

The Future of the Policy Profession

Speech to the Policy Managers Forum

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Kei aku hoa mahi kia nga pononga o te kawanatanga, nau mai haere mai

Kei te mihi ki te whenua nei, ko Te Upoko o te ika a Maui

Kei te mihi ki te tangata whenua – Ko Te Ati Awa, tēnā koutou

Kia kaha, kia manawanui, tatou katoa

Tēnā koutou katoa

Introduction

This year and my terms as Chief Executive of DPMC and New Zealand's first Head of the Policy Profession are rapidly drawing to a close. Brook Barrington will take up both roles on 1 February 2019. This Policy Managers Forum end of year function provides a timely opportunity for me to reflect – on both the past and the future of the policy profession in New Zealand.

Today I want to celebrate the progress made towards more professional policy practice since the establishment of the Policy Project in 2014. I think we have come a long way.

I acknowledge the significant contributions made by the two Directors of the Policy Project – Sally Washington (from 2014 – 2017) and Diane Owenga (from 2017 to the present.) Sally and Diane have been supported by a group of dedicated and talented policy practitioners.

Today I want to outline the progress we have made, with their support. [Slide] Then I want to focus on the future of the policy profession: identifying the main challenges we face, and suggesting how we can evolve to be better able to tackle them.

The diagnosis of our 'policy problem'

In 2014, we collectively agreed to set out on our Policy Project journey – because leaders across the public service recognised that policy performance was not as good as it could be.

The Policy Project's diagnosis of the 'policy problem' was as follows: [Slide]

- Policy advice of variable quality (and short on evidence, user needs and evaluation of 'what works')
- Shortage of skilled senior policy advisors – who agencies compete for

- Focus on immediate demands of Ministers/not investing enough in policy capability for the future (stewardship)
- Weak cross-government systems for collaboration, alignment and prioritisation.

We acknowledged that these were not new problems – they existed despite over two decades of inquiries and central agency programmes to improve the overall quality of our policy advice. [Slide] Those earlier initiatives included:

- SSC's 'policy advice initiative' (1991–95)
- SSC's 'Improving the quality of policy advice programme' (1997–99)
- The Policy Managers Network (2000–09)
- The Scott Review (2010) on 'Improving the Quality and Value of Policy Advice'

The challenge for us was how to be more effective than those earlier initiatives had been.

Formal authorisation of the 'Policy Project'

Formal authorisation of the Policy Project and my role came about in July 2014 – in response to a Direction of Travel report presented to the then State Sector Results Leadership Team (SSRLT).

SSRLT acknowledged the existence of the persistent 'policy problem' that I outlined earlier, and agreed there was a need to lift the policy game. They appointed me as the inaugural Head of the Policy Profession and tasked me with improving the overall quality of policy advice to Ministers and the policy capability that sits behind that.

The original vision for the future – and what success looks like [Slide]

The Policy Project's vision for the future was of a policy system that supports good government decision making now and in the future, to improve the lives of New Zealanders. The intervention logic underpinning this vision was as follows: achieving good government decisions that improve the lives of New Zealanders requires:

- having great policy capability (that is high performing policy practitioners, employed in high performing policy agencies)
- being able to consistently provide quality policy advice.

The Policy Project's 'starter for ten' for a future state of policy excellence included having a high performing policy 'profession' that: [Slide]

- provides a core function of government
- attracts top talent
- provides foundation training and professional development
- identifies gaps and grows policy leaders, and
- can deploy capability where it is most needed.

What we have achieved – the policy improvement frameworks

An important characteristic of a profession is that it has common standards of excellence – regarding what the profession delivers, and what its members are capable of. In 2015 the New Zealand policy

community told us that developing those common standards of excellence should be the Policy Project's top priority. We accepted that advice and adopted co-design processes over the 2015–2016 period with people from across the policy community at all levels – to produce practical policy improvement frameworks and tools.

In August 2016 I was very proud to join Prime Minister Key in launching three foundation frameworks (and supporting tools) to improve the quality of policy advice. [Slide] Each focuses on a different and important facet of the policy system, and they are mutually reinforcing.

The first is *the Policy Quality Framework*, which focuses on what we deliver. [Slide] It answers the questions: what does great policy advice look like?; and what enables it? This framework can be applied prior to, or after, delivering our policy advice papers – to evaluate and improve the quality of policy advice they provide. And those of you who use it know it is accompanied by more detailed checklist for peer reviewers, and guidance for panels formally assessing the quality of policy papers.

The second policy improvement framework we developed is the *Policy Skills Framework* [Slide] – which focuses on excellence at the individual policy practitioner level. This answers the question: what knowledge, skills and behaviours does a policy practitioner need to have to be able to provide quality policy advice? Two more detailed tools underpin the high level framework – one for policy managers, another for policy staff. They identify, for each element of great policy practitioner performance, what they are capable of – at the 'developing', 'practising' and 'leading or expert' levels. You can apply these tools in recruitment, performance development and promotion processes and workforce planning.

The third policy improvement framework developed by the Policy Project is the *Policy Capability Framework* [Slide] – which provides guidance on excellence at the policy shop level. This framework answers the question: what does a policy organisation need to focus on to be capable of consistently delivering quality policy advice? This is a diagnostic tool that identifies four key areas that policy organisations need to excel in – and focuses you on asking key questions about them, as follows:

- *People capability* – how well do we ensure we have the right skills in the right place, at the right time?
- *Policy quality systems* – how well do we enable and support the delivery of quality policy advice?
- *Engagement/being customer-centric* – how well do we meet the expectations of Ministers, customers or citizens, and other stakeholders?
- *Stewardship* – how well do we focus on outcomes and build capability for the future?

Those are important questions for policy organisations to ask. And the answers will help you to identify what actions to take to better achieve, or sustain, organisational policy capability.

The deep-dive tools for the Policy Capability Framework support policy organisations to undertake in-depth assessment of their policy capability by identifying key elements of each of these four areas of organisational performance, and then for each key element providing lines of enquiry and indicators to pursue and a maturity ranking scale for assessing current and desired future performance. Feedback from those who have used the Policy Capability Framework is that it helps pinpoint where they most need to focus to lift organisational policy performance.

All three policy improvement frameworks form what I think of as essential infrastructure for enabling us, as a policy profession, to improve policy performance. [Slide] They give us something important that

every profession has: a common language, and a common set of standards for excellent performance. They help us focus on achieving excellence in the policy advice we deliver, the skills we practitioners need to deliver it, and the policy organisations we work in.

International feedback received since launching the frameworks is that these are world-leading tools for doing a better job of delivering policy advice – an assessment well worth celebrating.

We were heartened by recent feedback from an international expert in performance measurement and improvement. Professor Paul Moynihan – of Oxford and Georgetown Universities – who was visiting NZ as an ANZSOG fellow. He said investing in developing these frameworks, then supporting the policy community to apply them, was exactly the approach he would have recommended. He also said that significant system-wide change takes time and consistent commitment to achieving better outcomes – a salutary reminder that ‘Rome wasn’t built in a day’.

So what have we achieved so far? We have made more progress than previous New Zealand quality of advice improvement initiatives – by providing world class and practical performance-focused tools. But there is a conundrum: the Frameworks are top quality, but so far there is a relatively slow uptake of them.

One reason for this is status quo bias. In the case of the Policy Quality Framework, many agencies contract out assessment of the quality of advice to NZIER, who prefer to use their own framework. On the other hand I know that developing the Frameworks in a very co-design way, has promoted many conversations across the policy sector about how to perform better, that wouldn’t have happened otherwise.

I’ve recently been giving some thought to the operating model the Policy Project adopted at the outset: [Slide] This was based on the Stanford University operating model for achieving social change. Its key features are captured in this diagram. Notice the emphasis on collaborative leadership, & ‘doing with and not to’.

Consistent with that operating model – and our highly devolved public management system – in August 2016 when the Prime Minister and I launched the three policy improvement frameworks we strongly encouraged policy agencies to use these policy improvement frameworks to help them do their jobs better. We said we expected senior leaders to promote the frameworks in their own agencies and champion them outside – even beyond the public service – but we did not formally require their use.

The feedback from agencies who have chosen to use our policy improvement frameworks is very positive – which is pleasing. However I am conscious that much remains to be done to move from our current position of some policy shops using them – in part or organisation-wide – to their use being the norm. More on this later.

What else we have achieved?

There are a number of other Policy Project achievements we can also celebrate – that will help contribute to our ability to perform effectively as a policy profession.

In August 2017 an online Policy Methods Toolbox was launched on the Policy Project part of the DPMC website – meeting one of the Government’s Open Government Partnership commitments. [Slide] The

Policy Methods Toolbox is a repository of policy development methods that helps policy practitioners identify and select the right approach for their policy initiative:

The first release of the Toolbox was focused on newer methods: design thinking; behavioural insights; public participation (engagement) and Start Right (a light-touch policy project management tool). This is an easy-reference source for new policy methods that it's well worth you browsing, and your staff using.

Over time, we will expand the Toolbox to include a range of new and traditional policy development techniques – with futures thinking tools to be the next off the block. Website usage data reveals that policy practitioners are finding the online tools useful – hits on Policy Methods Toolbox website pages totalled over 7700 since it went online in August 2017.

Free and Frank Advice and Policy Stewardship [Slide]

Other areas we've made some useful progress in, over the last few years, are free and frank advice, and to a lesser extent policy stewardship. Bolstering our ability, as policy professionals, to provide free and frank advice is something I am very strongly committed to – and over the years you may have heard me speak about this before. I don't intend to repeat myself here about what it is and why it matters – you know that it is at the heart of the value set that underpins our spirit of service.

Reflecting on what has changed to enable more free and frank advice in the last couple of years, there are three things that I am proud of achieving, with the support of the Policy Project.

The first achievement was strengthening Ministers understanding of their obligation to receive free and frank advice (the demand side of the equation). This was achieved via the revised Cabinet Manual in 2017, which for the first time makes reference to the duty that ministers have to “give fair consideration and due weight to free and frank advice provided by the public service” (section 3.8).

The second achievement was producing guidance designed to strengthen public service and ministerial expectations about the supply of free and frank advice and policy stewardship. A new expectations document was formally issued by the State Services Commissioner in December 2017 – along with a Frequently Asked Questions document. Together they make it clear what good practice is, regarding free and frank advice and policy stewardship.

I've been pleased that this guidance – which agencies were asked to circulate to all policy staff – has helped to prompt important conversations – about what our free and frank advice should be on the issues in front of us today, and about how we ensure we have enough and the right kind of capability to provide such advice in the future – to successive governments. If you haven't already read the guidance and FAQ documents, I encourage you to download them soon – from either the SSC website or the Policy Project part of the DPMC website.

In the free and frank advice space, there is a third achievement worth celebrating. This arose out of a series of interactions I had with the Chief Ombudsman, Peter Boshier over the 2017 – 2018 period. My conversations with him focused on the chilling effect on delivering free and frank advice arising from lack of certainty about what could be withheld under the “good government” provisions of the Official Information Act. The progress we have made on this front is worthwhile. The Ombudsman clearly agreed with the case I made, for in his formal written response to me on 17 December 2017 Judge Boshier said:

“I agree that my Office should endeavour to inject more clarity as to its position on the OIA’s application to requests for such information, so that good government and sound decisions can occur in a greater climate of certainty.”

Earlier this year the Chief Ombudsman has issued new guidance on how to interpret the ‘good government’ withholding provisions of the OIA. This makes the potential for Departments to withhold ‘blue skies thinking’ early in the policy process much clearer. To quote the gist of this approach, from the Ombudsman’s letter to me:

“...as a default position, I believe that on balance it will be rare for the public interest in favour of release to outweigh the interest in protecting the ability of officials, and in particular chief executives, to generate and express free and frank opinions during the early formulation of:

- exploratory advice;
- “blue skies” thinking; and
- advice that is intended to be provocative in order to test a Minister’s current view on issues and policy ideas.”

The Ombudsman has also made it possible for officials to get advice from staff in his office about how to interpret the good government withholding grounds in a specific context. This is a service worth availing yourself of – it will be much like getting a declaratory judgement.

Development Pathways tool [Slide]

The Policy Project’s most recent contribution to helping professionalise policy practice that I want to draw to your attention is the Development Pathways tool. This online performance development tool is designed to be used by both policy managers and the policy practitioners in their teams. It helps you identify how policy practitioners can gain the knowledge, skills and behaviours identified in the Policy Skills Framework – in one of three ways: through either on the job experience, or learning from others in your workplace or formal training.

I encourage you all to have a look at the Development Pathways tool on the Policy Project part of the DPMC website – where it went live yesterday. I wish it had been available to me, when I was a policy manager – it would have made it much easier for me to support development of the policy practitioners in my teams.

Policy Career Board [Slide]

The final development that has occupied some of my time in the last year as Head of the Policy Profession is the work of the Policy Career Board. This arose from the State Services Commissioner asking the Policy Profession Board that I chair to extend its role to include that of being the Policy Career Board.

That means that in addition to governing the Policy Project we are responsible for fostering development of a cohort of some 90 policy leaders – most at Tier 2 and 3 levels across the public service. We are also responsible for fostering diversity in the policy leader pipeline, and deploying the most capable policy leaders where they can make the biggest difference.

I acknowledge the important role that all my colleagues on the Policy Profession Board (pictured here) have played in shaping the Policy Project, and more recently in developing 1:1 relationships with each member of the policy leaders cohort. I know my colleagues are committed to making both their Policy Project governance and Policy Career Board roles a success.

Summing up where we have got to

Our focus so far has been on the fundamentals: developing the policy improvement frameworks and the various tools that underpin them, and supporting their use; and bolstering free and frank advice. We've created world class resources that you and your organisations can use to do a more professional job.

Consistent with our very devolved system of public management, our operating model has been to encourage you – not require you – to use them. And we've begun to throw a little more light on the importance of policy stewardship – or investing enough in policy capability for the future.

The future: where to next for the policy profession, the policy system and the Policy Project? [Slide]

I continue to believe we should be aiming to be a high performing policy 'profession' that:

- attracts top talent
- provides foundation training and professional development
- identifies and grows policy leaders, and
- has a capacity to deploy where it is most needed.

I also think that we should become more of a profession – which means achieving more commonality across the public service, in policy standards and approaches. That requires deliberately moving to an operating model of more assertive professional leadership, and devolving less.

Moving to a common – and mandatory – framework for the quality of policy advice

I have taken the first steps in this direction in recent weeks. I'm delighted to report that at a recent Martinborough retreat with my State Sector Leadership Team colleagues, they unanimously agreed with me that:

- the policy problems the Policy Project set out to tackle are far from fully resolved, and it's still very important to tackle them
- applying more common standards – particularly for the quality of policy advice – would help us to achieve that, and in the process become more of a policy profession.

To achieve that SSLT agreed that the Policy Project lead a rapid and inclusive refresh of the Policy Quality Framework, so that it is acknowledged as best in class and easy to use. And they agreed that for the 2019/20 fiscal year onwards it will be mandatory for all government agencies to use the refreshed Policy Quality Framework to measure the quality of policy advice – with this being specified in Estimates of Expenditure requirements.

Supporting common skill development

Another characteristic of a profession it would be good for us to emulate, is having a more common or shared approach to skill development. To foster that, the Policy Project has initiated the formation of a cross-agency Policy Training Network – which is having its first meeting tomorrow.

I hope the Policy Training Network will be a vehicle for collectively sharing places on courses, and investments in course curricula that already exist. I also hope it will tackle the dearth of training in a number of areas of the Policy Skills Framework that agencies consistently report hard to find (including analysis skills, evidence and insights, strategic thinking, engagement and the Treaty of Waitangi).

Remaining priority areas – what challenges should the new HoPP focus on?

Today I'm going to take the liberty, as the departing Head of the Policy Profession, to reflect on five challenges coming up for the policy profession and policy agencies in New Zealand – and how we might evolve to, to tackle them.

Challenge 1: Upskill and deploy policy professionals across the policy system [Slide]

One future challenge is to better upskill and more seamlessly deploy policy professionals across the system to the areas of greatest need – and that requires more interoperability and consistency. I've already flagged the need to develop more common training in policy skills – based around the Policy Skills Framework. Because the Policy Skills Framework is not yet widely used, different agencies use somewhat similar descriptors of what policy professionals/practitioners can do – but they do not use the same language or terminology across the system.

In the State Sector Act review Peter Hughes has signalled an interest in greater consistency in terms and conditions of policy and other groups with similar roles across the public service.

I foresee a stronger pressure to default to a system standard for defining what policy staff at different levels do – providing more interoperability, and more consistent quality assurance of the workforce across the board. I think that the Policy Profession Board should eventually require the use of the Policy Skills Framework as a consistent model for what policy professionals can do – to better support good outcomes.

Challenge 2: Achieving more diversity within the policy workforce [Slide]

You are probably aware that the policy workforce is not that diverse, particularly in terms of ethnicity – but you may not be aware of the full extent of this. A few months ago the Policy Project presented the following charts on the ethnic makeup of the policy workforce to the Policy Profession Board. They make clear how unrepresentative the policy workforce is – far less ethnically diverse than either the labour force as a whole, or the public service's overall workforce:

- 10.7% of the policy workforce are Maori, compared to 16.4% of the total public service workforce
- 2% of the policy workforce are Pacifica, compared to 9.1% of the total public service workforce
- 5.7% of the policy workforce are Asian, compared to 14.4% of the total public service workforce.

The lack of representativeness also worsens significantly with seniority. For example, Asians make up 5.7% of the policy workforce. However at policy analyst level 8.8% are Asians, while only 1.8% of Tier 2 and 3 policy leaders are Asians.

In my view, tackling this challenge – finding ways of attracting and retaining more Maori, Pacific and Asian people in the policy workforce – should be a high priority for policy leaders. Achieving this will help us with a second major challenge our profession faces, which is getting better at public participation in the policy-making process. One of the consequences of being largely a white and middle class policy profession is that we have greater difficulty engaging with an increasingly diverse population.

Challenge 3: Getting better at public participation/ engagement [Slide]

It's fairly apparent that both the public and the government have a growing appetite for public engagement in policy development processes. Prime Minister Ardern made her commitment to open government very clear soon after her government came to power. Various Ministers have adopted much more participative processes since, including:

- Minister Little, with the Justice Summit – the results of which have just been released
- Minister Hipkens with Kōrero Mātauranga (Let's talk about education) – and its extensive multi-channel engagement approaches
- Minister Davis's extensive engagement with Maori around NZ – regarding how to strengthen the Maori/Crown relationship, and what his priorities as Minister should be.

In recent public consultation on what should be the focus of the next Open Government Partnership three year National Action Plan, many submissions supported more public participation and enabling a diverse range of voices to be heard as themes for the plan.

There are many potential benefits of government actively drawing citizens more into its policy decision-making processes, including:

- gaining more insight into the impacts and causes of policy issues, and the nature of policy opportunities
- a fuller appreciation of possible policy options
- a better understanding of the likely benefits, costs and risks of all policy options.

Collectively, these insights can markedly improve the quality of our advice – as our policy improvement frameworks emphasise. Done really well, our engagement with the public and key stakeholder groups can have another important benefit: mobilising support for implementation – with implementation then happening more smoothly as a result.

I also want to acknowledge that public engagement can be challenging – with our existing skill sets and limited other resources. But more open government is here to stay, and we need to upskill in this area sooner not later.

The Policy Project team is leading an investment project over the next 18 months designed to help the policy community in this important area. [Slide] The project's focus is on achieving Commitment 5 in the recently released 2018–2020 Open Government Partnership National Action Plan. This will result in

considerably widening and deepening the public participation guidance in the online Policy Methods Toolbox – to include:

- *a decision tool* – to help you and Ministers to choose the appropriate engagement approach on the public participation spectrum, for a given policy issue
- *best practice advice* – on how to inform, consult, involve, collaborate with, and empower citizens and other stakeholders, as appropriate
- insights on how to *ensure your engagement includes and reflects the diversity* of those interested in and affected by the policies
- *case studies* – of New Zealand innovation success stories in public participation in the policy development process
- documenting learnings from a *live ‘demonstration project’* – trialling public engagement in policy development at a higher level of engagement than has been the norm historically.

Of all the challenges I have identified, getting better at public engagement requires the greatest adjustment of our personas as policy professionals. Seeing ourselves as “the technical experts” is no longer sufficient – though we will continue to have technical expertise. We need to also place value on skilfully drawing together diverse insights from others and co-creating policy advice with the public and stakeholder groups.

Challenge 4: Enabling more free and frank advice [Slide]

Earlier I was celebrating the progress we have made on the free and frank front advice front – because free and frank advice is a shared value at the very heart of our identity as policy professionals. While I am glad we have made some ground, I don’t think we should rest on our laurels. Lack of certainty about whether advice on challenging policy issues can remain confidential does have a chilling effect on the provision of free and frank advice – which is counter-productive. And while the current Ombudsman’s interpretation of the OIA is providing more certainty in the past, there is no guarantee his successors will necessarily take the same approach.

In the longer term I believe we really should be thinking about a review of the Official Information Act – resulting in legislative change that provides more certainty about the space to provide confidential advice to Ministers.

Challenge 5: Improving our Policy Stewardship [Slide]

The final challenge for the future I want to draw your attention to is how to remedy the policy system’s lack of investment in policy capability for the future. One of my preoccupations as Head of the Policy Profession has been how to build the capability of the policy community for thoughtful, long term, insightful advice – for policy stewardship. The challenge is how to do this, while simultaneously meeting the immediate needs of Ministers for advice on how to tackle today’s issues. We have been on this journey for several years now, with a progressive bolstering of the formal expectations for stewardship advice.

In 2013, a new responsibility for Chief Executives was included in the State Sector Act – Chief Executives were “to be responsible for their departments’ capability and capacity to offer free and frank advice to successive governments”. This was a response to the recommendations of the Better Public Services Advisory Group.

In 2017, the Cabinet Manual update placed more specific stewardship obligations on Chief Executives and Ministers. And the free and frank advice guidance that Peter Hughes issued in December 2017 – mentioned earlier – included expectations relating to policy stewardship.

While these were all steps in the right direction, my view is that collectively they don't provide us with strong enough incentives for investing more in future-focused analytical capability. Most agencies are very fixated on today's issues – they are not asking themselves whether the policy settings they set today will be fit for the future. There is far too little consideration in policy teams of how the world is changing, what new issues New Zealand will need to cope with, and what we must do to address the needs of future generations. Individually and collectively, we really must do better at policy stewardship.

The State Sector Act reform work currently underway is providing an opportunity to address this issue. The consultation document floats the idea of a new commitment device – in the form of long-term insights briefings that the public service would be required to produce and publish. The Policy Project is currently leading work that is considering how we might configure those requirements if such briefings were a legislative requirement, including:

- how briefing topics would be selected
- how far the content would go, along the analysis to advice spectrum
- what roles the public, Executive Government and Parliament would play in relation to these stewardship briefings.

An alternative, or addition, to such briefings, that might be worthwhile is legislating for a regular report to Parliament on the state of the public service's stewardship capability. Continuing to focus on how to improve our policy stewardship (through these or other means) is something I hope that my successor as Head of the Policy Profession will hold dear to his heart.

Closing remarks

In closing, it has been a privilege to be New Zealand's first public service 'Head of the Policy Profession'. I want to thank all my colleagues on the Policy Profession Board – and in the wider policy community – for the support you have provided me with in this role.

You have actively supported the Policy Project's endeavours to improve policy capability and the quality of advice – so that better decisions and improved outcomes for New Zealanders result. Without that support, we would not have been able to progress the foundation 'policy improvement frameworks', or other policy tools – that are well worth celebrating.

While the voluntary operating model we used for much of my tenure as Head of Policy Profession made sense at the time, for the future, I think there is now a need for less discretion. The Policy Profession Board will, I hope, be more directive in future – exercising leadership by making use of the frameworks developed no longer being optional.

And there is still much to achieve to make our policy profession more fit-for-the-future, including the need to:

- Upskill and more effectively deploy policy professionals across the system
- Achieve more diversity within the policy workforce

- Get better at public engagement throughout the policy development process
- Enable more free and frank advice, and
- Improve our investment in policy stewardship capability.

I urge all of you in the policy community to support Brook Barrington, the next Head of the Policy Profession, in making progress on these important fronts.

Nō reira, e aku rangatira.

Tēnā koutou, tēnā koutou, tēnā tatou katoa.