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Reading Room: Public Sector Reforms

THE POLICY PLAYERS AND "BEST OUTCOMES" - GOING IT ALONE OR IN PARTNERSHIP

This paper was presented by Adrienne von Tunzelmann of MDL to IIR's Designing, Implementing and Evaluating Successful Government Policy Conference in Wellington, 23 & 24 October 2001.

It picks up on the institutional and social context of strategic management and policy development, in contrast with issues of technical performance in government agencies which were addressed by other speakers. The technical context has to do with getting the right tools and applying them effectively, to give government the capability it needs to produce its desired outcomes. The institutional and social context has to do with the roles of other players in strategic management and policy development, recognising that government is not the sole actor, and may not on its own be able to achieve the outcomes it wants or even always be the dominant actor. For example, recognition that government may not be the best placed to determine what the outcomes should be, and may not have all the information it needs to do the planning, or the avenues to do the full strategic management. Already there are a number of efforts being made by the Government to broaden out involvement in policy making.

OPENING REMARKS

In September 2001 the NZ Herald carried an article under the headline "Mammoth-killing lessons for all".[1] The article talked about the three dimensions of knowledge and its economic (I would add social) importance: depth of knowledge ("having a bunch of really smart people who know a lot about what's important"); breadth of knowledge ("there is no sense in having just one or two in the tribe who know how to kill woolly mammoths. It's important that others know the basics and can pick up the really important points quickly so the tribe doesn't starve when the experts have a day off"), and converting knowledge into economic (social) advantage.

A later article in the Herald, commenting on the change of leadership of the National Party, highlighted the current "substantial emphasis on co-operation and collaboration between central government, business, local government and other parties" and the way this trend is helping other countries achieve economic transformation.[2] The same article also referred to the work currently underway in Government to develop policy ideas that "go well beyond traditional policy-making" and involving the "full apparatus of government … a 'virtual network' of [other] like-minded officials … ".

These seemed to me to be very good places to start with my topic which is, essentially, about broadening the base of government policy-making so that it is inclusive of local government, the community and voluntary sector and Maori. The articles say, first, that the quality of knowledge needed for social and economic advancement is unlikely to be held, and should not be held, in any one section of our society; and, second, that new ways of working are needed to generate radical new thinking.

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1. Andrew Gawith, NZ Herald, C2, 11 September 2001

2. Rod Oram, NZ Herald, E2, 14 October 2001

On a personal note, my perspective on this topic is of someone who spent most of her career working in central government as a policy analyst and manager, and who more recently has had the opportunity to see things from a regional and community angle. In March this year we relocated our consulting practice to Tauranga to bring to our work a closer and better informed understanding of the issues now emerging for New Zealand's regions and communities, in a fast-changing landscape for policy-making. We have been seeing at quite close quarters the importance of the links between policy that grows up from local initiatives and the broad policy settings created in Wellington. More particularly, we have been seeing the disconnections that, quite evidently, get in the way of achieving the 'best' economic and social outcomes.

My plan for this address is to:

1. Look at the broad context, rationale and opportunity, in New Zealand and internationally, for widening the base of policy-making
2. In the course of this, pose some key questions about making it happen
3. Offer some pointers for the future.

My paper is not a definitive analysis, but rather an attempt to piece together strands of thinking and shifts in direction already 'out there', with the aim of contributing to the 'where to from here'. It is in a sense work-in-progress with the scope for a lot more thinking and development.

Before going any further, could I set out a view on policy - it is the one I have taken in the paper.

A View on Policy

Allowing for the usual difficulties of defining policy, for the purposes of this paper I have stitched together the following way of thinking about the nature and purpose of policy:

The purpose of the policy process is to assist governments (and other actors) make decisions about the outcomes they should be seeking, and the means they might adopt for pursuing those in an environment of:

- scarce resources at all levels of government intervention (local and central government)

- uncertainty (or insufficient knowledge) about the linkages between outputs and outcomes

- awareness of the complexity of social and economic issues and the multi-causality of outcomes

- awareness of the limits on government action - public choice theory, for example, highlights government failure which can be just as true in the social as in the economic arena

- a growing sense that, even in an egalitarian society, the question of what outcomes to pursue and how to pursue them is very much a function of circumstance, community, different interests, etc.

Looking at policy this way points fairly clearly to a widening scope for working across sectors:

- while government may have, at a high level, a clear idea of the outcomes it wants to achieve across the country, it will know that the outcomes - or the means of achieving them - will be highly situation-specific and will be dependent, amongst other things, on good local or regional knowledge and networks

- hence the need to engage different parties in developing policy in the first place, and being aware of the impacts of policy once made.

- agent/principal issues in the core public-sector

- Governance and accountability of Crown owned companies

There is a connection in this with the way strategic social policy is described in an SSC working paper [3]. The paper suggests a number of frameworks that can be used to categorise the concerns and actions of strategic social policy of which the current portfolio and departmental framework is only one - and an inadequate one.

The idea of working across sectors to generate better policy is separate from policy that is technically sound. Having the best technical tools will always be critical. Cross-sector policy-making is not an 'instead of'.

THE BROAD CONTEXT, RATIONALE AND OPPORTUNITY FOR WIDENING THE BASE OF POLICY-MAKING

Last week's Public Sector Senior Management Conference[4] included a strong regional flavour, with statements that "some of the most successful public service initiatives of recent times have grown from frontline experience and innovation" and that the conference included "case studies which highlight successful community-based cross-sectoral initiatives involving government agencies".

It would seem the conference is a sign of things to come. A number of other very significant developments point in a broadly similar direction, and reinforce the sense of changing players in the policy-making arena.

Before I go on to give examples from New Zealand it is worth a brief look at developments internationally.

The International Movement

One of the first ports of call when you go looking for countries that are extending the reach of policy involvement is the UK, and the Blair Government's initiatives in respect of achieving better integration at the regional and local level. There the emphasis is on clearer accountability for delivery of cross-cutting outcomes, community leadership and local strategic partnerships. The issue is seen to be that cross-cutting issues such as social exclusion and sustainable development pose complex problems of policy design and implementation and require a joint response from central and local government and from a range of other organisations in the public, private and non-statutory sectors. The problem is seen to be long-standing blockages to effective integrated working - not unfamiliar in New Zealand - such as tensions between central and local government, contract-based service delivery, and the vested interests of departments. [5]

In both Canada and Australia work is going on to allow governments to draw on the strengths of their diverse societies, to improve service delivery and also policy advice.

Of real interest in terms of my topic for this conference is OECD work on engaging citizens in policy-making. A recent OECD Public Management Policy Brief, *Engaging Citizens in Policy-making: Information, Consultation and Public Participation, states:*

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3. Working Paper No. 8, Strategic Social Policy Advice: Improving the Information Base, www.ssc.govt.nz Author Dr Janice Wright.

4. 18 October 2001, Wellington. See State Services Commission website www.ssc.govt.nz .

5. A UK research paper for the Department of the Environment, Transport and the Regions' Local Government Research Programme highlights problems of the lack of unambiguous government definitions of 'the problem', cause and effect or desired outcomes; few listening and feedback loops allowing central and regional government to learn alongside local government; rigid structures; new initiatives defined in process terms with resources consumed in setting up processes; and co-existing, competing cultures (compliance, survival, 'can do' activism and strategic implementation). Cross-cutting Issues Affecting Local Government, The University of the West England, Bristol and the Office for Public Management, www.local-regions.dtlr.governance.uk/cross/ccalg.htm.

> Strengthening relations with citizens is a sound investment in better policy-making and a core element of good governance. It allows government to tap into new sources of policy-relevant ideas, information and resources when making decisions.

Under a heading "Active participation is a new frontier" it says:

> Active participation recognises the capacity of citizens to discuss and generate policy options independently. It requires governments to share in agenda-setting and to ensure that policy proposals generated jointly will be taken into account in reaching a final decision.

It does note that only a few OECD countries have begun to explore such approaches and that experience is so far limited.

Two other themes are part of the international context. These are:

- The idea that nation states are becoming less effective. In a perspective on globalisation, presented in a paper to a World Bank conference, this is put in the now well-known terms:
  With globalisation, it is increasingly becoming apparent that nation states are too small to tackle large things in life and too large to address small

things. [6]
The practical result is that central governments, of whatever political hue, have less and less discretion over what have been traditionally seen as conventional tools for intervention. Thus, the ability of national governments to intervene in the economy in order to pursue particular outcomes - say employment growth or the promotion of particular industries or regions - is now much diminished.

- The idea that declining trust in government, world-wide, requires a different approach to engaging citizens. (A New Zealand study on this theme finds that distrust matters, it is not government performance that is the cause and that among the ways of addressing it is encouraging citizen participation. [7]) One of the results that could be expected from broadening the base of policy is to accord greater legitimacy to policies once made - integrating a top down approach with local and sectoral involvement should broaden out the appreciation of the constraints, as well as the possibilities, in policy-making.

New Zealand is obviously already linked into these lines of thought. While the intellectual wheels are turning, what is happening on the ground here?

New Zealand

In Central Government:

The Output-Outcome Shift

After many years of debate about the line drawn between outputs and outcomes in public sector management, the unhelpfulness of an exclusive focus on outputs as the basis for state sector accountability has been recognised. In the words of the State Services Commissioner: "I am now convinced that departments and other State sector

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6. Balance, Accountability, and Responsiveness: Lessons about Decentralisation, Anwar Shah , World Bank. Conference on Evaluation and Development April 1-2 1997.

7. Declining Government Performance? Why Citizens Don't Trust Government", SSC Working Paper No. 9. Author Derek Gill. www.ssc.govt.nz.

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organisations need to be much more connected with what the government of the day is trying to achieve than is possible to achieve with a contract for outputs." [8]

While the Commissioner's purpose in making this comment is to draw attention to the need for outcome roles for departments and other State sector organisations, his view is an important one for its implications for involving other players in policy-making, for at least two reasons:

- First, from the point of view of both local government and the community and voluntary sector, the government's rigorous distinction between outputs and outcomes has left a vacuum in terms of those sectors' ability to see clearly where they might act to help bring about change in their own arenas that would also contribute in a bigger picture way and, in turn, improve the environment in which they are tackling local, or particular social, issues.

- Secondly, if government advisers are assigned responsibility for giving

advice to ministers on how best to pursue outcomes and on the risks to achieving them, as the Commissioner suggests they should, the question arises as to how wide they need to go to ensure their advice is soundly based. How will the 'best ways' be arrived at? And how will the broadly based buy-in necessary to achieve outcomes, given their multi-causality and the contributions required from a range of players, be secured?

With policy objectives closely identified with government actions, these points may not be especially important. But given the broad thrust of current government policy (for example, regional development) they become fundamental. Governments are often poorly placed to encourage voluntary contributions to achieving desired outcomes especially when, of necessity, the ways they support interventions are constrained by the demands of clear accountability. The significant sectors outside central government need the incentive and the opportunity to shift from "that's government" to "what's our role?"

A good example of such a shift taking place at the moment is the way Child, Youth and Family contracts with community social service providers. It is early days, but my understanding from my own discussions with community organisations is of a positive reaction to CYFS's greater emphasis on results-based contracts and away from purely output-specified contracts. A next step would be to involve the provider sector in helping identify the desired results (outcomes) through the policy process.

Local Solutions To Local Problems

In another section of the State Services Commissioner's 2001 Annual Report is a strong profiling of a regional view on public sector management. While the "fresh forces impacting on public management" referred to are forces internal to the public sector, there are clear parallels with wider forces in local government and the community and voluntary sector, as the government continues to articulate its interest in the regions as 'local solutions to local problems'. The report emphasises the importance of integrating policy development and implementation to enhance service delivery. This surely requires wider engagement than just the government advisers and agencies.

An Inclusive Society

The Treasury paper Towards an Inclusive Economy is cause for reflecting on the evolution of government policy and what it might mean for the involvement of other players. The paper makes links between economic growth and social capability and the impacts on well-being. It examines the relationship between a productive economy and a society that enjoys high levels of participation, connection and cohesion and suggests that "the objective in an inclusive economy is to improve the well-being of New

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8. State Service Commissioner's Annual Report on the State Services for the Year Ended June 2001.

Zealanders by directing policy to ensure there are broad based opportunities to participate in society and the economy". [9]

It is hard to see how this wider focus for policy can be successfully pursued in practice without participation of other players (local government, the community and voluntary sector and Maori) in the policy process. It would certainly seem to present an excellent environment for doing so.

The paper underpins in quite an important way the thrust seen in New Zealand and other countries towards empowering local communities. This thrust has emphasised empowerment as communities not only making their own decisions, but also determining their own destinies. On this view it could be argued that genuine empowerment would require involvement in the policy development processes and decisions of government, not just through consultation but through more direct - and earlier - roles.

In Local Government:

Review of the Local Government Act

The review of the Local Government Act is based in part on Government's recognition of local government as a "key partner in delivering national goals and priorities".

It also has a major focus on providing local authorities with legislative power to deliver on social, economic, cultural and environmental development at the community level. The change is more one of emphasis than in legal power (local authorities already have wide-ranging powers to undertake, or facilitate the undertaking of, almost any activity they regard as important for the local community), but is important for its symbolism of the proposed change in the purpose of local government - and what it says about Government's intentions towards local government.

The new Act could well produce a further evolution in the movement already seen in local government towards a strategic policy focus, prompted by the reforms in the Local Government Amendment Act No. 3 1996. The No. 3 Act among other things required local authorities to establish what they want to provide, why and how. The review foreshadows a requirement for local authorities to have long term plans that "integrate social, environment, cultural and economic activities" and "identify desired community outcomes, the role of the council in achieving those outcomes through its services, activities and policies, and through partnerships with other bodies and organisations." [10]

Three questions arise:

- is there an implication that central government expects local authorities to have substantial policy capability in the social, economic, cultural and environmental areas?

- will it also involve, as a prerequisite, the ability of central government and local government to interact across these dimensions at a policy development level, more fully than at present?

- what processes will be needed to make sure that tunnelling from each end of the policy spectrum (central government and local government) results in 'meeting in the middle', and not going past each other?

The Central/Local Government Forum

March last year saw the first central/local government forum, bringing together senior Ministers and Local Government NZ. The forum resulted in agreement on 7 areas of strategic priority for joint work, and foreshadowed that to "make it happen" would

9. Working Paper 01/15, The Treasury. Abstract.

10. Review of the Local Government Act, Consultation Document, Department of Internal Affairs, June 2001. Page 38.

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require central government departments, local authorities and LGNZ to look anew at their work programmes and identify outcomes, in quite immediate timeframes.

In a speech this August Minister of Local Government Sandra Lee reinforced this move by advocating that central and local government work together as partners "to tackle big issues successfully". She stressed the present Government's commitment to a partnership relationship, saying "No longer is it a case of we talk, you listen, on central government's part. We are talking about a real partnership that delivers for all New Zealanders."

In The Community and Voluntary Sector:

The Government's recognition of the need to engage with the community and voluntary sector was demonstrated by the appointment of the Community and Voluntary Sector Working Party.[11] The Working Party noted the interaction community organisations already have with government in policy formation through direct involvement in the development of policy in specific areas, and through experiencing the impacts of policy decisions on their mission or client base. It also noted that the policy/operations and funder/provider separations, intended to enable policy formation to focus on the 'big picture' and avoid day-to-day operational concerns and provider capture, demanded a greater flow of information between policy and service delivery, which in fact did not happen because of budget constraints and staff losses. Neither was there any structure or process to provide inter-sector work on developing long term or strategic 'whole of government' policy approaches, to counter the 'silo' structure of government.

That these aspects of public sector management are now being addressed should offer scope to include the community and voluntary sector productively in policy formation. The sector is a particularly important information bridge for policy development. The Working Party notes recent fresh local and regional development initiatives indicating a "renewed interest in more strategic, cross-sectoral approaches to information-gathering and working across boundaries".

One way or another, the evolving relationship between central government and the community and voluntary sector does raise the question of optimising the input of the sector to manage social issues. The answer will most probably revolve around a shift to working collaboratively - that much is easy to say - but within a framework that is clear about outcomes (which would need to be shared ones), structure (the form of the complementary relationship on which some modest progress is being made) and process (the means by which the parties engage with each other).

Maori:

There is an interesting article by Robin Hapi on the front page of the latest Institute of Directors newsletter talking about the changing place of Maori in business [12]. It has some parallels with Maori participation in policy. "Two decades ago", he says, "the role of Maori in the commercial world, in any substantive way, was negligible. Most of that participation [was] Maori competing in a business environment totally indifferent to ethnicity. … So where are Maori now in terms of business skills? For many iwi businesses the answer may be, 'Not close enough to

the cutting edge."

That is obviously not true of Maori in policy ministries where highly skilled Maori hold key policy positions. The point is rather one of how policy development can be inclusive of Maori in other arenas and take account of sensitivity to different concerns, and some of the complexities.

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11. Communities and Government Potential for Partnership, Report of the Community and Voluntary Sector Working Party, April 2001. Available on the Ministry of Social Development website www.mosp.govt.nz. See pages 47 and 48.

12. Boardroom, October 2001.

As a country we are clearly still a long way from any sense of agreement on how best government, either central or local, should engage with Maori in policy making. We are making some progress, for example in recognising that consultation with Maori requires a different approach and timeframe than consultation with Pakeha. Whether we are yet ready to challenge any of the basic assumptions of policy making and governance is a very different matter - as has been borne out by much of the reaction to the Bay of Plenty Regional Council (Maori Empowering) Act 2001 which reserves two seats on that Council for Maori. The recent local body elections, which saw a marked reduction in the number of successful Maori candidates, highlight the dilemma that Act was intended to address - how are Maori to gain an effective voice in policy making if they cannot even get in to the process?

There are no 'magic bullet' answers but we must remain sensitive to finding effective means of incorporating the interests of Maori in the policy process.

Policy that Serves Communities

A will to take a more inclusive approach to policy-making would need to be underpinned by an objective of generating policy designed, from fundamental principles, to serve communities. This will have two facets.

First, the policy-making telescope needs to be modified so that it can be trained to focus from the community back into central government as well as focusing out from central government at the community. If it is set up to do only the latter, the chances are that policy will miss perspectives that are quite crucial to overall outcomes.

An example: the Wanganui Regional Community Polytechnic has recently been under scrutiny. The Government's focus in dealing with the Polytech's restructuring has concentrated on financial and educational viability. From the Wanganui community's perspective, the critical issue was to retain (indeed increase) local governance of the polytech, seeing it as an important element in the fabric of the community: having local decision-making available to work closely with industry on vocational training issues; the impact that the presence of the polytech has within the community; and the effect its loss would have on locational choice (people, businesses, creative activity and so on). The case made by the Wanganui District Council was very much a holistic one, taking account of economic development, the needs of business vocational training and the relationship to the artistic, cultural and creative life of the community.

The general point this example illustrates is highlighted in a paper on the Treasury website that addresses the question of whether policy interventions should target

individuals or locations/regions.[13] There is an argument for focusing on people-based policies/strategies, on the grounds that place-based strategies trap, or encourage, people to remain in areas of limited opportunity. From the perspective of a community with limited opportunity, a people-based strategy is effectively encouraging people to leave. It is a strategy that says concentrate major services - education, health etc - in ways that allow optimal efficiency and effectiveness in terms of the service concerned, but do not take account of other impacts that are important to the local community.

From a local perspective, a different set of incentives operates. A local community might be very prepared to subsidise the continuation of a service because the cost to the community will be outweighed by the benefits, even though as a policy it would make no sense as a central government initiative. The 'zero fees' initiative taken in Southland for its local polytechnic- financed from within the Southland community - is an example.

The second facet of designing policy for communities is to see the community as the place where policies need to 'join up', if desired outcomes are to be met. It is unlikely in

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13. Paper by Professor Ed Glaeser, People or Place Strategies, which can be found under E in the Publications Index of the Treasury website, www.treasury.govt.nz. Professor Glaeser is Professor of Economics at Harvard University specialising in urban economics. He visited NZ last year.

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fact that the benefits of a wider base for policy-making would be achieved unless separate areas of policy are brought together in a way that allows, say, a local authority or iwi (with their holistic outlook within their geographical or tribal areas) or a community-based service (with its need to operate across local networks) a complete view of policy - for its own purposes, and to be players in policy at the national level.

The cross-sectoral Strengthening Families initiative is a much-cited example of efforts to overcome policy 'silos'. Certainly there is much greater attention being paid now to the mechanics of coordinating policies at the delivery end. If this approach is to be successfully drawn back up into policy-making in the first instance, it would seem important to have the sources of policy wisdom broadened.

POINTERS TO THE FUTURE

Up to this point in the paper my aim has been to set out some strands of thinking and shifts in direction that point to a rationale, and opportunity, for widening the base of policy-making in New Zealand.

If the case is accepted, how can headway be made? It is most likely that a combination of responses and actions will be needed, aimed at increasing the and quality of interaction among the policy-making players. The following are some as-yet unfinished thoughts, to prompt discussion.

Policy Principles

A new set of policy principles would need to be devised to provide a framework within which the players in policy-making can operate. Such a framework would allow actual policies to be the product of interaction between general policy principles and the specifics of regional, local, community and Maori circumstance.

It would also help address what have been problems in the design of policy (problems that have carried through into policy delivery) arising from the portfolio and departmental structure of policy work which is basically sectoral (health, education, employment, economic development …). Policy design could incorporate other ways of slicing the policy cake that would open up opportunities for wider involvement in policy-making, for example, policy design based on policy populations (individuals, families, communities …). [14]

Capability and Capacity

It is simply essential, if government wishes to pursue and realise an objective of working through local government, the community and voluntary sector and Maori, that these other players in the policy process have both the capability and the capacity to develop policy-relevant ideas and information, at their respective levels.

The need in these sectors is for a mixture of developing an understanding of the role and uses of policy more widely within local government, the community and voluntary sector and across Maori organisations, and developing a cohort of policy-trained and policy-aware people to work within these sectors.

Within central government the skills needed are those that would support attitudes conducive to the possibilities for policy-making of engaging more widely, and the new practices this would entail.

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14. For discussion on this see SSC Working Paper No. 8, footnote 3 above.

Information

Widely sourced information is going to be a precondition for effective policy in an age of growing policy complexity. Mechanisms to draw in and co-ordinate that information by involving other players in policy-making - not just asking them for the information when you want it - will be needed.

Information technology obviously presents one opportunity, not simply as a way of accessing information but of interacting in the arena of developing policy ideas and testing them against empirical knowledge. As argued in a new book by Harvard Business School Professor of Business Administration Rosamund Moss Kanter, it is networks of relationships, not just new technologies, that will permit seamlessness, encourage creativity and collaboration and release energy and brainpower. [15]

Structure and Process

I noted earlier in the paper the comment of the Community and Voluntary Sector Working Party on the lack of any structure or process to provide inter-sector work on developing long term or strategic 'whole of government' policy approaches, to counter the 'silo' structure of government. The Working Party observed also that these aspects of public sector management are now being addressed.

Partnership is often cited as the means for overcoming barriers and boundary lines. As I suggest under my next point, I think this needs to be carefully thought through and not offered as a panacea. As is being found when partnership approaches are adopted, it is not the easy option, and requires rigour and a great deal of investment to make it work well.

Two-Way Communication

The importance of two-way communication is highlighted in the OECD Puma brief mentioned above on page 3. A good deal of this is already happening in New Zealand under the name of partnership, for example between local and central government at the local level, ranging from strategic alignment to loose forms of networking.

If partnership is to be the avenue for pursuing two way communication in the future, it is important to develop clear ideas about what partnership means, and use the language of partnership correctly. The Local Government Forum makes a fair point when it challenges the notion of partnership in situations where the relationship is not one of collective decision making, but rather one of two parties exercising distinct responsibilities in the course of which they may cooperate on a voluntary basis. [16]

Outcome-Based Policy

There is not much need to stress the importance of this given the considerable work being put into the practical application of outcome-based approaches to policy. It is evident that there is every intention in government to keep on with the work of articulating and refining desired outcomes, work that will contribute significantly to allowing other sectors to see their own roles.

An area that could benefit greatly from wider involvement in policy-making is outcome evaluation which is being advanced in some departments. Good outcome evaluation needs empirical input that could, given the right framework and channels, suggest a role for local government, the community and voluntary sector and Maori.

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15. Evolve! Succeeding in the Digital Culture of Tomorrow, Harvard Business School Press, Boston. 2001.

16. Submission on the Review of the Local Government Act 1974, August 2001.

Accountability

A remaining problem with collaborative approaches is, it seems to me, that no one has yet solved the question of where accountability lies, and how to set up robust but not overbearing accountability relationships. We can start with at least acknowledging that it is a problem to solve - that is, in he collaborative model ultimately takes the blame or credit for the quality of the policy advice? In our current system accountability is clear. The Treasury, for example, has a simple policy brief and it is quite clear who to blame if the advice lacks quality or is simply wrong. It is not clear how accountability applies in the collaborative model - should there be a lead agency (which might vary according to the issue) who ultimately carries the can?

The Cost of Engagement

The question that arises from all of the above is how the process of engaging across sectors is resourced. For any area of policy initiative the participating players will face a significant additional cost to be met from their budgets. The benefits for each player need to be such as to make that cost as close to zero as possible so that it is not a disincentive to engage. One way to do that is to find the strategic benefit that means something to the player. For local government, for

example, that might mean focusing engagement on areas of policy that deal with the issues that would otherwise carry an operational cost. These might include employment, immigration, issues for Maori and Pacific Island peoples, technologies and the development of communities. The same principle could apply for the community and voluntary sector and Maori.

IN CONCLUSION

I began my discussion of the context, rationale and opportunity for widening the base of policy-making by referring to last week's Public Sector Senior Management Conference and its regional flavour. I end with a reference to the theme of the conference: *Public Service in a Crowded Age*, a theme based on the world being crowded with information, demands on time and resources, and

If widening the base of policy-making through more engagement looks like making a crowded field even more "information noisy", I think the answer lies in making sure that engagement is not about blurring differences. The strengths that make each player in policy distinct from the other is the reason for engaging in the first place. It is not about 'joint venture'. On the contrary, I see it as presenting a context in which it becomes more important, rather than less, that roles - and hence contributions - are kept clearly distinguished, to optimise the chances of achieving the best outcomes for New Zealand.