

TRINITY WEEK ACADEMIC SYMPOSIUM

PUBLIC POLICY PARTNERSHIPS

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G. Donnelly*

Department of Enterprise, Trade & Employment

1. CHANGE IN THE IRISH CIVIL SERVICE

The Irish Civil Service, probably like a lot of workplaces, has changed almost beyond recognition in the past 35 years. In the 1970s, almost all internal communication was in writing and it was commonplace for the views of each officer handling a case file to be recorded in writing and every file proceeded through the hierarchical structure until it reached the level appropriate to the decision which needed to be made. At each stage of the process, submissions were corrected and re-drafted before transmission to the next level. It was through this process of correction and refinement that junior officers learned the right and wrong ways of doing things. My contact in those days with my Assistant Secretary or Secretary-General was non-existent. That much of these processes have changed in the intervening years is a consequence of advances in technology and the new work practices that have resulted.

A further very significant shift in culture was brought about by our entry into the Common Market in 1973. We became less insular and policy responses began to be influenced by a greater engagement with the outside world. We became more sophisticated and outward looking in our approach to doing business.

However, there is little doubt that the process of change in the Irish Civil Service has accelerated hugely in the past 12 years as a result of the programme of modernisation and change, which we have come to know as the Strategic Management Initiative. SMI has brought about a revolution in business practices through the introduction of a strong focus on customer service, performance management, greater accountability and modern financial management techniques. More recently, we have seen major changes in recruitment into the Irish Civil Service and it is now becoming commonplace for middle and senior management positions to be advertised by means of open competition.

In 2004, a Government White Paper addressed the issue of better regulation and outlined the process of Regulatory Impact Analysis, which has now become standard practice in the development of regulatory policy across the Civil Service.

* The views expressed are those of the author.

Happily, the vast majority of this change has been for the better and has produced a more modern and responsive organisation better able to serve the needs of all stakeholders.

However, not all change is necessarily positive. There are some areas where, I earnestly believe, we should pause and take stock. One of these areas concerns the approach taken to the issue of policy development. In the course of the next 15 minutes or so, I hope to explain why we should be asking ourselves what role we, as civil servants, want to play in policy development in the future and how we might best perform that role.

In particular, I hope to explain why I believe that building collaborative ventures between Government departments and our Universities and third level institutions would be a positive development and yield mutually beneficial results in the context of public policy making.

2. POLICY MAKING IN THE CIVIL SERVICE

In truth, civil servants do not make policy. That is a function of Ministers and of Government. However, it is a key role of civil servants to develop policy options, analyse their likely impact and advise Ministers on the most appropriate policy response in any particular set of circumstances.

In order for civil servants to provide high quality policy analysis and advice to Governments, they must have access to the skills, research capability and other resources necessary to do the job.

In the recent past, the increasingly complex demands of modern policymaking have resulted in a tendency to devolve the process of determining appropriate policy responses to particular circumstances to consultants and expert groups. I will look at some of the reasons why this has been happening in a moment.

There are many examples of externalisation, although I am reluctant to quote any for fear that I will be misinterpreted as suggesting that the work of the Groups in question have resulted in bad policy. That is not the message I am seeking to deliver today. Any analysis of the policies in question would be some way beyond the scope of this talk.

My concern is different. My concern is that core civil service skills in the art of policy development and the formulation of policy advice to Ministers are, I believe, at risk relative to the increasing tendency to source policy advice outside the administration. Furthermore, I believe the process has the capacity to damage morale within the Civil Service and I fear that these are trends that will become increasingly obvious as the natural turnover of staff continues.

The process of policy development, analysis and advice within the civil service is driven by a variety of factors including the need for better regulation, impact analysis, accountability, and independent and objective thinking.

Whatever definition of policy-making is used (and there are many), the process usually begins with a problem and the identification of possible solutions and their likely impact. Once a decision as to how to proceed is made, the different strands of the policy have to be implemented and, at some later stage, the outcome will be measured and evaluated.

It can be argued that even with extensive externalisation of policy advice, there remains a critical role for civil servants in evaluating the recommendations made, in determining how they can best be implemented and in putting the most feasible options before Ministers. However, in working in this role, civil servants are almost inevitably confined to working within the policy options presented to them and their creditability in identifying and advancing alternative approaches is seriously undermined.

The process of externalising policy advice may well have been driven originally by need for “independence”. It may be somewhat provocative, but nonetheless true for all that, to suggest that some policy measures might have been seen as being more palatable, and the public more easily convinced of their merit, if they were recommended by outside consultants who were able to bring private sector expertise to bear on a problem.

Interestingly, externalisation of policy advice is not unique to the Irish civil service and in other jurisdictions, particularly in the so-called Westminster Democracies, it is often considered to be the inevitable consequence of the adoption of New Public Management, a generic term for public service reform on which our Strategic Management Initiative is based (see, for example, Di Francesco, 2001).

Public sector reform potentially impacts on the policy process in three ways. Firstly, reform is about tackling perceived inefficiencies in government administration and in delivering objectives through the more effective use of resources. That this restructuring has encouraged recourse to external resources is not really in doubt.

A second, and perhaps unintended, consequence of public service reform, is the extent to which performance management (a key tool within the SMI framework) is increasingly output and outcome driven to the detriment of the policy process (Di Francesco, 2001).

The third dynamic at work is the lack of time (UK Centre for Management and Policy Studies, 2001). This arises from the demands of modern policymaking, including the need for impact analysis, interaction with stakeholders, and the generation of coherence across Government. However, the SMI focus on new management techniques, (accountability & performance management) without additional resources has meant that policy makers now have to manage as well and have less time to engage in developing policy.

3. REGULATORY IMPACT ANALYSIS

I acknowledge that not all policies are regulatory based but it is valid nonetheless, when looking at how policies are made to consider the process of devising regulation. Also, as my own Department is one that is extensively involved in regulation, it is an area in which I have some experience.

If society and markets worked in equilibrium, there would be no need for regulation. But that is not the case and regulation is required in order to ensure that markets work fairly and equitably in the interest of all participants and stakeholders. However, there is a need for better regulation to ensure that the rules in place are both proportionate and necessary. That does not mean less regulation – sometimes it might mean more, but also *more effective*, regulation. To make more effective rules, we must be able to predict and anticipate the impact new policies will have on society. Government Departments must also be able to think and act coherently given the huge interaction that exists between various elements of policy. If the Department of Enterprise, Trade & Employment, for example, introduces new labour market policies, this might impact on childcare, on transport or on infrastructural development.

It is for this reason that RIA has become an important tool of policy making. But RIA is not an end in itself.

Public consultation is an important part of RIA but it must be done in an objective way so as to avoid the pitfalls of regulatory capture. In particular, it is essential that undue weight not be given to the views of the best-resourced lobbyists at the expense of more diffuse interests.

Intuition suggests that concentrated sectoral interests (such as farmers or industry) are better informed, better resourced, more vocal and form more effective lobby groups than diverse groupings such as voluntary and user groups and NGOs. The policy making process therefore runs the risk of favouring concentrated over diffuse interests (Dür and De Bièvre, Journal of Public Policy, 2007).

There seems to be little empirical evidence of the impact of external interests on policy and policy outcomes. The Groceries Order, however, may be a good example. There is a considerable body of evidence to suggest that the GO was a policy that was both influenced by, and reflected the demands of, sectoral interests but which ultimately caused detriment to the more general public interest (D/ET&E, 2005).

Other commentators have concluded that EU trade policy in respect of the Kennedy Round (1964-67) and the Doha Development Agenda (2001 onwards) was largely in line with demands voiced by economic interests and have suggested that interest group influence may be the most plausible explanation for this (Dür, UCD, 2006).

4. EVIDENCE-BASED POLICY MAKING

The way to better regulation, and the aim of Regulatory Impact Analysis, is to ensure that regulations are based on some form of evidence which demonstrates that the regulations are necessary. An evidence based approach supports transparency and comprehensiveness in public policy making (Ahern, 2005).

Thus, in order to objectively analyse of the views of all groups and in order for public servants to provide high quality policy advice to Governments, they must have access to the skills, research capability and other resources necessary to the job. Civil Servants must be able to identify, assemble, prioritise and present the evidence to support the policy proposals to be put before Ministers and Government. Such evidence will likely include expert knowledge of the subject, interest group submissions, cost benefit analysis, research, statistics, earlier policy evaluations and the results of economic and statistical modelling (UK Cabinet Office Strategic Policy Team, 1999).

This in turn means that civil servants will need access to particular skills and resources in order to test the various propositions before them in any particular scenario. I believe that in order to build these skill sets among the emerging generation of civil servants, we must encourage them to engage directly in the process of policy development, we must encourage them to work side by side with those skilled in the disciplines of research and analysis and we must allow them to benefit from the transfer of knowledge that I believe will result. According to the UK Cabinet Office, to be as effective as possible, evidence needs to be provided by, and/or be interpreted by, experts in the field working closely with policy makers.

If we are to achieve these aims, I believe we must review the tendency, as described above, to externalise the policy making process and to look for alternative approaches.

One alternative approach that offers significant potential is to seek to build collaborative ventures between Government departments and our universities and third level institutions in the development of public policies. These institutions represent a huge fund of knowledge and expertise and I would like to see the further development of links between Government departments and the academic community, which would allow civil servants to access this knowledge and expertise and use it to best advantage in formulating policy advice.

There are various ways in which this could be done. It can be done through formal training and by building on existing courses in policy analysis at diploma and masters level. It can be done

through personnel exchange programmes, by putting in place structures to allow for the sharing of the results of research, and by collaboration at an individual project level.

The Department of Enterprise, Trade & Employment, for example, in 2005 worked closely with Trinity College on the review of the Groceries Order. Although the basic analysis was done in-house and report written in-house, the collaboration with Trinity was invaluable and had the added advantages of building the skills of the civil servants involved in the project and made a huge contribution to the morale of those individuals by allowing them to be directly involved in an important piece of policy analysis.

Such ventures have the capacity to provide public administrators and policy makers with access to the required resources without undermining the independence of the process. This approach will also assist the administration in reconciling the demands of policy making with that of managing and accounting for performance.

The creation of such a partnership approach makes perfect sense for the academic community. Collaboration can build skills in the public service but can also provide hugely practical applications for academia-based research, the scope of which is immense and extends across the social and human sciences.

References

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