

Better Public Services: From practice to theory ...and back again

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'Better Public Services'

- Potential to be a breakthrough – world changing significantly but public management in NZ has been stuck in the 1980s and '90s
- Better Public Services is the government's programme to reform the State sector to provide high quality, flexible and cost-effective public services. It is expected to deliver:
 - Government agencies working far more closely together, and in a fundamentally different way
 - More contestability in service provision and use of alternative providers
 - Greater use of technology and a shift to online channels, so New Zealanders can more easily access services
 - Agencies collecting, using and publishing better performance information;
 - Greater responsiveness to the needs and expectations of New Zealanders, and a willingness to do things differently

The people

- The Advisory group was established May 2011 and reported Dec 2011 (report released March 2012). It comprised eight members:
 - Department of Prime Minister and Cabinet Chief Executive, Maarten Wevers (chair)
 - Watercare Services Ltd (Auckland) Chief Executive, Mark Ford
 - Air New Zealand Group General Manager, people and technical operations, Vanessa Stoddart
 - Wise Group Chief Executive, Jacqui Graham
 - State Services Commissioner, Iain Rennie
 - State Services Commission Deputy Commissioner, Sandi Beatie
 - Secretary to the Treasury, Gabriel Makhlouf
 - Victoria University School of Government, Professor Peter Hughes
- Also secretariat, also meetings with key ministers, other CEs

The report

- Chapter 1: New Zealand's current state services
 - "there is much that works well" but that "reasonable foundations and worthwhile results are no longer good enough" (p. 14).
 - "Step change" required (p.p. 8, 22) (see also Gill et al)
- Chapter 2: Current problems and future challenges
 - Weak customer focus
 - Lack of coordination
 - Not capturing economies of scale
 - Slow pace (of change) and little innovation
 - Problems with leadership
- Chapter 3: Better results
 - state services in this country "have struggled to deliver collectively on results. If government priorities are clear, state sector agencies can do a better job on delivering on them"
 - 'sectors' mobilised around specified results
 - new organisational forms (e.g. joint ventures, boards)
 - Changes to the PFA and SSA

The report cont'd

- Chapter 4: Better services and more value-for-money
 - Listening and information exchanges
 - ICTs
 - 'Best-sourcing'
 - Innovation, continuous improvement, reducing duplication, achieving consolidation
- Chapter 5: Stronger leadership, the right culture and capability
 - the most crucial driver of successful change and will be an essential ingredient in creating the 'better public services'
 - (Transformational?) leadership, including tiers 2 and 3
 - SSC'er as 'head of the state services' and to start a 'culture-build process
 - Central agencies to be more collaborative
- Chapter 6: Capturing the gains
 - Savings to be redeployed

Noteworthy points

- The 'results' focus – highest priority; very welcome and important
 - But must also entail planning, budgeting, implementation and evaluation – not specifically mentioned
- Government's 10 result areas – unexpected and also welcome (Di Francesco and Eppel). Examples:

(Part of) Supporting vulnerable children

Result 4: Reduce the number of assaults on children

Lead Ministers: Tony Ryall and Paula Bennett

Lead CE: Ministry of Social Development Chief Executive Brendan Boyle

Why this is important for New Zealand

- Current measures are imperfect, but as just one indicator of the size of the wider issue, the Health Minister identified 209 cases of hospitalisation related to assault for 0-14 year olds in 2010. We suspect this understates the prevalence of the issue.
- The cost of not facing up to this challenge is too high – for the children concerned, their families, and also for taxpayers who are required to fund the health and justice systems.

Cont'd

Boosting skills and employment

Result 5: Increase the proportion of 18-year-olds with NCEA level 2 or equivalent qualification

Lead Minister: Hekia Parata

Lead CEO: Ministry of Education Chief Executive Lesley Longstone

Why this is important for New Zealand

- Success in education is essential to the Government's goal of building a productive and competitive economy. It also helps New Zealanders develop the skills needed to reach their full potential and contribute to the economy and society.
- A level 2 qualification gives people opportunities in terms of further education, employment, health outcomes and better quality of life.

What we want to achieve in five years

- 85 per cent of 18-year-olds will have NCEA level 2 or equivalent through school or a tertiary institution – up from the current figure of around 68 per cent.

- Unexpected but welcome, but are risks – major focus must be 'results-oriented management' on all fronts not just narrow focus on these results (like SOIs after MFO)

Noteworthy points cont'd

- sector groupings (built around results)
 - A solution to fragmentation (not mergers)
 - Appropriate to 21st century, a 'networked' future?
- Leadership, practice and culture
 - At last, a shift away from structure and system as solution to all problems
 - Implicit in BPS is importance of (transformational?) leadership and focus on 'practice' and 'culture'
- Practical theorising as the genesis
 - From learning-by-doing, practical adaptation, thus practical theory...
 - Connects with emerging theories (networked governance, collaboration/horizontal management, participation, co-production etc) – thus validation
 - Task now to figure out the practice...

Implementation (?)

- THE major question...
- Set of realities that have to be constructed through enactment
 - Will have to be across the top, down into each organisation and laterally between each organisation
- Formal responsibilities and entities
- ‘Change management’ (e.g. Kotter 1995)
 - Establishing a sense of urgency
 - Forming a powerful guiding coalition
 - Creating a vision
 - Communicating (and modelling) the vision
 - Empowering others to act on the vision
 - Institutionalising new approaches
 - Planning for and creating short-term wins
 - Consolidating improvements and producing still more change
- But my questions are only surface. Is this ‘complex implementation’? (Eppel, Turner and Wolf)

Prospects?

- Will have to be across the top, down into organisations, laterally between them
- Does the NZPS have the capability to do a long-run, sector-wide change management process?
 - too many cases of command and control cultures, compliance with a deeply embedded production model of organisation, management and performance, and old-fashioned management styles, to say nothing of risk aversion, criticism and blame, fear of experimentation and innovation, isolation and lack of dialogue within and between organisational silos.
 - But are also known instances of management and practice in pockets that are transformational, networked and collaborative, focused on learning-by-doing, risk-managing, enabling and positive - but not yet celebrated or made to adding-up to something that is greater and more powerful than the negative force fields (Lewin).

Prospects cont'd

- BPS provides a window of opportunity for an adaptive agenda, a 'step change' – are current ministers, leaders up to the challenge?
- Some will not wait for the top, for the centre, to tell them what to do next.
 - Public entrepreneurs, fellow-travellers, guardian angels
 - “Validation” - will push ahead
- The prospects of success will be strengthened considerably if our public sector organisations and the managers and staff who populate them do the same thing - if they interpret the Better Public Services materials and government demands as providing permission - indeed, as creating an obligation. If none of those things happen, then Better Public Services will join a long list of failed reform initiatives. If they do, New Zealand will have entered a new phase of public sector reform.