



# WHOLE-OF-GOVERNMENT STRATEGY STEERING: TOWARDS A BLUEPRINT FOR REFORM

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24 February 2015, Helsinki, Finland



# MANY CHALLENGES

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- Not enough « vision » in the Vision
- Lack of systemic joined-up solutions for complex issues
- Policy siloes and fragmented institutions
- From “information” to “actionable evidence”
- Co-ordinating evidence to inform strategy-setting
- Integrating government and non-government sources
- Limited cross-government flexibility in allocating resources
- Gaps remain in collegial approach and tools for managing the senior civil service



# Whole-of-government strategy- setting and steering

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- Difficult consensus: too many priorities; not strategic enough
- Medium-term strategic objectives not sufficiently integrated and informed by strategic foresight
- Co-ordination challenges
  - Stove-pipes embedded in the structure of government and in Constitution)
  - How to create greater cabinet collegiality without necessarily resulting in greater centralisation?



# Evidence-based Decision-making

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- Challenges in operationalising evidence in decision-making
- Using regulatory impact and value-for-money analysis systematically
- Co-ordinating various sources of foresight evidence to inform long-term planning more effectively



# Towards a blueprint for reform

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1. One government – One strategy
2. Bust silos to increase capacity for policy integration
3. Set a clear path to move forward on reform
4. Just Do It (“From Recommendations to changes”)
5. Build a strong knowledge infrastructure based on shared values



# MORE VISION !

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- ✓ Improve degree of visioning in Government' strategic documents
- ✓ Cluster priorities around high-level, multi-year, integrated objectives
  - ✓ e.g. three to five whole-of-government objectives
- ✓ Align ministry objectives with government's strategic objectives
- ✓ Frame medium-term objectives within long-term planning horizon
- ✓ Mobilise strategic foresight to build a forward looking vision
- ✓ Independent vetting for policy and fiscal feasibility
  - ✓ (e.g. NL's Central Plan Bureau )



# One Government – One Strategy

Enhance capacity to work as single government

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- ✓ **Formal approach to translate Coalition Agreements into Government Strategy**
  - ✓ Mandatory co-ordinated approach to translating coalition agreements into government strategy
  - ✓ Improve political administrative interface during all steps in process prior to Cabinet approving Strategy
  - ✓ Ensure translation process leads to Strategy consistent with fiscal framework
- ✓ **Institutionalise government-wide co-ordination**
  - ✓ Mandate existing Cabinet committees to oversee strategy-setting and implementation
  - ✓ Provide funding for horizontal priorities (Policy Reserves; Contingency Funding)
  - ✓ Create mirror committees of civil servants to provide support
  - ✓ Use home-grown good practice, EU Affairs co-ordination



# Incentives to enhance co-ordination: New Zealand (2013)

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- Multi-category funding appropriations
- Financial incentives remove barriers to co-ordination:
  - provision for multi-category funding appropriations that enable a lead ministry with a multi-sector task to encourage other ministries to deliver on their part of that task
  - “seed funding” drives innovative practice by ministries; a key purpose being to buy down transaction costs and reduce administrative burden in inter-institutional collaboration





# Link Budgeting and Strategy-setting

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- ✓ **Mobilise budgeting to support co-ordinated strategy-setting and implementation**
  - ✓ Link budgeting and strategy to ensure that results can be achieved
  - ✓ Improve fiscal/spending performance information to inform strategy setting
  - ✓ Enhance MoF/line-ministry co-ordination
  - ✓ Use spending reviews/strategic reviews to identify savings for high-priority spending



## Harness senior civil-service leadership to strengthen capacity to implement strategic objectives

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- Continue building collegial management of the community of senior civil servants  
common values and ethics; serving one government
- Introducing greater leverage on the senior civil service at center of government  
selection processes
- Consider assessing annual performance of senior civil servants against the achievement of ministry and government objectives, in addition to assessment against job competencies (e.g.: Canada's MAF)



# Strengthen oversight capacity for Regulatory Impact Assessment

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- Strengthen oversight of RIAs either through MoJ unit or external advisory body
- Make public RIA findings as part of Cabinet decision-making
- Build RIA oversight capacity government-wide (in line-ministries; in CoG/MoJ)
- Create traffic-light system to ensure that Cabinet submissions include robust RIA information
- Ensure RIAs cover impact on SMEs (e.g. SWE; CH)



# Optimise Impact of Foresight

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- Link major internal foresight activity more effectively, and integrate results into Ministry Futures Reviews
- Leverage Futures Reviews to generate integrated whole-of-government assessment to inform strategy-setting
- Harness outside stakeholder input into Future Reviews
- Align foresight timelines with government work-streams



## Invest in knowledge-transformation capacity

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- Strong tradition in partnering with networks of think-tanks, research institutes to inform policy development
- How to ensure greater synergies in the the way information is produced, shared and used across government?
- Pursue reform of State research institutes to shift research capacity closer to decisions-making.
- The goal should be improve the use of the knowledge generated to inform policy-development more effectively



# Structural and Resource Flexibility

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- Siloed institutional arrangements are hindering integrated policy coherence
- Government-wide budget and human-resource flexibility remains limited
- Gaps remain in pursuing collegial approach to managing the senior civil service



# Create contingency funds and policy reserves

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- For multi-sector strategies and programmes:
  - allocate dedicated contingency funding (e.g. Finland's Youth Unemployment strategy; Estonia's premature death strategy)
- For unforeseen/unanticipated needs:
- Access to these funds to be debated/approved by Cabinet



## Create Fiscal Space:

### Use Spending /Strategic Reviews

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- Launch pilot projects for **strategic spending reviews**, in both entitlement-programming and discretionary-programmes
- **Use spending-performance information** from national and local governments
- Mandate existing Cabinet committee overseeing major spending to monitor spending reviews and identify potential savings to support emerging priorities





# Mid-year Budget Updates

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- Adopt mid-year spending/budget reviews to:
  - Update parliament and citizens on state of National Economy and the State Budget
  - Identify potential areas where spending is not achieving programming targets
  - Identify financial resources for potential re-allocation
- Ensure that this exercise is overseen by Cabinet, under clear leadership/co-ordination



# Break down barriers to institutional flexibility

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- Set strategy to ensure that the Government is not prevented from changing/redefining its own configuration
- Compile a list of key institutional, regulatory, legal and/or constitutional impediments to greater inter-institutional flexibility
  - In Finland: good starting point is KEHU parliamentary committee report
- Over medium term, consult widely on strategy and implement change, one step at a time



# Implement Whole-of-government HRM standards

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- Broaden and deepen existing initiatives to apply common HRM standards for hiring, remuneration, performance-evaluation, promotion, training, rewards and recognition, firing, etc.
- Manage career progression from a whole-of-government perspective
  - Encourage inter-ministry mobility
  - Manage workforce as if a common market



# RESTORE THE CAPACITY TO GOVERN: ONE GOVERNMENT, ONE STRATEGY

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- Enhancing inter-institutional co-ordination,
- Promoting Collective Commitment
- Improving Resource-allocation flexibility

can lead to:

- An integrated whole-of-government approach to address today's complex, cross-cutting challenges
- Enhanced capacity to pursue strategic outcomes;
- A more focussed government-wide mission based on a shared understanding of the strategic challenges



**TOWARDS A BETTER GOVERNMENT!**

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**THE FIN-EST APPROACH TO GOVERNMENT**

**THANK YOU!**