

Closing the gap

Eliminating the disconnect between policy design and execution

41%

of respondents say governments are less capable of successfully executing large projects than 10 years ago

61%

believe there is often a disconnect between those who develop policy and those who implement

97%

of major policy implementation projects are supported by a Program Management Office; only 42% of respondents felt PMOs were successful

69%

see launch timing and 63% see partisan politics as barriers to good implementation

64%

rated the provincial level of government most highly on the design of public policy

Deloitte survey suggests it's time for governments to take a new approach

By Paul Macmillan and Todd Cain

Canada's government executives can be forgiven for reminiscing about the heyday of infrastructure growth, represented by projects like the building of the Confederation Bridge and the Trans-Canada Highway. As complexity rises, there is little to romanticize about policy agendas characterized by issues such as the global financial crisis, climate change, terrorism, immigration and an overburdened health care system.

At the same time, public servants face an environment of greater accountability and scrutiny than in the past. Intense media coverage and 24-hour news channels put governments in the spotlight as never before. High profile reviews by auditors and budget offices are also fueling the fire, causing citizens to question the validity of government expenditures on everything from the commitment in Afghanistan to information technology.

Against this backdrop, the costs of program failures are on the rise – in both fiscal and reputational terms. In a survey of public sector leaders in Canada and the U.S., Deloitte Research found that 65% of Canadian respondents feel the government's image has deteriorated over the past three decades. Citing challenges such as an increase in complexity, a lack

of focus and a lack of effective political leadership, 41% of public sector leaders indicate that they believe governments are less capable of executing policy today than they were in the past.

Caught in a vicious cycle, government officials are rapidly coming to realize that their traditional tactics no longer work. Public servants responsible for policy implementation frequently lack clear guidance on an initiative's goals. Risk analysis is rarely performed as part of the policy design process. The old way of doing things appears to be broken.

Clearly, it is time for a new approach.

- Governments must begin
- fostering the agility to execute
 - managing the risks of failure
 - adopting a more open-source approach to design-delivery
 - building results management capabilities
 - developing transformational leaders

Key findings

59%

felt sufficient resources were essential for successful policy design, followed by 55% for clear goals

60%

of respondents felt proactive risk and issue management was a key characteristic of successful program management

95%

ranked Confederation Bridge as the most successful Canadian policy initiative; the Kyoto Protocol Agreement ranked least successful

65%

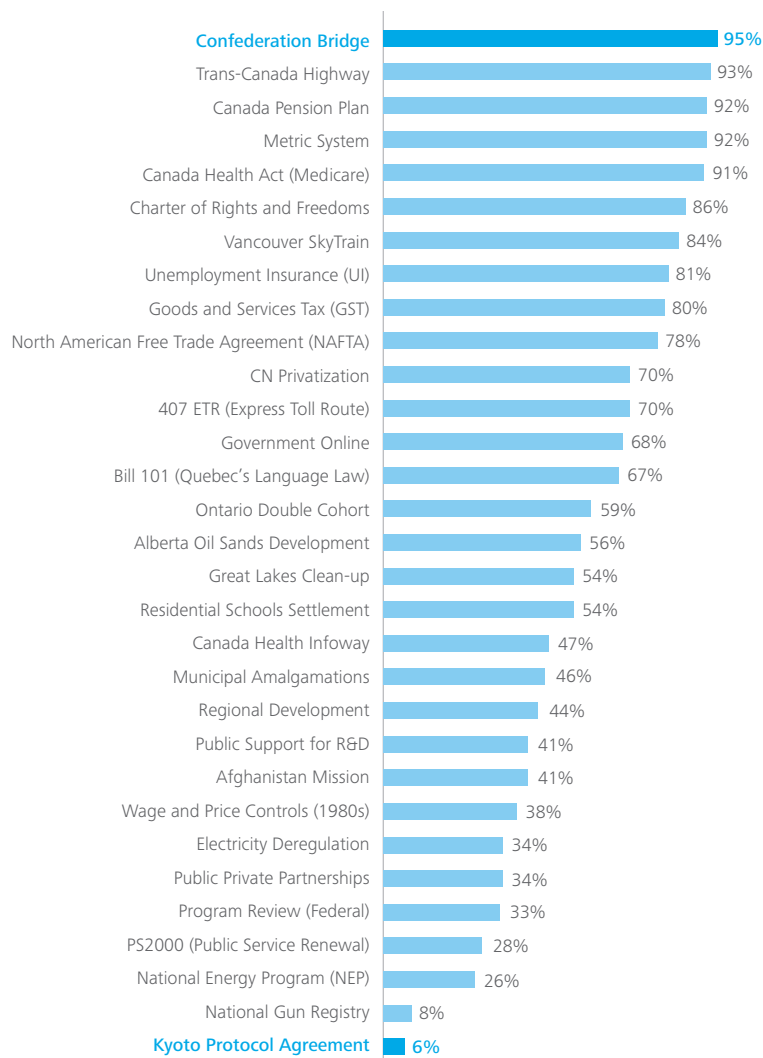
believe that having a popular public figure champion increases policy success

Policy execution

The biggest disconnect seems to be between those who design policy and those who execute it. According to 61% of Canadian respondents, policies are often designed with little or no input from the people expected to implement them. As the gap between policy design and execution widens, program failures are only set to rise, putting even greater pressure on all levels of government.

Although public sector leaders are motivated to close the gap between policy design and execution, there is no consensus on how to achieve this feat. Survey respondents do agree, however, on the characteristics required for successful policy design, which include sufficient resources, clear goals, a realistic scope and leadership support. Fifty-eight percent of respondents felt sufficient resources were essential, followed by 55% for clear goals and 46% for realistic goals. A mere 11% cited insulation from legislative micromanagement and only 2% for media support. To quote one respondent:

Most successful to least successful Canadian policy initiatives according to respondents



“Policies are often designed by the CENTRE with little or no input from the front line and/or those the policy is meant to serve.”

According to the survey, 97% of major policy implementation projects are supported by a Project Management Office (PMO). However, less than half of respondents felt that PMOs were successful. Although they were originally conceived as a way to keep projects on track, public sector PMOs have largely become focused on process rather than performance.

Sixty percent of respondents felt proactive risk and issue management was a key characteristic of successful program management. This was followed by 40% including people with domain expertise, 39% focusing on people/change management and 37% efficient cost and schedule management. Only 15% felt linking business with IT was a key characteristic.

Levels of government

Of the three levels of government, the provincial level rated most highly on the design of public policy at 64%. However, all levels of government agree that there is a disconnect between those who develop policy and those who implement policy. Federal government respondents found a disconnect more often than other levels of government.

Goals of public policy were more often found to be unrealistic at the federal government level. Very few respondents from the municipal level found public policy goals to be unrealistic. Most respondents at this level of government said that goals were only sometimes unrealistic.

9%

responded that at the municipal level, public policy goals are unrealistic – compared with 45% at the federal level

82%

felt the municipal level of government provides guidance on goals and implementation that is more clear than guidance from federal or provincial levels

42%

lack confidence in the next generation of government leaders

50%

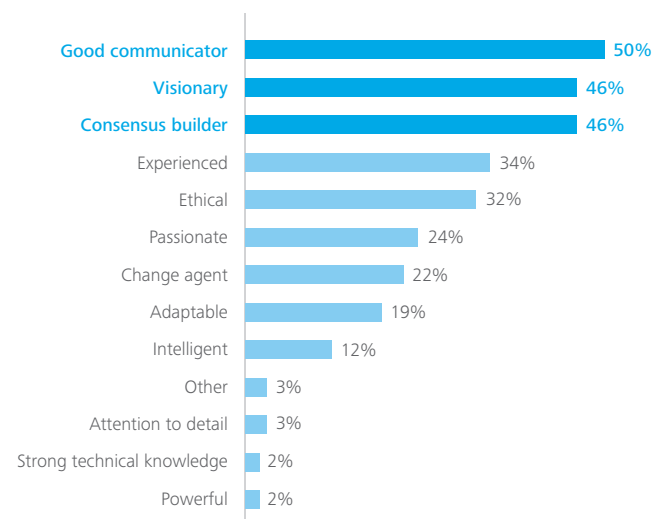
of respondents say “good communication” is the most important trait of a change leader

The implementation of public policy initiatives was rated most successful by municipal government respondents. The majority of respondents from the municipal level of government said that a lack of ownership over an initiative often impeded its success. Unrealistic cost, stemming from poor cost projections or budget cuts, impede the success of policy initiatives at all levels of government.

Successful policy leadership and oversight

As governments work to improve their agility to execute by focusing more on results than on projects, they will need to cultivate leaders capable of inspiring their teams to action. According to the Deloitte survey, the traits of successful leadership lie less in technical knowledge and more in soft skills.

What leadership traits are most important to ensure successful policy implementation?



Many leaders lack confidence in the next generation’s ability to address future challenges. Only 4% are highly confident, followed by 42% moderately confident and 29% not moderately confident. Thirteen percent of respondents were not confident at all.

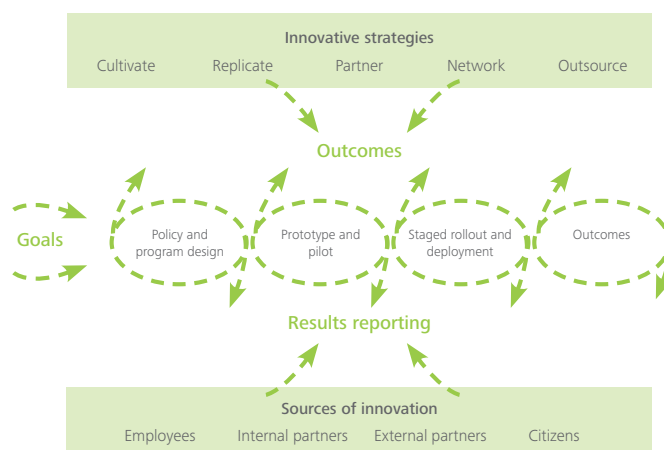
Governments across Canada and around the world are trying to overcome today’s challenges and they will need to step outside their traditional comfort zones in order to successfully do so.

Closingthegap

When the UK National Audit Office canvassed 126 organizations to identify innovative behaviours, it found that public agencies manage innovation as a one-off change. Rather than adopting a series of small projects in their policy implementations, they use a “big bang” style. Yet, the complexity of government policy agendas and the disconnection between policy designers and implementers frequently doom these methods to failure.

As governments across Canada and around the world try to overcome those failures, they will need to step outside their traditional comfort zones. By fostering a culture that encourages experimentation, inviting input from other stakeholders, focusing more carefully on results and cultivating a new breed of leaders, they can discover creative strategies for improving both policy execution and government’s image.

Open and iterative design-delivery



Adapted from Eggers and Singh, *The Public Innovation Playbook*

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About the survey

This document is a summary of the key findings from Deloitte's *Policy Execution Survey, September 2008*.

Total number: 121 Canadian respondents
Respondents from 14 government sectors
63% are over 40
69% have experience at the federal level
92% have worked for 10 years or more in the public sector
29% have more than 30 years experience

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