

30th Meeting of Senior Officials
from Centres of Government:

***Effective Responses to
Modern Challenges***

30^e Réunion des hauts responsables
de centres de gouvernement :

***Relever efficacement
les défis modernes***

Summary

**18-20 October 2011
Ottawa, Canada**



ORGANISATION FOR ECONOMIC
CO-OPERATION AND DEVELOPMENT

ORGANISATION DE COOPÉRATION ET
DE DÉVELOPPEMENT ÉCONOMIQUES

Canada

Main points and OECD follow-up

The 30th anniversary meeting of Senior Officials from Centres of Government, hosted by the Clerk of the Canadian Privy Council Office, Mr. Wayne Wouters, provided an opportunity for heads of Prime Minister's Offices, Cabinet Secretaries and Secretaries-General of the Government from more than 20 OECD members and non-members to exchange ideas on how the centre of national government can play a more effective role in an increasingly complex and high-pressure policy environment. The meeting was chaired by the Clerk, who, along with Deputy Secretary General Tamaki, gave opening remarks. The following key messages and possible orientations for OECD work emerged from the discussion:

- All countries recognise that the economic crisis has disrupted the way decisions are taken at the centre. But new or accelerated processes need to balance agility with legitimacy.
 - *Starting from the numerous examples presented at the meeting, OECD could review innovative approaches to decision-making at the centre.*
- Most are engaged in wide-ranging public sector reforms, driven by but not limited to the search for savings. Participants agreed that restructuring, a difficult and challenging process, should be rapid, comprehensive and evidence-based rather than piecemeal, and should be followed by investment in the remaining staff and new structures.
 - *GOV will provide regular updates to the CoG on innovative service delivery solutions through the OECD Observatory of Public Sector Innovation. Work on public sector human resources management could also focus on tools to provide incentives and motivation.*
- The watchword for restructuring should be “transparency”. Spending or programme reviews, involving broad consultation processes, have shown their usefulness in providing evidence to support decision-making and offer a means to legitimise the decisions taken. Visible signs of government openness and integrity are important to garner support for other difficult choices.
 - *OECD could look into how whole-of-government reviews have been used to support large-scale reform efforts. Integrity framework principles should be shared with CoG members.*
- The use of social media by government is clearly a priority issue. The role of the centre in channelling key messages and in gauging public reaction means that social media is a hot topic for CoG network members. Diverse experiences were presented at the meeting, but there has as yet been no systematic analysis of good social media practice. Opportunities outweigh pitfalls, but the latter need serious consideration.
 - *OECD was requested to enhance its analytical work on social media for government, including specific attention to the case of civil service use.*
- Countries noted that the centre is now coping with multiple crises that seem to overlap and blur into a permanent rather than temporary condition. Building risk management capacity at the centre of government, previously ad hoc or under-resourced, is now a priority in order to maintain co-ordination across complex, multi-actor systems.

- *The OECD High Level Risk Forum will provide an opportunity to dialogue on governance of risk at the centre. GOV will provide regular updates to the CoG as risk work progresses.*

Roundtable with the Prime Minister of Canada

The Right Honourable Stephen Harper, Prime Minister of Canada, participated in a roundtable session with the network on a variety of issues, ranging from global economic governance to the role of the public service in times of fiscal constraint.

His Excellency the Right Honourable David Johnston, Governor General of Canada, also addressed the network at an official dinner held at his residence, attended by the Clerk and a number of Canadian deputy ministers.

Summary of the discussion

The meeting confirmed that the persistence of the crisis is testing the ability of the Centre of Government as an institution to adapt and respond. The meeting looked at how well-equipped Centres of Government are in dealing with four topical challenges and explored current responses.

1. How can governments motivate the public administration to deliver innovative, high-quality services against a backdrop of budget cuts? The issue had strong resonance for all countries. Efforts to reduce public expenditure can promote innovation, but they also involve difficult choices that may result in job losses and service reduction. Many people in the public service are worried about their jobs, about their workload in the face of reduced replacement rates and restructuring, and about the scope of a career in the public service. Participants agreed that the issue of public sector morale is extremely delicate, but several (including Korea, Portugal, UK) underlined that the key to retaining a motivated and focused public sector is to instigate rapid restructuring, even where major job losses are involved, and then invest in the remaining staff and services. Efforts to avoid difficult decisions or to spread the impact of spending cuts over a longer period tends to lead to lower productivity and lower overall morale while not altering the underlying need to cut staff.

A number of countries (Sweden, Turkey, Canada, Finland, among others) recognised that actions taken in previous periods of restructuring have helped to prepare the public sector for the current wave of reforms. Countries that have used spending or strategic reviews of the public sector – Canada and Finland, for example – noted that these initiatives have been useful in generating reliable evidence on which to base decisions and have also helped strengthen legitimacy. Japan, for example, has conducted a large number of hearings in order to collect information for a government-wide programme review. Innovation in purchasing and operations can generate significant savings – procurement contracts (UK) and standardisation of equipment and processes (Canada) were two examples. Countries also highlighted the need to combine “intelligent” with “visible” measures to achieve real savings while also gaining public support. The downgrading or elimination of car fleets for senior officials was cited (e.g. in Italy) as a popular visible action that helped build support for more wide-ranging reform efforts. The use of prizes and competitions to promote innovative practices was also noted a means to encourage a more open and participative civil service (e.g. Brazil and Hungary). Above all, network members agreed that although the process of public sector restructuring could be difficult and politically sensitive, the *leitmotif* should be transparency.

2. How can governments improve co-ordination both across governments and within national governance systems to ensure that the decision-making process is coherent, inclusive and rapid? Governments

develop and implement policy in an increasingly complex environment, engaging both foreign governments and multiple domestic government stakeholders. As the facilitators of co-ordination mechanisms, CoG officials face major challenges in generating the consensus on which decisive government action depends.

The objective for Centres of Government is to propose to politicians a range of options that are realistic, reliable and well timed. The process should be thorough enough to avoid surprises for political leaders and should not reward those that do not follow the rules. However, the crisis has shortened reaction times, leading to accelerated processes. The task for the Centres of Government is to ensure that the key elements of normal procedure are respected if possible. In Sweden, the Centre of Government managed an accelerated version of normal procedure during the banking crisis. Ireland, on the other hand, established an economic management council (composed of the Prime Minister, the Finance Minister and the Minister of Public Expenditure) for urgent matters. To deal with the dilemma of procedural legitimacy vs. strategic agility, Finland undertakes an annual review of the public policy agenda to identify where adjustments will be required. In France, the role of the Centre was broadened to take account of the new pressures, which included compulsory impact analysis. Finally, there are constraints on the ability of the centre to co-ordinate effectively. One of the main co-ordination challenges is that budget processes tend to be less flexible than strategies that link across departments. Strong political leadership is also a prerequisite for co-ordination – Greece noted that the CoG can fulfil its role only when the prime minister provides personal support.

3. How can governments enlist and manage social media to improve the transparency and inclusiveness of policymaking? So far, the civil service has largely been outside the exchanges that have taken place using these media – a notable absentee in many cases given the familiarity and ubiquity of social media use by politicians. Yet, all governments realise that new technologies offer an unprecedented means by which to reach out to citizens, and particularly to some hard-to-reach groups within society. But the flow is not only one way: social media also opens the prospect of very rapid and possibly uncontrollable feedback from citizens. The issue is not just about pushing out government information, but also about how to deal with what comes back in the opposite direction.

The lively discussion confirmed that the issue of social media is a high priority for governments, and that heads of government have high expectations. While several countries (Mexico and Korea in particular) presented well-developed social media strategies, others are still grappling with how to harness the potential of social media in its different dimensions. With respect to external sourcing of opinion and feedback, the potential is limitless. The main concern, particularly for the centre, is to understand who is on the other side of the dialogue – the question of how to ensure the reliability, quality and representativeness of information was a recurring theme. Managing government messages through social media is also a co-ordination challenge, with all government departments able to manage their own social media-based communications strategies. Within the public administration, social media can be a helpful tool for staff motivation, helping build communities and reducing isolation. The personal use of social media by staff outside work can pose management challenges that involve finding the right balance between the individual's freedom of expression and right to privacy on the one hand, and the civil service's need for discretion, loyalty and political neutrality on the other. Guidelines are needed, as well as tolerance in this period of transition to using the new tools. Finally, how to manage the risks of using social media to provide and receive information, such as fraud, low-quality information, information overload, capture by unrepresentative pressure groups, etc.?

4. How can governments manage and prepare for multiple crises over the medium and long term?

Participants noted that the different types of crisis, from regulatory failures to social pressure to disaster events, seem to be occurring more frequently. Across the OECD, systems for addressing risks are being strengthened and centralised. Participants noted that risk management should be a system involving the centre of government, multiple departments, regional and local governments and non-government actors, rather than a single agency. At present, the capability to act rests more or less exclusively with the military and civil defence sectors, but participants called for more investment in civilian capacity (preparation and response co-ordination), including stronger capacity at the centre. In the past, crisis responses tended to start from scratch with the onset of each event; several countries (e.g. Canada, Brazil) underlined the need to learn lessons from each crisis, but this needs an investment in permanent structures (e.g. Brazil is enhancing the role of the centre in risk assessment and multi-level co-ordination). Finally, strategic risk management at the centre should integrate the fact that ultimately crisis response often depends on local actors, including individual volunteers. Moreover, risk assessment should accept discordant views – warnings of impending disasters have sometimes been identified but not acted upon because the source was not part of the risk assessment mainstream.