

## The Passing Gear

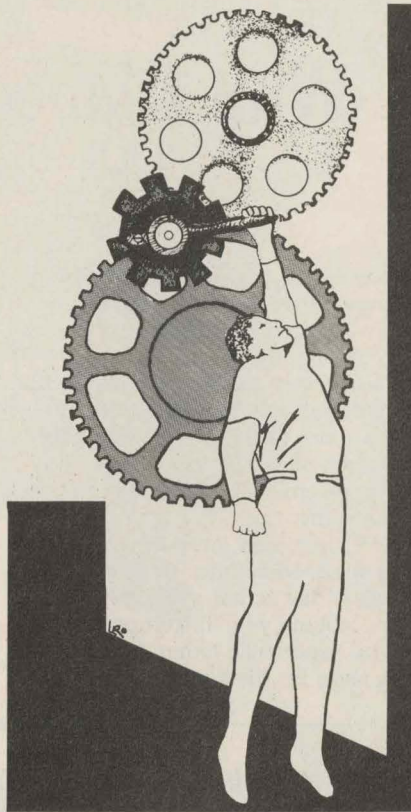
**It's a typical Wednesday.** An hour ago, I was driving south on Interstate 5 from the L.A. area to Solana Beach. It takes about 90 minutes to drive from my job as fire chief to my other job here at Jems. And, it takes me about that long to shift mental gears from local government bureaucrat to entrepreneurial businessman.

Last year I bought a new car, and unfortunately, it came only with an automatic transmission. I like shifting gears — physically, literally and mentally. Switching work situations, moving from one challenging project to another, getting in tune with different groups of people — these are things that can spice up the reality of working for a living.

For instance, last year I was invited to a dinner meeting with two important leaders of the private ambulance industry. It was billed as a peacemaking event. Previously, while wearing my bureaucratic hat, I had directed a successful effort to create a new paramedic ambulance service in a public agency. In the end, a private company was displaced, and some folks in that sector concluded that I had declared war on them and their industry. But at the same time, some of their colleagues in the private sector were recommending me to their attorneys and insurance companies. Taking time off from my job as fire chief, I've been serving as expert witness for some private companies, helping to defend them in lawsuits. It's called *shifting gears*.

This morning, I was busy developing our fire department's budget for the next fiscal year. At some point, my gears slipped half a cog and I started thinking as a businessperson. "This isn't a 'budget' process," I thought. "What we are creating here is a spending plan."

Therein lies one of the biggest differences between the administrative environments of the public and private sectors. In the public sector, we are told how much money we will have to spend. Perhaps in a few places we are given the liberty of generating some



revenue; but then, some auditor will insist that it be merged into the general fund — thus eliminating any sense of economic accomplishment. For the most part, what we call a budget in government agencies actually is a *spending plan*.

This afternoon, during my hundred-mile cavort on the freeway, I was shifting mental gears. I was thinking about the early days of this publishing enterprise — 99 issues ago. What would this magazine look like if there had been somebody in the background telling us how much money we could spend, assuring us that we could not go broke?

We were in head-to-head retail competition with other magazines. Making cold calls to potential advertisers is an experience that cannot be matched in the public sector. The only thing that was more satisfying than selling a full-page, four-color ad in those days was receiving the check for it a few weeks later. And, several years later, the stimulation is still there. If we don't stay ahead of the competition — create and

vigorously sell high-quality products and services — our business enterprise will die. It's that simple.

Frankly, even though I love being a fire chief, I would have a hard time tolerating employment in the public sector if I didn't have the additional excitement and challenge that my own business enterprises deliver. At the same time, I cannot accept the *either-or* philosophies of friends and colleagues on both sides of the public-private fence.

Recently, while preparing for a mock ambulance procurement competition with Jack Stout, I took a hard look at his RFP (request for proposals) document. At the time, I was again wearing my bureaucratic hat, and it occurred to me why he and his concepts are so troubling to some people in both public and private sectors. Jack not only requires that we shift mental gears frequently, but his designs require that we ride two horses at once, so to speak.

While trumpeting the virtues of private enterprise, Stout actually has created a structure to make a private company act much like a government agency. He has created a situation where somebody is telling the private vendor how much money he can spend. That company thus creates a "spending plan" rather than a budget. The *revenue* side of the budget process — the result of retail competition in *real* private enterprises — is virtually eliminated when the private operator is forbidden from setting prices, marketing to the public, or processing the receipts.

This is not to say that his theories are flawed. More than anything, it brings to mind that nothing will ever again be as it once was. The government agency of the future may adopt some of the attributes of private enterprise and private sector organizations may adopt some of the controls or limits that tend to make some people more comfortable with government agencies.

For my own part, I look forward to participating in both the public and private sectors in the future. If I can keep my fellow bureaucrats and my fellow entrepreneurs equally nervous, I will know that I've been successful. Remember: press hard for passing gear. □

*James O. Page is the publisher of JEMS. An attorney, author, and EMS consultant, he has managed EMS programs in four states. Currently, he serves as chief of the Monterey Park (Calif.) Fire Department.*