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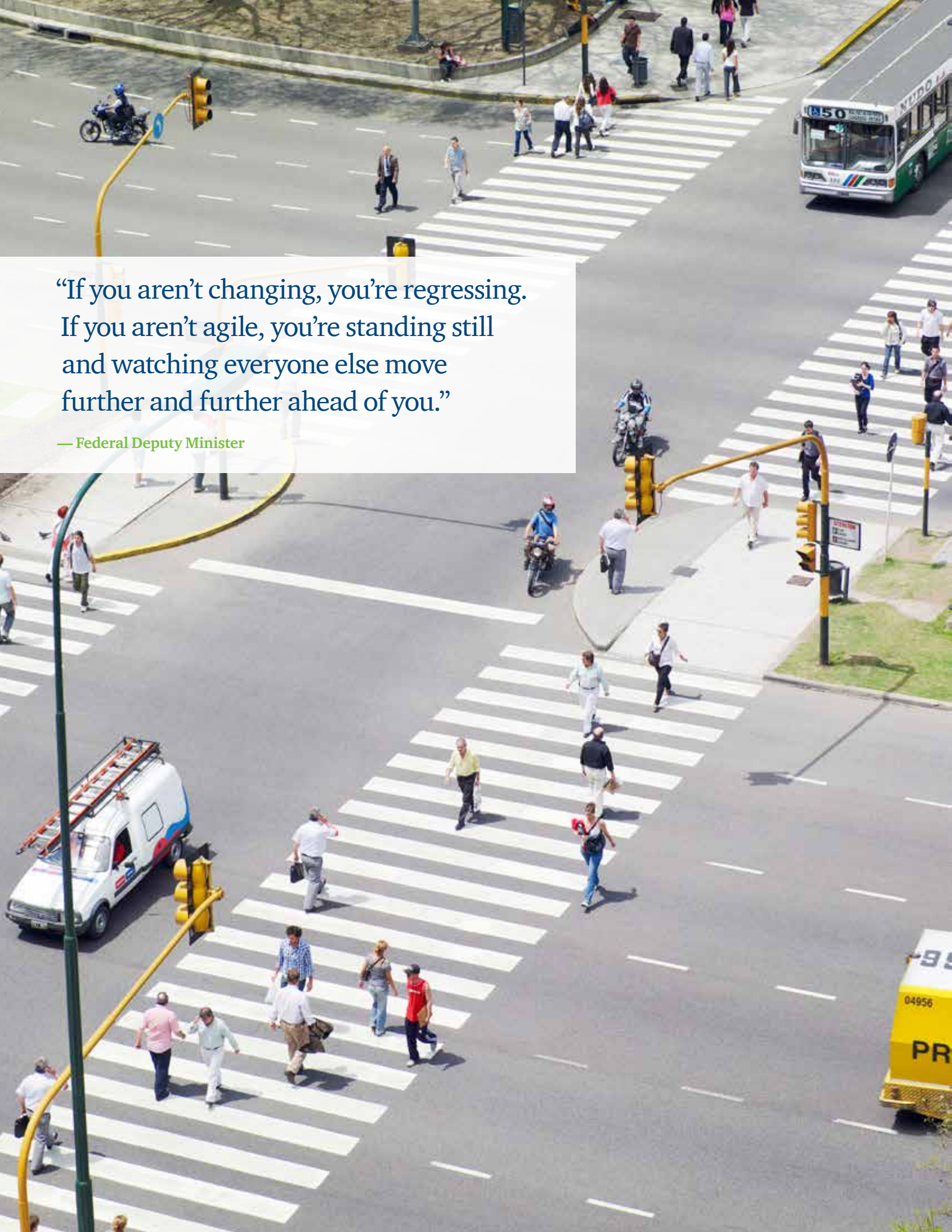
CANADA'S PUBLIC POLICY FORUM
DES POLITIQUES PUBLIQUES DU CANADA

Agile government
Responding to citizens' changing needs



"If you aren't changing, you're regressing. If you aren't agile, you're standing still and watching everyone else move further and further ahead of you."

— Federal Deputy Minister

Enabling agile governments

Leaders identified several elements that are critical to agility, namely: developing strong partnerships, investing in human capital, supporting and training leaders and investing in technology. It was also noted that there is a need for the public service to become less risk averse to become truly agile.

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Foreword

In an increasingly complex and interconnected world, where the pace of change is accelerating, governments know that they must re-invent the ways they do business. Whether this is through the partnerships they develop, the leadership techniques they employ or the skilled workforce they seek out, governments are facing the challenge of managing in uncertainty by focusing on becoming more agile in their operations.

Agile governments provide what citizens want, when they need it, regardless of external pressures and context. And they're able to do this because they're responsive, flexible, creative and attuned to citizens' needs.

With the federal government's release of *Destination 2020*, the ongoing generational change at the leadership level in governments across Canada and this being a federal election year, now is a good time to reflect on how governments can be more agile.

Over the course of 2014, the Public Policy Forum and PwC worked with a panel of senior administrators across Canada to explore the concept of agility and what it means to today's governments. Together, we held round table discussions and over 45 one-on-one interviews. We learned that Canadian leaders are striving for agility in their everyday operations, and while they're facing some challenges, they're also actively seeking opportunities and developing strategies to overcome these barriers.

This report provides a view of what public service leaders think of agility, how they're applying it in their organizations, and what critical actions governments should consider undertaking if they're going to be truly agile in the new reality.

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Introduction

Much has been written about how the roles of governments have changed. In this fast-paced, uncertain and yet connected world, governments need to adapt the ways that they manage.

> "Agility is having the flexibility and courage to reinvent yourself."
>
> — College President

Under the banner of *Public Service Next* the Public Policy Forum has been considering what the critical areas of focus should be to assist governments in their change process. Key pieces of the Forum's recent work such as *Flat, Flexible and Forward Thinking* and *Changing the Game: Public Sector Productivity in Canada* emphasize that Canadian leaders are open to and focused on the enablers of change. At the same time, PwC has been on a journey across the globe to understand how the notion of agility is impacting organizational change. In the Netherlands, the government is focused on outcomes, can cooperate and outsource, supports an active third sector[1], is societally conscious and client and demand driven. In Australia, agile public sector organizations have the capability to achieve competitive advantage through continuous adaptation in an ever-changing environment.[2]

Accounting for the unique characteristics of Canadian governments, the Public Policy Forum and PwC agreed that it was both timely and important to consider the concept of agility in a Canadian context.

Before we began our series of interviews and roundtable discussions, we identified key elements that define agility:

1. **Adaptability:** the ability to adjust and meet changing requirements
2. **Innovation:** the ability to generate and use new ideas, methodologies and technologies
3. **Collaboration:** the ability to leverage internal and external knowledge and resources to enhance the mission
4. **Visibility:** the ability to create and maintain transparency to enhance fact-based decision-making
5. **Velocity:** the ability to recognize and respond with the requisite tempo to new circumstances and events[3]

1 Agile Government, PwC Netherlands, 2012
2 Casler, Zyphur, Sewell, Barksy, Shackloth, 2012. 'Rising to the Agility challenge: Continuous adaptation in a turbulent world.' PwC Australia.
3 http://www.pwc.com/us/en/public-sector/publications/agile-defense.jhtml

While these enablers resonated with Canadian leaders, they were eager to provide perspectives on how agility should be viewed in a Canadian public sector context. When governments are agile, they should be almost invisible to citizens because the services they're providing are seamless, tailored to needs and allow the population to move about their lives without obstacles—paying their taxes, travelling safely, running their businesses and using public transit.

To achieve this, Canadian leaders believe that governments will need to change the way they think and the way they operate. Project contributors emphasized that the absence of market mechanisms that provide incentives for the private sector to take risks or invest in new technologies and business models, should not be used as an excuse for public sector inactivity. They considered this to be limited thinking and not representative of how the public service should be managed. While governments aren't in competition with other organizations in most instances, they should consider how their regulatory powers and service mandate creates a competitive environment for other stakeholders. For example, the emergence of innovative technologies like Uber, which offers a ride-sharing alternative to conventional taxis, has disrupted the industry in cities around the world. Canadian municipal governments who regulate the industry have been slow to adapt. In some cases, they have taken court action to ban Uber—a position that appears to demonstrate regulatory constraint rather than agility.

Project contributors also shared views on what agility is not. At the outset of the project, there was some contention that governments' requirement to rely on evidence-based decision-making was at odds with agility. However, this was strongly rejected. Canadian leaders emphasized that responsive is good, reactive is not, and taking the time to respond appropriately can mean the difference between doing something right the first time and repeating the exercise at significant cost. As such, in order to be agile, governments should be building and developing evidence as a part of business-as-usual so that responses are grounded in fact[4].

Being agile is also about knowing when governments don't need to respond. Partnerships, which will be discussed in further detail next, can be a key enabler for governments. Balance is an important part of agility for Canadian leaders–planning and anticipating, being responsive to current or emerging issues, and always cognizant of medium- and long-term prospects.

> "For Canadian leaders, agility is the ability to be responsive, flexible and creative, while being attuned to serving citizen needs."
>
> **— Former Federal Deputy Minister**

4 Civil servants aren't the only ones taking this position; elected officials such as Michael Bloomberg–past Mayor of New York City–have begun to champion a fact-based assessment of government services. Bloomberg is reported to have told his officials: "in God we trust–everyone else has to bring data."

82%

believe that partnerships are critical, and that through partnerships, we can create the conditions for agility.

Partnerships

Agility won't be fully realized until governments are more open and engage meaningfully with potential partners.

There are several reasons why partnerships offer an excellent way for governments to be more agile. They increase investment options, double human capital capacity, diminish the risk profile for government, contribute niche expertise and can accelerate change.

Increasing service capacity

A majority of Canadian leaders engaged throughout our project agreed that governments can accelerate agility by improving the way they engage with potential partners, particularly with regard to service delivery. Delivery of services has historically been a mainstay of government. As the public sector looks for ways to respond to citizen expectations and make savings, it's acknowledged that governments aren't always well equipped to invest in the technologies to enhance delivery mechanisms. Many private and not-for-profit organizations can be more agile in service delivery than governments.

Project contributors acknowledged that discussions and agreements with potential partners are often drawn-out and can become overly complex and bogged down in processes. While the private and not-for-profit sectors can often make decisions more quickly than government, laborious bureaucratic processes can impede partnerships. Many checks and balances and accountability measures exist for a reason, but governments can't continue to operate in a way that alienates potential partners. Risk aversion means that the public service rarely feels like it can share and debate ideas before they're fully formed policies and programs. Whether this is about real or perceived risks, it diminishes agility. Governments need to be more open, share information and engage with potential partners.

The scale of infrastructure development facing Canada in the near and medium term is overwhelming and the scale of public funding is unlikely to meet current or future needs. Canadian governments are competing with other jurisdictions with similar infrastructure challenges for private sector partnerships and funding. They need to better position themselves as partners of choice.

Tailoring health care to meet changing needs and expectations

The Ontario Ministry of Health and Long-Term Care launched Community Health Links in 2012 as a targeted program to assist those 5% of patients who, due to their complex needs, account for two-thirds of health care spending in a given year. Health Links allows family doctors, specialists, hospitals, home care, long-term care and community support agencies to provide integrated care to patients with multiple, complex conditions. Health Links represents an innovative approach to caring for patients with complex needs—improving outcomes, while delivering better value for money.

Across Ontario, 47 Health Links initiatives are already delivering health care to patients in need of complex care. The ministry's emphasis on a "low rules" environment has enabled the development and continuous improvement of Health Links. An integral part of this innovation, partners from various sectors are providing input and direction in order to improve the coordination and integration of care. As Health Links develops and matures, these partnerships will continue to expand, providing many potential access points for patients in the health care system. In addition, patients are being engaged in new ways to ensure that Health Links is tailored to changing needs and expectations.

Partnering to reduce risk

In 2003, the Nova Scotia government, in partnership with provincial credit unions, Atlantic Central and the Nova Scotia Cooperative Council, established a CA$6 million pilot project to meet the growing need and demand for small business financing. The program recognized that community-based credit unions, with local knowledge and a vested interest in growing small businesses, would be an ideal vehicle through which to deliver loans.

The government considers the program to be an excellent example of an agile public-private partnership for several reasons: the government provides a guarantee for funding which means there are no up-front costs; the risk to the government is restricted to 90% on term loans and 75% for lines of credit in the event of default and to date, the loss ratio of the program has been an average of 3-4%; and, credit unions are located across the province, including rural areas, facilitating province-wide roll-out.

Credit unions are also already set up for lending, compliance and monitoring making the program very cost-effective. Over the life of the program, the government has worked closely with its partners and industry to ensure that the program is reflective of consumer needs, a key element of agile government. New streams have been added which reflect market change, including financing for new immigrants and social enterprise, both growth areas for the province. The success of the program is evident in the increase to a CA$33 million revolving program in July 2005, and in April 2014, an increase to CA$50 million to meet demand.

Bridging the elected official-public service divide

The partnership with the most impact on government agility is the relationship between the public service and elected officials. Canadian leaders stressed that both groups have work to do to improve the current situation. Information sharing has broken down, policy advice is being diluted by a lack of trust and innovation and creativity are often stifled by a belief that failure is unacceptable. Therefore business as usual is easier and less risky to manage than exploring other options. All these factors establish significant barriers to agility.

From the public service perspective, leaders acknowledged that the field of politics is complex and some public servants could improve their political fluency and judgment. It was noted that political priorities will always exist but how we manage to work within the constraints of a partisan system that will drive success. Public service leaders must understand and respect the political agenda, work to be relevant to the political leadership and create sufficient space to achieve objectives and priorities.

At the same time, elected officials need to better understand and respect the role of the public service. The idea that politicians can simply do it alone without the advice and expertise of experienced and knowledgeable public servants is detrimental to government agility. There should be a clear distinction between politicians setting the tone and direction of policy and allowing the public service to develop options and plan implementation. An agile government means better service for citizens, which should be the overwhelming focus for both groups.

Bringing new skills and expertise to government

Many best practices and cutting edge developments in good management are happening outside of government. Partnerships provide a valuable means through which the public sector can leverage innovation, without needing to make the investment itself. Many governments across Canada are actively working with the private sector, aboriginal groups and academic institutions to do just this, and federal-provincial-territorial meetings could provide a useful means through which to share expertise. Partnerships also give the public sector the opportunity to use already tested innovations and leap-frog to the most up-to-date thinking when embarking on new initiatives.

Immediate Roadside Prohibition

In 2010, the Government of British Columbia introduced strengthened administrative sanctions under the Motor Vehicle Act to tackle drinking and driving on BC roads. The government's objective was to reduce alcohol-related driving fatalities by 35 % by the end of 2013. This goal was exceeded with an unprecedented 52 % decrease in alcohol-related fatalities since the Immediate Roadside Prohibition (IRP) legislation came into effect. Police found drinking and driving has dropped significantly, with the amount of time required to process a driver under the IRP model taking much less time than that required for a Criminal Code case.

As well, there's been a significant reduction in the number of Criminal Code cases (and hence costs associated with hearing those cases in court) with fewer impaired driving cases going through provincial court since the introduction of the IRP program. The program has faced many legal challenges from criminal defence lawyers and a constitutional challenge to the BC Supreme Court led to part of the IRP program being suspended in December 2011. The close working relationship between the public service and the elected government meant that the public service was given the necessary time and space to re-draft the legislation. Amendments to the legislation to address issues raised by the court were brought into force on June 15, 2012.

Leadership

62%

see leadership as a key to agility.

Strong leadership is a key enabler of agility. Agility can't be expected without investing in the required leadership skills.

Project contributors identified that good leadership in the public service is about doing the right thing, providing direction and building an agile culture.

By this, participants meant that good leaders can't be focused on preserving their position but rather on building relationships and using their influence to achieve citizen-centric policy and program outcomes, even if that may sometimes be to the detriment of their own traditional interests. Agile leaders will have vision and a pathway for success, but will also be flexible to adapt to changing circumstances. They're altering the language and perception of risk, developing a tolerance for ambiguity and ability to defend decision-making, even in instances when mistakes have been made. Most importantly, agile leaders understand the importance of partnerships within and outside of governments. They're invested in relationships with other leaders, and leverage their networks to help achieve outcomes.

If all this sounds very ambitious, it doesn't have to be. Contributors agreed that while these attributes are critical to agility, governments are too often failing to take the time and effort to train leaders to develop these skills. They also agreed that it's difficult to see how governments can really change the way their leaders operate without some credible investment in education and professional development. This isn't a criticism of the current crop of leaders, but a realistic acknowledgement that the public service is one of the few sectors where experience, or time on the job, is considered sufficient training to acquire the necessary leadership qualities. Very few natural leaders are born into service, they need to be equipped with the right tools and skills, with guidance and mentorship.

Transforming the government through shared services

The Government of Canada created Shared Services Canada (SSC) on August 4, 2011, to fundamentally transform how the Government manages its information technology (IT) infrastructure. The creation of SSC brought together people, technology resources and assets from 43 federal departments and agencies to improve the efficiency, reliability and security of the government's IT infrastructure.

SSC's executive leadership team recognized the need for strong and agile leaders to guide employees through its transformational journey and initiated the development of change leadership competencies of its executives and managers through a developmental program. SSC has designed and developed change leadership workshops. To date, approximately 36 change leadership workshops, to over 500 executives and managers across Canada, have been delivered.

The workshops are designed to provide leaders with an agile navigation system to help tailor the change process to the unique and emergent variables they face daily. Feedback from the participants has been positive and key themes and issues raised in the workshops are shared with senior leaders for their review. Based on feedback from participants, additional workshops are being planned to address topics such as navigating through ambiguity and the importance of fostering partnerships.

Risk

Risk was a recurring theme throughout most of the interviews and at all of the roundtables conducted with Canadian leaders for this project.

The prevailing view is that risk management is a critical part of any change process and will be necessary if the public service is going to be more agile.

> "Redefining risk appetite is about developing an understanding of next practice, not best practice."
>
> — Chief Administration Officer, Municipal Government

Unfortunately, in the current environment, public servants often feel disempowered. This is because, when it comes to risk-taking, the focus has tended to be on how public servants can and should be more creative and innovative; yet this doesn't account for the conditions that must be created in order to facilitate thoughtful risk and innovation.

Risk aversion was a theme noted by Canadian leaders. It's recognized that elected officials are beholden to many diverse stakeholders, which makes their roles very challenging. However it was also asserted that tolerance levels for innovation and intelligent risk would be higher if elected officials provided some cover for public servants. Successes can't always be enjoyed solely by the politicians, nor can failures be borne only by the public service. This creates a culture of fear and inhibits creativity.

Elected officials could change the language around project and program development, which at the moment lends the perception that new initiatives must work the first time or be considered failures. This would require a different kind of conversation with the public—not over-promising that every solution will be perfect and build in the potential to change policy and program directions if necessary. It was also noted that public servants require detailed documents and implementation plans well before the approval process for budget, design and end product even begins. This obviously limits the capacity for innovation and the prospect for re-direction when changing circumstances require a second look.

75%

emphasized that the public service needs to become less risk adverse to be agile.

Placing the citizen at the centre

In 2005, the Auditor General issued a highly critical report of Passport Canada operations, including serious concerns over security measures. Then, in 2007, a change in requirements for travel to the US created a surge in passport demands and led to overwhelming applications that the agency was unable to manage.

In response, the agency reinvented itself by introducing a new, more flexible and accelerated customer service model, which simplified back-end processing, reducing turnaround times. The agency also became more accessible by increasing its service points. The success of Passport Canada is regularly cited as an example of a government agency that managed to redesign the way it did business, placing the customer at the centre of its operations and increasing its agility at the same time.

Responsive in crisis

Following the 2008 global financial crisis, the Canadian government directed the public service to rollout an ambitious infrastructure stimulus package. Set up in very tight timeframes within the Treasury Board Secretariat, with billions of dollars to allocate and only a small number of staff, the program was successful for a number of important reasons:

- There were no limitations or restrictions placed on the organization to impede agility as no previous organization of this type had existed.
- The structure was flat and based on work needs, so there were no hierarchical barriers to responsiveness.
- The culture of the organization was suited to the task due to targeted recruiting.

All of these elements—flat structure, quick and appropriate recruitment, and high threshold for innovation and risk-taking–were enabled by a close relationship between the public service and elected officials and a clear, shared understanding of objectives.

Public servants aren't, however, placing all responsibility on elected officials and emphasize that their role should be to create a 'no surprise' environment, communicating and engaging effectively to help understand risk tolerance levels and build contingency into policy options. A large part of being agile is about delivering what government needs in more innovative ways, which necessarily implies some acceptable level of risk.

Contributors also agreed that public service leaders could do more to provide staff with more capacity to take risks. Staff need to know that it's acceptable to make occasional mistakes, and that as long as professional judgment has been used in decision-making, the organization will support them in instances when ideas don't succeed or best efforts don't fully achieve objectives. Borrowing from private sector processes, several smaller projects and experiments could be considered, with the understanding that with limited resources not all can be realized.

Research on corporate culture and innovation identifies three overarching themes: promoting risk taking, developing innovation skills and providing incentives to key talent.[5] Companies like Google and Apple are prominent in this research as leaders in promoting workplace practices that encourage employees to innovate. However, there are few examples in the literature of governments taking the lead to foster a culture of innovation.

The way the public service responds to crises provides a valuable illustration of how the risk equation can change when the will exists. The public sector should consider how processes change in these kinds of situations, why normally slow decision-making becomes more responsive and how this can be applied to day-to-day operations. One of the key outcomes of crises is that government organizations share information with greater speed and ease, without being fixated on accountability regimes and the 'need to know.'

Project contributors identified a number of actions to promote risk-taking and an innovation culture in the public sector:

1. ensure that senior management are innovation champions
2. allow free time to experiment with ideas
3. create an environment that allows experimentation
4. encourage and reward innovative thinkers
5. accept some mistakes and failures and don't let missteps paralyze the innovation process

5 Abel, Brock, Popiela, 2014. 'Building the Foundation of an Innovative Culture: Human Capital's Role in Making It Happen.' The Conference Board of Canada.

Human capital

Canadian leaders agreed that government agility overwhelmingly hinges on the capabilities of public servants.

> "The biggest enabler of agility is people. Processes will follow."
>
> — Provincial Cabinet Secretary

> "Diversity enables agility–experience and mobility enables diversity."
>
> — President of a Canadian foundation

If you have the right people, focused on the right things, partnering as required, you can achieve significant outcomes. You need the bench strength to respond. A simple concept—but not always easy to execute.

Part of building an agile public service is acknowledging that governments can't continue to recruit and manage talent the way they have in the past. Today's pace of change means that public servants aren't doing the same type of jobs in the same kind of departments. Today's government work demands a different kind of public servant that's more adaptable and mobile. Previously, it was believed that there were a handful of easily defined competences for ideal public servants, but now, staff need to be able to innovate, persuade, lead and engage, while being technologically able and politically savvy.

One of the key barriers to recruiting and developing the human capital required for agile governments is the recruitment process itself. Due to existing human resources requirements and accountabilities, hiring is too often slow, cumbersome and outdated. With a generation that's accustomed to immediacy of response and feeling connected online to potential employers, governments' approaches are likely costing them valuable staff among a new generation of emerging leaders.

The federal public service engagement plan, Destination 2020, is a positive start to changing governments' approaches to recruitment; however, contributors to this project believe the public service needs to go even further. Many young people that choose the public service when they're considering where they will build their career do so because they believe that they can make a difference and contribute to society. Governments can do better to leverage this desire to serve the public, and be smarter about the ways they recruit new staff. Project contributors acknowledge that a new generation of employees have very different expectations about job experience than their predecessors. Flexible work arrangements, quality of experience and relationships with supervisors and team are seen as key elements of a positive work environment. Most importantly, young public servants want to feel empowered and connected to outcomes. The public service is competing for valuable human capital and, much like the private sector, needs to adjust its approach accordingly.

In developing the right kinds of future public servants, leaders believe that mobility has a critical role to play building a diverse human capital base. Government is complex, and policy makers and program designers need to be able to reach beyond the everyday environment of the public service to understand impacts and outcomes. Governments need to create the conditions to encourage public servants to pursue opportunities outside of government, and for private/not-for-profit employees to want to work in government. There is understandably some risk in allowing talented staff to take up opportunities outside of government; however, creating these opportunities and this kind of working environment is an important part of the new recruitment and retention equation for governments.

62%

stress the importance of mobility to improve conditions to encourage deployments into government from the private and not-for-profit sectors and between levels of government.

More than **50%**

believe that technology would have an overwhelmingly positive impact on agility and that governments need technology investment.

Technology

Investment in IT is unavoidable if the public service is going to be agile and keep pace with the digital revolution.

Technology is a critical enabler for the future of agility—the desire is there, but the required budgets, not to mention the technical skills, to implement new technologies presents an enormous challenge for governments.

In a constrained fiscal environment, Canadian leaders believe that there are always competing priorities for limited budgets, and technology tends to be considered as a 'nice to have' rather than a necessity.

A decade ago, Canada routinely figured in the top rankings of every league table measuring government performance in adopting technology and moving government services online. No longer—Canada's leadership position has eroded as other countries have embraced technology or digital strategies as a key driver of agility. A first step for a number of these countries was creating a digital blueprint or strategy. It was critical for governments to put a stake in the ground and commit to specific goals, actions and timelines. For example, the UK government has set an ambitious course through its Digital Strategy published in 2012, which identified 14 specific actions for it to become "digital by default." Their vision is to create digital services that are so convenient, they become everyone's first or default choice.[6] As digital opportunities and challenges grow, deciding where to invest in technology can be difficult. Focused digital investments on the most impactful citizen transactions will help keep the scope of work manageable.[7]

New methods of service delivery, recruitment of the next generation of human capital and linkages with the public all rest on adopting new technologies. Refusal to prioritize new technologies is already undermining government agility, and this will only be exacerbated with time as natural partner organizations change their practices and reinvent their operations. If resources continue to be constrained, governments may be able to approach this piecemeal by adopting a hybrid model. New programs are framed and designed digitally, while other existing programs are digitized at a slower pace, as certain benchmarks and successes are recorded.

Technology has also changed expectations of the way governments do business. Real-time monitoring of and commentary about government activities means that the public has developed an expectation that responses should be almost immediate. At some levels of government, particularly at the municipal level, this has led to significant changes in business operations. Local governments, who are most closely connected to the public, have realized that traditionally structured bureaucracies don't lend themselves to agility and have transformed their organizations accordingly. We're now seeing flatter structures with fewer clearance levels, which in turn is building trust for staff's capacity to respond without senior level oversight. This is a more significant cultural shift than a simple organizational restructuring. At the municipal level, this is considered a reflection of their desired responsiveness, and the ability to change the way business is conducted in order to reflect citizen demands.

Becoming a leader in the digital revolution

Vancouver has become a leading technology hub in North America, with its dynamic mix of emerging technology start-ups and established tech companies. To support this sector, the city developed a digital strategy in collaboration with the Vancouver Public Library and the *Vancouver Economic Commission*. Using a Digital Readiness Assessment Model, the city established a baseline by examining digital maturity across five dimensions: online, mobile, social, infrastructure and data, as well as organization. Six months after the Digital Strategy was approved by City Council, the city created the position of a Chief Digital Officer (CDO) to implement the strategy in collaboration with internal business units and external partners. As a unifying framework, the strategy and its initiatives have created a central table for decisions regarding service delivery through digital channels. As Vancouver continues to adapt its digital roadmap, municipalities across Canada are looking to learn from the city's experience as a leader in the digital revolution.

6 Cabinet Office, 2012, Government Digital Strategy, https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/296336/Government_Digital_Stratetegy_-_November_2012.pdf

7 Hirt, Willmott, 2014. 'Strategic Principles for Competing in the Digital Age.' McKinsey Quarterly.

Barriers

There are barriers that exist, providing challenges to government leaders as they seek to be agile.

However, project contributors agreed that while some of these barriers are real and likely to remain, others can and should be overcome.

The first pre-condition for agility is that change has to begin at the top. Public sector leaders must desire change.

The barriers that Canadian leaders agreed are unlikely to change in the short-to medium-term, are structural, simply because the accountability measures are necessary for the expenditure of public funds. Fear of failure has become deeply rooted in public sector culture. The interplay between the permanent election cycle and the media's insatiable need for "gotcha" journalism has resulted in zero-tolerance for administrative miscues. No matter how creative and responsive public servants are, it's unlikely that their best efforts will always result in the highest level of agility.

However, there are also some barriers that are based on tradition or past practices that can and should be overcome. The first pre-condition for agility is that change has to begin at the top. Public sector leaders must desire change. Inherent in cultural change is the maxim that organizations don't change—people do. This means questioning some core assumptions of public service leadership and preparing to explore new ways of working together outside their comfort zone. Over the course of this project it was observed that senior executives in the public sector appear willing to ask themselves how they're prepared to change in order to promote agility.

Human resource processes and requirements around fair and transparent hiring seriously impede agility and aren't always necessary or, at the very least, could be significantly improved. An overwhelming focus on responding to the latest crisis, driven by reactions to public perception and media, distracts governments from their core business. There are of course exceptions (the global financial crisis, Ebola), but agile governments can distinguish between genuine and passing crises. Finally, there was some contention among contributors that a more constrained fiscal environment was a barrier to agility, but most Canadian leaders believed that while resourcing may be a recent challenge, austerity actually provides opportunities to explore how governments can operate differently and more effectively.

Conclusion

For years, the public sector has been grappling with how to meet citizens' increasing expectations. The inherently risk averse nature of government means that it often avoids public service innovation. But the acceleration of technology and globalization has put pressure on government to catch up with the private sector and to invest in innovation, even if it means taking on greater risk and the possibility of failure.

Our discussions with Canadian leaders demonstrate that more change is likely, and there is a growing sense that now is the time to act. The case studies profiled offer evidence that innovative change is underway. We believe Canadian public sector leaders are prepared to become more agile in the following ways:

1. partnering with private sector and civil society stakeholders to leverage innovation and respond to citizen expectations and delivering services in new ways
2. rethinking the civil service career model and required competencies to achieve agility through strong leadership
3. providing staff with more capacity to take risks and support them when ideas don't succeed
4. recognizing that younger professionals may have different expectations about their career paths
5. redesigning business rules and in some cases, a complete reconsideration of governments' regulatory role

There are ways to ensure that checks and balances are in place, while also being responsive, creative and adaptable. Governments are now beginning to change the ways they lead, partner, invest and recruit in order to maximize agility. By doing so, they will be better prepared to respond to the changing needs and expectations of Canadian citizens.

"Agile government responds to changing needs from the public's perspective"

— Provincial ADM

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