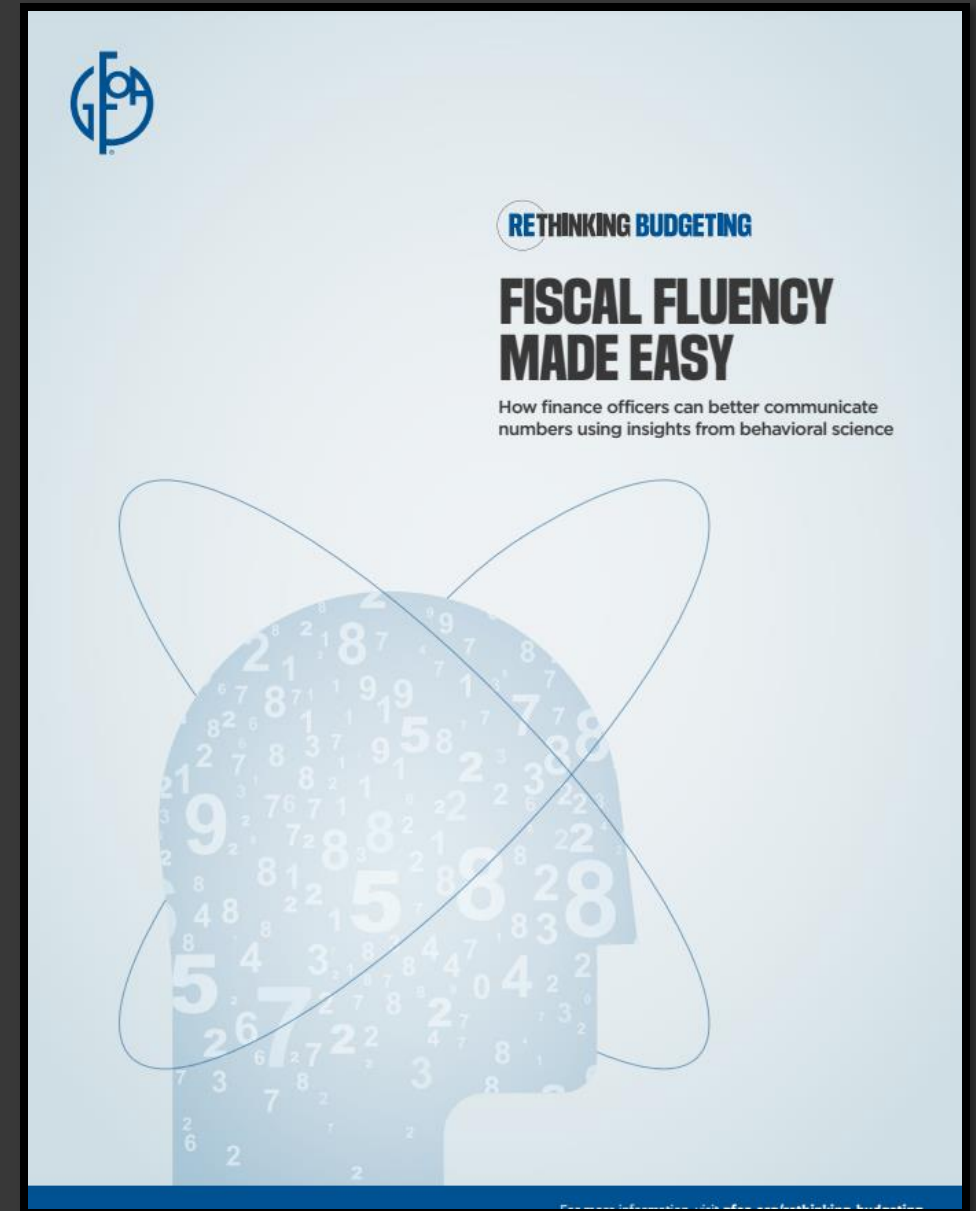
Increased ***chances*** of the finance  
officer's ideas succeeding and  
changing the game of power politics  
in an ethical way



# FISCAL FLUENCY



# Sources



# THE LIMITS OF RATIONALITY

People do not really understand numbers, especially the very large numbers that make up a budget.

**“Our brains were designed to grok 1, 2, 3, 4, and 5. After that, it’s just “lots.”**

Information is lost unless numbers are translated into human experience.



# The Problem: Abstraction

The higher number get, the less sensitive we become to them.

This is known as “psychophysical numbing”

Every number can be translated into something that is easier for people to grasp, like an analogy, a comparison, and more.

# FOUR BUILDING BLOCKS FOR BETTER COMMUNICATION

# TAKE A CUE FROM CHILDHOOD



- Translate numbers into human experience
- We can do better than fingers and toes

## Four Building Blocks

- Translate Numbers to Human Scale
- Help People Grasp Your Numbers
- Catalyzing Action with Emotional Numbers
- Build a Scale Model

# TRANSLATE NUMBERS TO HUMAN SCALE

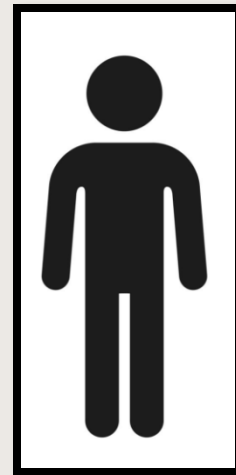


# CONSIDER SPORTS STATISTICS

*Focusing on One at a Time*



*Per Capita Figures*



*Impact on Tax Bill  
of Average Home*

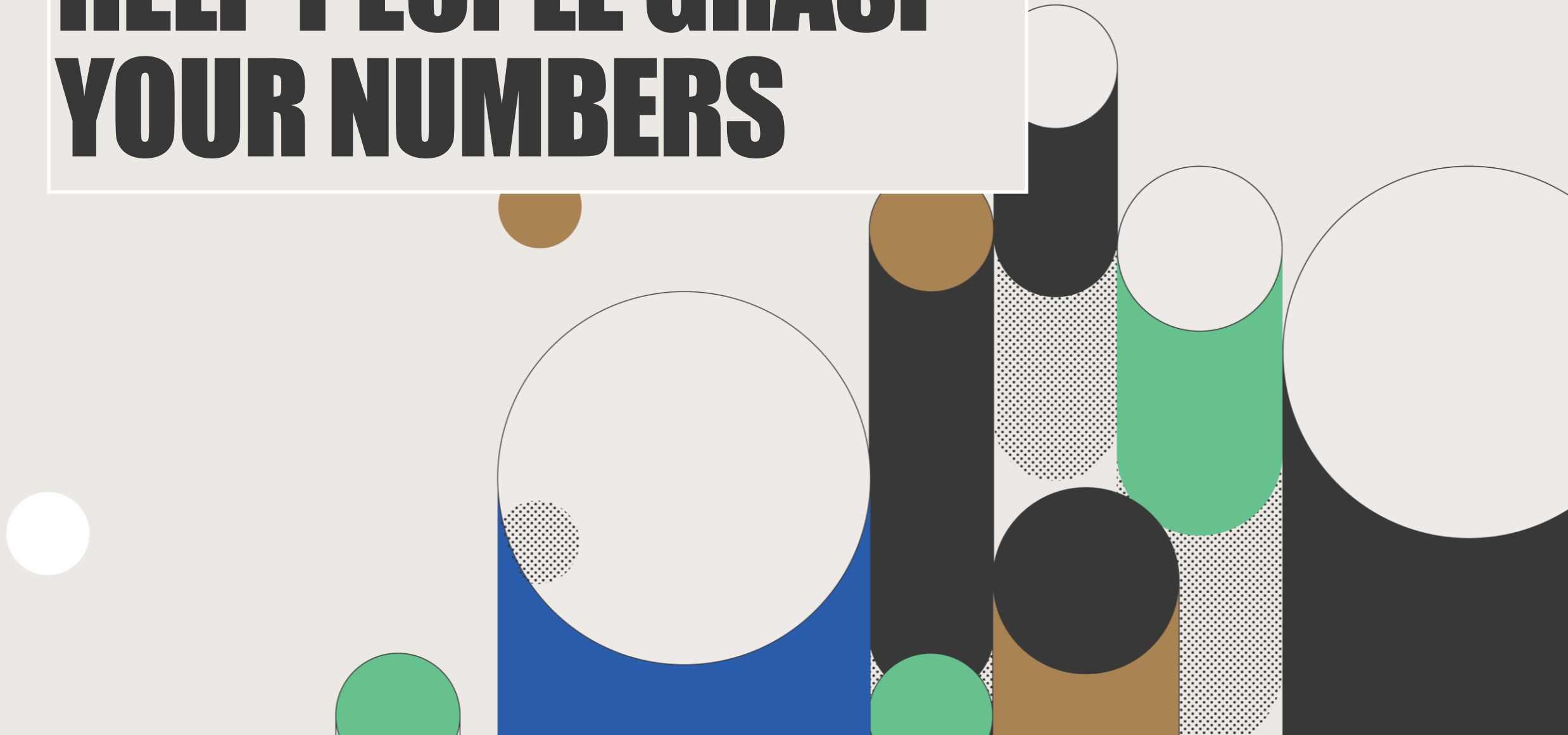


# FAVOR USER-FRIENDLY NUMBERS

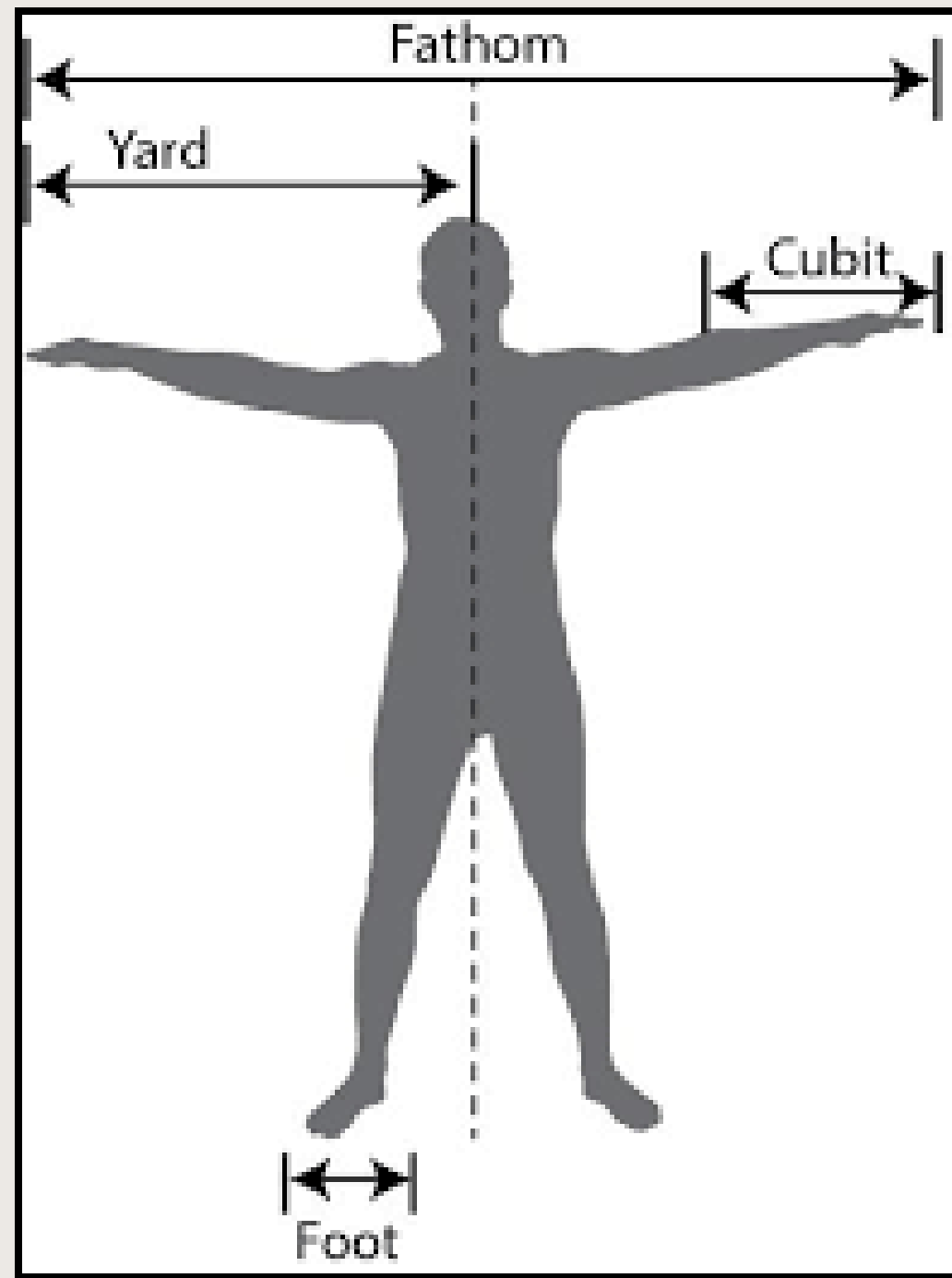
- Round with Enthusiasm (remember telephone numbers!)
  - \$3,405,892 → \$3.4 million
- Concrete is better: Use Whole Numbers to Describe Fractions

| Department   | % of Spending | For every \$10 of spending... | For every \$100 of Spending... |
|--------------|---------------|-------------------------------|--------------------------------|
| Police       | 36%           | \$4                           | \$36                           |
| Fire         | 31%           | \$3                           | \$31                           |
| Public Works | 22%           | \$2                           | \$22                           |
| Admin        | 11%           | \$1                           | \$11                           |

# HELP PEOPLE GRASP YOUR NUMBERS



**IT IS NOT AN  
ACCIDENT THAT  
“GRASP” ALSO  
MEANS TO  
UNDERSTAND**



# HELP PEOPLE GRASP YOUR NUMBERS

*Use Simple Familiar Comparisons*

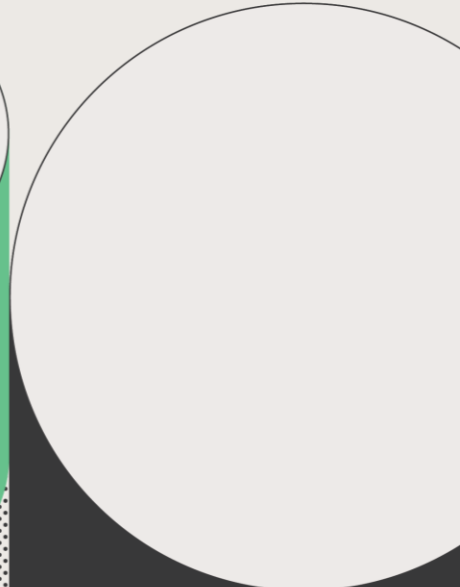
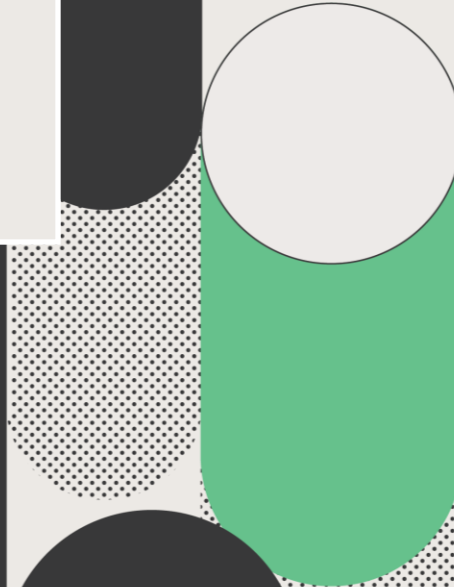
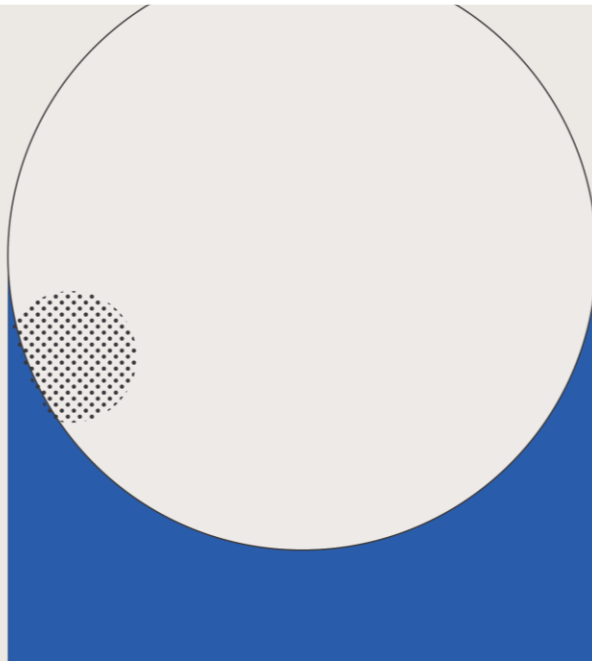
*Cost of Municipal Service  
vs. Consumer Goods*



*Trade Time for Money*



# CATALYZE ACTION WITH EMOTIONAL NUMBERS



**SOMETIMES A  
FINANCE  
OFFICER MAY  
NEED TO INSPIRE  
ACTION...**

- Numbers speak to logic
- Actions often spurred by emotion

**Ethical Warning!**



# CATALYZE ACTION WITH EMOTIONAL NUMBERS

*Use a Vivid Comparison*



*Make the Number Personal*



*Establish a Pattern, then Break it*

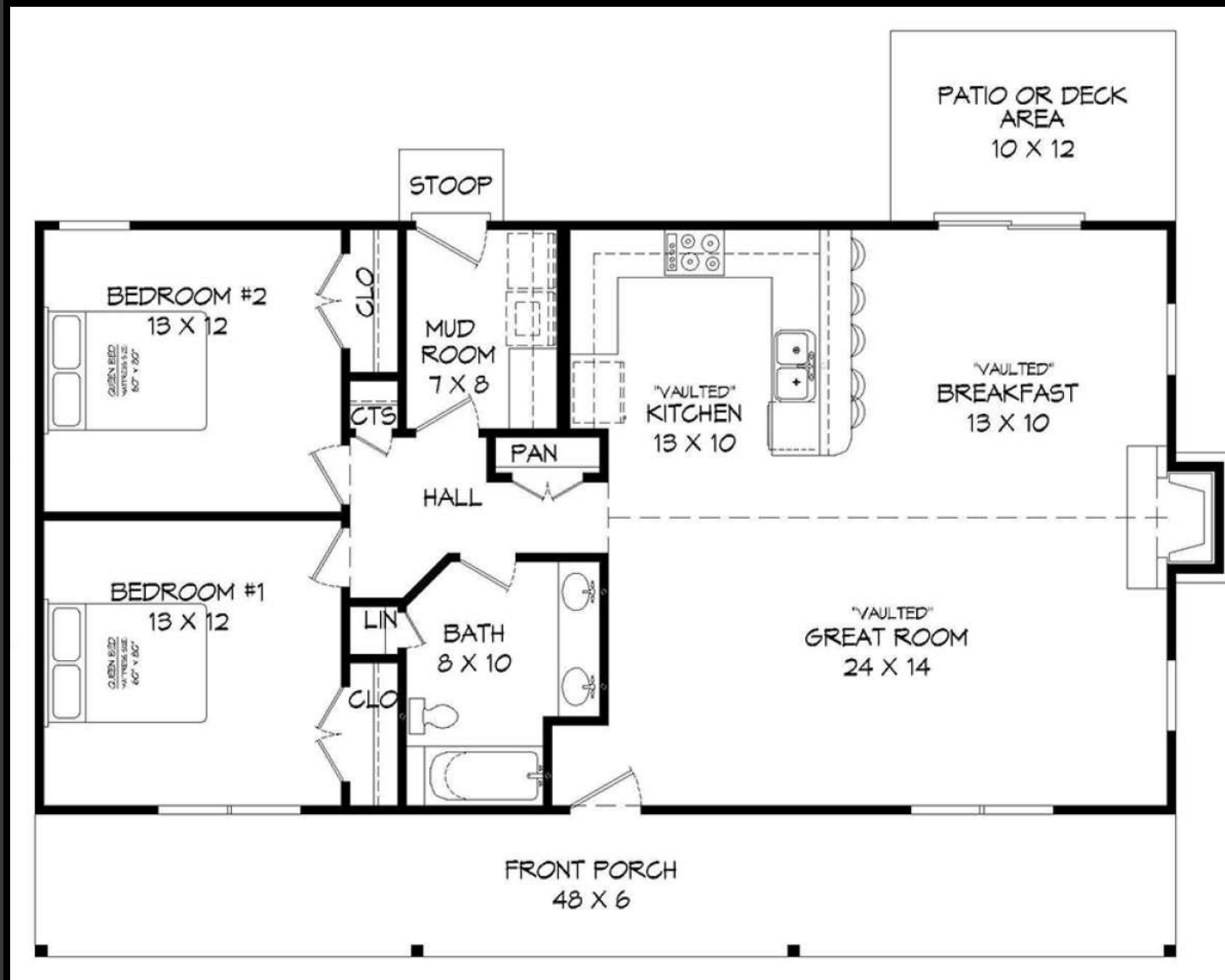


# **BUILD A SCALE MODEL**



*Can you imagine how a large 1,200 square foot house is?*

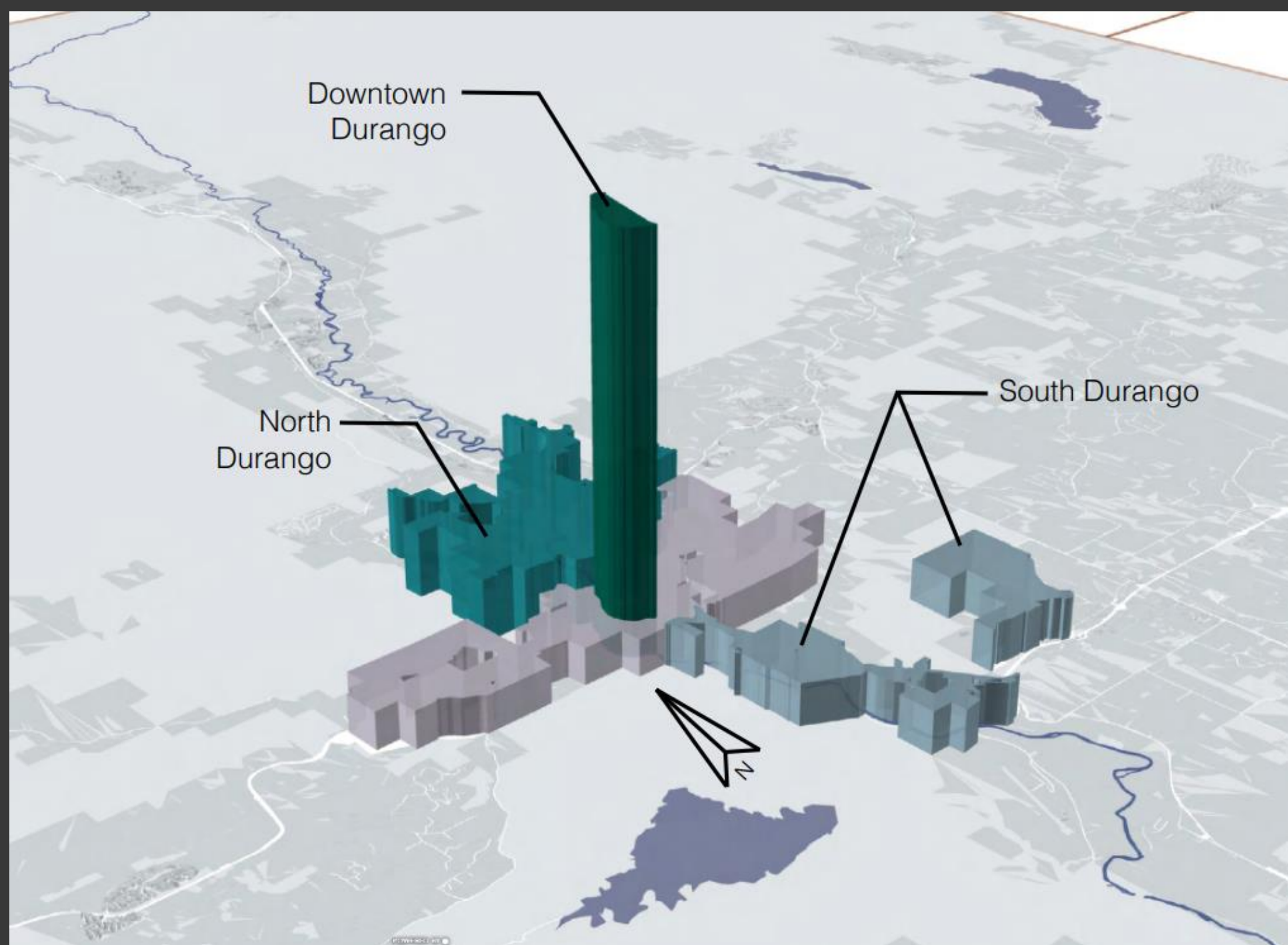
*How about now?...*



**PEOPLE FIND SCALE  
MODELS  
INHERENTLY  
INTERESTING**



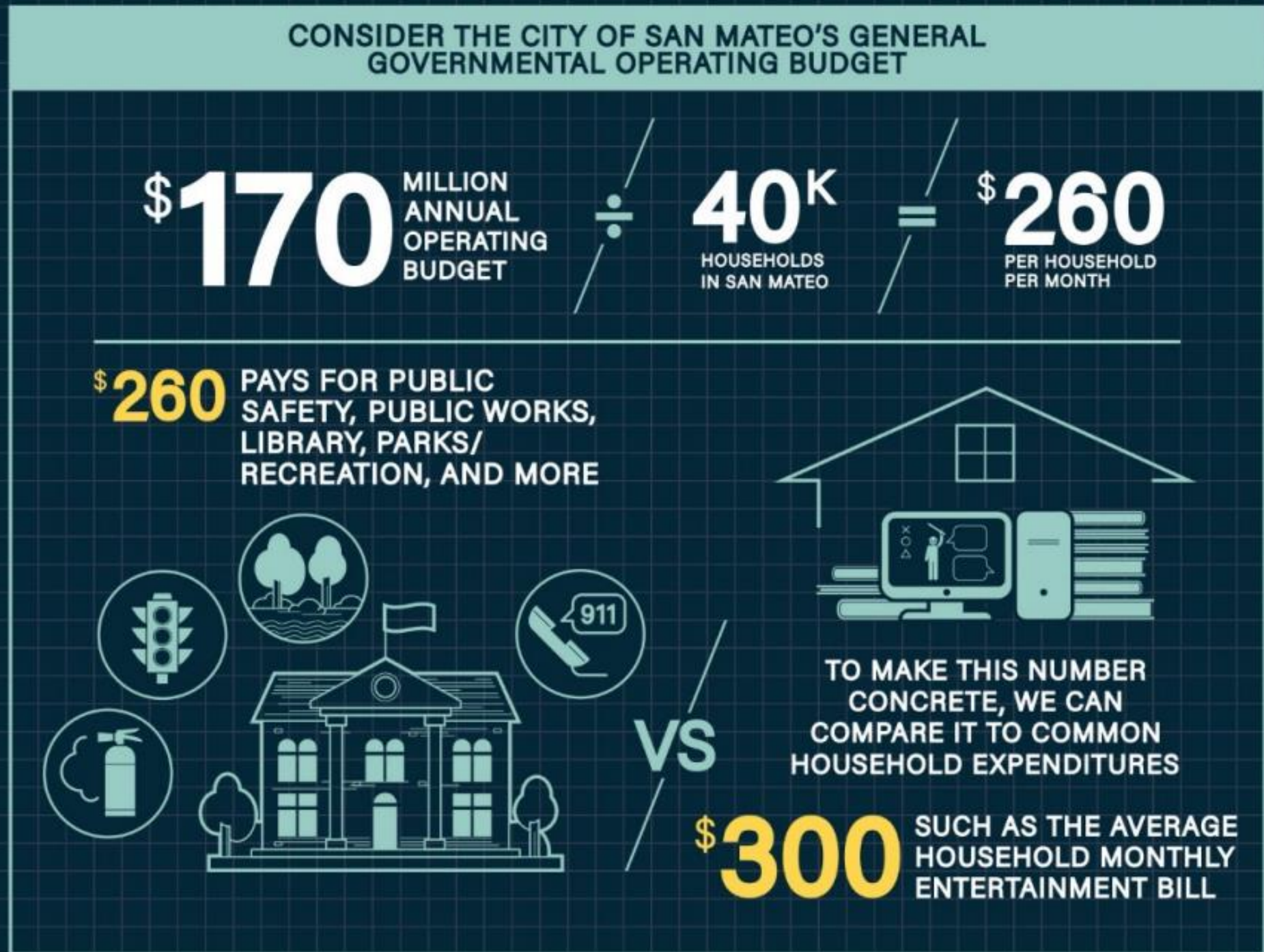
*Combine financial  
information with  
geospatial  
information*



# **MAKING NUMBERS COUNT IN PUBLIC FINANCE**



*Challenge:  
Describing the  
Value of  
Government*



*Challenge:  
Describing the  
Burden of Debt*

CONSIDER THE DEBT SERVICE FOR SCHOOL  
BUILDINGS AT PALM BEACH PUBLIC SCHOOLS



THEN COMPARE THE \$8 TO THE AVERAGE  
ADULT'S MONTHLY COFFEE EXPENDITURE!



# LIGHTENING ROUND!

*Communicate insignificance → Translate Money to Time*

*Encourage efficiency & cost avoidance → Make it Personal*

*Describing the need for spending → Bring it down to human scale*

# THE END

*Questions?*

