SESSION NOTES

33rd meeting of Senior Officials from Centres of Government
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The ‘Centre of Government’ (CoG) is the body that provides direct support and advice to the Head of Government and the Council of Ministers. The CoG meetings began in the 1980s, and were consolidated into an annual event in the 1990s. CoG constitutes a forum for informal discussion and remain one of the OECD’s highest-level policy networks.

The meetings serve three main purposes:

- To review issues of how to make the centre of national government work more effectively;
- To achieve a more in-depth understanding of decision and policymaking systems in the host country.
- To work on broad governance issues fundamental to achieving economic and social public policy objectives.

The meetings are hosted each year by one of the members of the network.
“The annual meeting of the senior officials from Centres of Government is one of the highlights of the OECD calendar [...] it offers a unique insight into strategic thinking at the top. We look to the Centres of Government to help us find new approaches to the unprecedented economic challenges that we face today.”

Angel Gurría
Secretary-General of the OECD

Vision, leadership and innovation: these are three of the most important keywords to describe the role of any executive body. The success of a government rests on its ability to define and follow a vision for the country that reflects an electoral mandate and that is designed to increase well-being, prosperity and international competitiveness.

In a complex and challenging policy environment, characterised by low levels of trust in government, leadership is an essential attribute of effective government. And innovation is the only way to square the circle of meeting citizens’ expectations, enhancing business, calibrating public expenditure and, ultimately, driving improved public policy performance.

But the Executive, made up of a few dozen individuals, with only some of them responsible for the majority of central decisions, needs a highly effective support structure in order to master the range of issues and complexity of modern government. As such, vision, leadership and innovation, are also leitmotifs for today’s Centres of Government.
Session 1

Vision
Governments are elected on the basis of promises that reflect a strategic vision of where they want to take the country. In practice, once in office, the Head of Government and senior ministers tend to be preoccupied by urgent matters, with little time to devote to this strategic vision. The pressures of managing domestic and international policy crowd out the focus on the challenges of tomorrow. Because this is a perennial concern, it has long been recognised that the Centre of Government must not only try to maintain coherence in the diverse actions of government, but also act as the steward of the government’s longer-term strategy.

The initial vision and direction of government policy is set out typically in an election manifesto, which is adapted to political realities and changing economic and social circumstances once in office. Heads of Government are regularly asked about their vision for the country and need to be able to demonstrate that they can, and do, look beyond a particular crisis, even if this and other short-term events monopolise his or her time in practice. The vision needs to be seen to inform the actions of all line ministries. It also needs to be consistently communicated, especially via the Head of Government, to the public and to business. If the vision seems blurred or inconsistent, the media and opposition leaders will quickly point out the inconsistencies. No Head of Government wants to hear that the country is “a ship without a rudder”.

Policy advisors at the Centre play a decisive role in making sure that all government action includes a recognisable flavour of this overarching vision. The Centre transmits strategic guidelines to departments that identify key elements of the government’s strategic vision, verify that departmental work plans are aligned with government priorities and ensure that these priorities are taken into account in other key policy documents (fiscal plans, growth strategies, etc.).

The OECD survey of Centres of Government confirms that this strategic role is seen as an important task, actually one of the top four tasks of the Centre in around one-third of countries surveyed. A majority of countries, however, prefer strategic documents with a relatively short time horizon, similar to a single electoral term. Only around one-third use documents that clearly span electoral cycles. Thus, the concept of “vision” is generally translated as a political strategy, rather than something that looks more long term. At the same time, even a relatively short-term vision needs to be informed by longer-term evolutions and needs to understand the likely impact of these trends on policy choices.

The global crisis has helped to focus attention on the need for strategic capacity at the Centre; yet, paradoxically, the pressures that economic and social turmoil have brought mean that there is probably even less time available for politicians to focus on longer-term issues.
The focus of foresight and strategic thinking is also changing. From its origins in Cold War-era, RAND-style political scenarios, foresight has evolved to cover a number of quite different areas, such as international economic competition, the rise of the BRICS, climate change, the future of technology and its implications, the sustainability of the welfare state, demography, migration and natural resource depletion.

The way that vision is developed is also changing. In the past, and also today, the different models used by governments – small clusters of blue sky thinkers, formal strategy units, department-level sectoral strategies integrated by the Centre, parliamentary committees – tend to be civil service driven. But with government becoming more citizen focused, strategic planning needs to be more sensitive to the desires and expectations of citizens themselves, i.e., “What future do we want?” rather than “What future are we going to get?”

Questions for discussion:

- How do Centres of Government ensure a political-level focus on strategic issues?
- What factors can ensure that strategic thinking has a positive influence on policy development and resource allocation?
- How can a more citizen-driven approach to strategic thinking be developed?
Session 2

Leadership
The global economic and financial crisis, climate change, an ageing population, health and natural-disaster emergencies or geopolitical pressures are examples of circumstances requiring policy responses that do not fit neatly with the competencies of any single governmental organisation. Citizens and businesses increasingly expect public policies and services to be seamless and responsive, not defined by administrative structures. Good government is now about joint action, where administrations work in a co-ordinated and collaborative manner across boundaries.

Yet, government structures and policy toolkits struggle to keep pace with this rapidly evolving operating environment. Renewal of the strategic capacity, organisational design and management structures of the public sector can certainly be helped by new technologies; but better governance starts from more basic foundations, notably clear direction and effective leadership. Leadership is critical to a country’s ability to adapt to changing circumstances and to find strategic solutions to complex inter-sectoral public policy challenges.

The Centre of Government can play a pre-eminent role within the public service by facilitating this leadership. It does this along several different axes, including driving internal processes of coordination across the government and by promoting innovative ways of delivering joined-up policies and services externally.

In the OECD survey of Centres of Government, a majority of countries confirmed that the number of cross-ministerial policy initiatives has increased over the past few years and almost all reported that leading policy co-ordination has now become one of the priority tasks of the Centre. The Centre can lead by: (i) integrating cross-disciplinary perspectives (including its own perspective – the Centre is not “policy neutral”) into policy advice for the Head of Government and/or Cabinet, (ii) leading policy co-ordination via both traditional committee architectures and more innovative and informal channels, (iii) facilitating resource sharing through a closer partnership with ministries of finance, and (iv) supporting experimentation and testing of new delivery systems, many of which are based on shared service models.
This proactive role in policy co-ordination raises many questions about the capacity of the Centre to set agendas and influence the work of other government institutions. There is no doubt that across large organisations, coordination is always difficult to achieve, for many reasons including inertia and strong silo cultures, game theory-type incentive problems, and inflexible financial resource systems. The OECD survey of Centres of Government indicates that most Centre of Government officials consider that they exert a moderate degree of influence over ministries to promote co-ordination (13 countries responded moderate influence; 9, high influence; 2, low influence). Maintaining this influence depends on avoiding certain risks; in particular interaction between the Centre and departments must be consistent and structured, not an ad hoc approach determined by time and resource availability.

Leading strategic initiatives is delicate, particularly in countries in which authority is highly decentralised among line ministries. It is essential to offer both short- and long-term gains to senior public officials as incentives to co-operate in complex initiatives that involve risk-, resource- and accountability sharing. For example, the long-term gains of achieving a culture change among senior civil servants so that they are used to working with each other should be matched with some shorter-term ‘rewards’ for changing their behaviour and investing time in new practices.

Questions for discussion:

- What are the success factors in leading major initiatives from the Centre?
- What are the limits of co-ordination from the Centre – in terms of number of initiatives; in terms of type of involvement; in terms of coalition-type consultations?
- How are the expectations about the head of the Centre of Government changing? What are the key skills?
Session 3

Innovation
Innovation in the public sector is seen as an essential part of the response to economic pressure, budgetary constraints and evolving societal needs. It is no longer adequate to point to the differences between the public and private sectors and conclude that innovation can only happen in the latter, where competitive markets generate the incentives that motivate innovators. Nor is it acceptable to point to structural weaknesses in public administrations that stifle innovation. Under the right conditions the public sector can be highly innovative: one of those conditions is a clear signal from the Centre of Government that it supports, encourages and facilitates innovation, including the risk of failure.

Public sectors in OECD countries are now actively trying to identify and nurture the talented people who can lead innovation and also provide the incentives to motivate them. This means, inevitably, that governments need to innovate to promote innovation. There are many ways to help create an innovation-friendly climate. For example, having space to experiment is commonly mentioned as an important factor in innovation. The Centre of Government can play a crucial role in several of the enablers of innovation – for example, getting senior government leaders on board, making innovation an accepted “part of the day job”, experimenting and promoting the adoption of new ideas across the whole of government. For some countries, this is very clearly part of the remit of the Centre, either by using its own resources or by working closely with other governmental and non-governmental organisations to develop “prototypes”. At the same time, leading innovation requires a great deal of resources and time, and being identified as the innovation leader could give rise to expectations about the capacity of the Centre from other parts of government that are difficult to meet.
The Centre can also play a role in working with departments individually and collectively to organise the transition from existing systems and infrastructure to new ones. For departments, and for the civil servants working directly with existing systems, it can be difficult to envisage adopting something entirely new. Unlike the private sector, where aggressive start-ups with innovative ideas can provoke rapid and radical change in sectors, the public sector requires a different kind of trigger for change. The Centre can be instrumental in piloting new approaches and helping departments plan the move to new systems in a co-ordinated way.

Global ranking of most followed central government institutions on Twitter, 2014
Number of followers divided by domestic population

The Centre can also help set up “feedback loops” with citizens. These are important for defining real needs and expectations and for identifying what users really want and what they can perhaps do without. Government departments across the OECD are beginning to use social media to “crowd source” information or reactions. The value of crowd sourcing for more horizontal policy development is now being recognised: it can reveal preferences among different options, gauge levels of support for particular actions, and canvass for ideas or suggestions. Iceland’s constitution is probably the most widely cited example of this new concept in policy design (though perhaps its success would be difficult to replicate in a larger, less homogenous population), but there are many others appearing at national and, most strikingly, at regional and local levels. Across OECD, over ten percent of the population has now been involved in a government survey or voting exercise, a level of participation that was unthinkable before the Internet age.
Modernising public administration work/f_lows can yield substantial efficiency gains. Social media can be used to channel public service users away from costly person-to-person transactions towards digital transactions. Across local governments in the United Kingdom, for example, a recent report estimated that phone-based transactions cost ten times more than completing an online transaction and transactions that require a face-to-face exchange with the administration cost 20 times more.

Senior government officials are getting personally active on social media:

Questions for discussion:

- How can the Centre use its awareness of strategic priorities, its overview of the public administration and its convening power to promote innovation?
- How can the Centre contribute to mainstreaming new ideas by helping collective and organised transitions to new systems?
- How can the Centre use the “weight” that derives from acting in the name of the Head of Government to crowd source information from citizens?
- How is the Centre tracking trends in social media, learning about good practices and mainstreaming them across the public service?


Governments struggle to reach young people through social media

85% of young Europeans use social media, but only 18% to discuss political or civic issues.

Senior government officials are getting personally active on social media:

Powerful #elephantintheroom campaign. Have put tax evasion & helping developing countries on agenda at #G7 this weekend.
Notes