

CANADA'S
PUBLIC POLICY

FORUM

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DU CANADA

OPTIMIZING GOVERNMENT Modernization in the Public Sector

Edmonton Roundtable Summary
June 2015





The Public Policy Forum is an independent, not-for-profit organization dedicated to improving the quality of government in Canada through enhanced dialogue among the public, private and voluntary sectors. The Forum's members, drawn from business, federal, provincial and territorial governments, the voluntary sector and organized labour, share a belief that an efficient and effective public service is important in ensuring Canada's competitiveness abroad and quality of life at home.

Established in 1987, the Forum has earned a reputation as a trusted, nonpartisan facilitator, capable of bringing together a wide range of stakeholders in productive dialogue. Its research program provides a neutral base to inform collective decision making. By promoting information sharing and greater links between governments and other sectors, the Forum helps ensure public policy in our country is dynamic, coordinated and responsive to future challenges and opportunities.

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Introduction

Public sector modernization is an ongoing priority as governments adapt to new expectations. Faced with shifting demographics, disruptive technologies, and budget deficits, public sector leaders must rethink their roles in an increasingly complex, rapidly changing environment. New challenges also present new opportunities to drive greater efficiency and effectiveness. How are growing demands for innovation, collaboration, and accountability being met? What type of transformation is needed to drive better outcomes for Canadians? Where should governments target their efforts for the greatest impact?

In partnership with Microsoft Canada, the Policy Forum launched *Optimizing Government*, a project exploring challenges and opportunities for public sector modernization. Following a series of multi-sector leadership roundtables, this project will culminate in a white paper that will help inform the development of high-performing public services at all levels of government.

As part of this project, the Forum convened a roundtable discussion in Edmonton on April 28, 2015. Hosted by the University of Alberta, this roundtable brought together a select group of leaders across sectors to help define what it means to modernize government, with a particular focus on the Alberta public service. (*Agenda and list of participants are attached.*) Key themes from the Alberta session included driving change in a politicized environment and maximizing talent in a bureaucratic system. While similar constraints exist across jurisdictions, strong leadership can play a key role in overcoming a culture of fear and complacency to help build impact-driven public sector organizations.

Organizational culture: *Increasing politicization*

With the 24/7 media cycle, the rise of social media, and demands for greater government transparency, heightened public scrutiny has become the new normal in the public sector. In fact, the role of the public service appears to be shifting from non-partisan advisor to politicized administrator, largely focused on managing risk and implementing priorities based on political timelines.

Roundtable participants elaborated on how a culture of fear is undermining public sector performance. More specifically, the fear of political risk or backlash has led to increasing paralysis and learned helplessness in the public service. In addition to greater hesitation in decision making, some participants noted the tendency to try to research an issue to death before acting, which can be counterproductive in a time of rapid change. Others commented on the lack of incentives to innovate, noting the potential repercussions when problems arise.

While short-sightedness is not unique to government, the preoccupation with immediate demands versus long-term objectives is another barrier to change shaped by political dynamics. Rather than advancing a broader vision grounded in careful analysis of future trends, the public sector must adapt to greater volatility characterized by the constant risk of media exposure and the high rate of churn at the top. While public services around the world are starting to value a longer-term view, many still overlook the need to demonstrate continual progress to citizens.

Participants expressed concerns regarding the politicized culture that has emerged in the public service, which is struggling to find its place in a more ambiguous, unpredictable context. The lack of clarity about how policy is developed, who engages the public, and where accountability lies is creating tensions between the political class and the public service. Although some view political influence in democratic

governance as unavoidable, others see opportunities to better train and educate elected officials, political staffers, and public servants about their respective roles and responsibilities to increase mutual understanding, improve working relationships, and support more effective governance.

Talent management: *Declining morale*

As governments are increasingly forced to do more with less, participants emphasized the importance of being deliberate in maximizing instead of simply being complacent with attracting talent. However, modernizing talent management remains a challenge due to a combination of bureaucratic policies and processes, as well as limited meaningful engagement in a siloed, hierarchical environment.

Most notably, the bureaucratic processes involved in recruiting, promoting, and dismissing employees have significantly handcuffed the ability of the public service to manage talent effectively. The tendency to both favour seniority and promote early is also reflective of a human resource regime that lacks clear direction and contributes to a demoralizing culture. Furthermore, incentives to fill employment boxes rather than question their necessity also perpetuate the status quo. While some participants prefer more flexible alternatives to the current unionized model, others highlighted the need to rethink performance management altogether.

Better service delivery and innovative public policy also depend on employee engagement. In the current hierarchal environment, open communication and meaningful engagement across different levels remain limited. The apparent disconnect between executives and junior staff or front-line workers undermines organizational transformation, especially when changing priorities lack broad input and support. Furthermore, some participants noted the difficulty in leveraging expertise across the public service given departmental silos.

Driving modernization efforts

A high performing public service is integral to Alberta's competitive advantage. While public services around the world are facing similar challenges, participants emphasized the need to take the conversation to the next level by focusing on concrete solutions and exploring new approaches. As culture trumps strategy, commitment from the top is critical to fostering the mindset and sustaining the momentum needed for change.

With governments managing multiple priorities and facing growing public demands, modernization requires a clear vision and a strong commitment to tangible action. Far too often, governments make sweeping promises that fail to materialize. To ensure progress, participants stressed the importance of bold leadership in setting future directions and advancing concrete outcomes across departments. The public service also needs leaders with political acumen and change management skills to secure buy-in at all levels and oversee implementation.

To continue to make an impact, the public service in Alberta has started to refocus on delivering citizen-centred services, identifying where change is needed and how to make it happen. For instance, public service leaders are exploring future competencies, appropriate structures, engagement strategies, and enabling technologies. Regardless of the approach to modernization, change requires investment. Public sector organizations need to recognize that successful transformation and continual progress cannot be achieved without dedicated resources.

Optimizing Government

Roundtable on Public Sector Modernization

April 28th, 2015
11:30am – 2:00pm
University of Alberta
2-31 South Academic Building (SAB)
Edmonton

AGENDA

11:30am – 12:00pm

Arrival and Lunch

12:00pm – 12:25pm

Introduction

- Welcome by David Mitchell, President and CEO, Public Policy Forum; Debra Pozega Osburn, Vice-President, University Relations, University of Alberta; and Glenn Berg, Public Sector Market Development Manager, Microsoft Canada

12:25pm – 1:55pm

Roundtable Discussion

- What are the key barriers to improving public sector performance?
- How can government modernize its structures and processes to meet changing needs?
- Where should government target its efforts and investments?

1:55pm – 2:00pm

Closing Remarks

- Wrap-up by Microsoft Canada and the Public Policy Forum

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Optimizing Government

Roundtable on Public Sector Modernization

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