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Institute of Public Administration New Zealand.
P O Box 5032, Wellington, New Zealand.
Phone +64 4 463 6940
Fax: +64 4 463 6939
Email: editor@ipanz.org.nz

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Editor

Allen Petrey

Layout

Hettie Barnard

Editorial Office

c/- The Publisher as above

Editorial Committee

Tom Berthold
Ralph Chapman
Chris Eichbaum
Geoff Lewis
Allen Petrey
Gaylia Powell
Michael Reid
Carol Stigley

Advertising

Jay Matthes
Phone: +64 4 463 6940
Fax: +64 4 463 6939
Email: admin@ipanz.org.nz

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IPANZ arranges seminars and workshops for people to debate these issues. Much of this debate is reflected in *Public Sector*.

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Cover photo: IPANZ Presidents attending the 70th Anniversary celebrations

From the left, L.A. (Allen) Petrey (1998–2000); R.C.W. (Ron) Hamilton (1977–78); J.R. (Joan) Smith (1983–84, 2000–02); M. (Murray) Short (1995–97); P. (Pat) Lakeman (1991–93); J.L. (John) O’Sullivan (1981–82); A. (Adrienne) von Tunzelman (1985–86); T. (Tony) Loorparg (1986–87); C.A. (Charles) Hudson (1965–66); B. (Brian) Cox (1988–89); A.C. (Arthur) Davis (1978–79); C.A. (Chris) Burns (1984–85); C.E. (Christine) Goodman (2003–06).

Peter Aucoin – An introduction

Peter Aucoin, Eric Dennis Memorial Professor of Government and Political Science and Professor of Public Administration, at Dalhousie University, Halifax, is currently a Senior Fellow of the Canada School of Public Service, Government of Canada (formerly the Canadian Centre for Management Development) and a member of the academic advisory council of the Secretary of the Treasury Board. He has served in an advisory capacity to government at all three levels in Canada. He has been an expert witness in several constitutional cases dealing with election and referendum law. In 2000, he served as a member of the Peer Review Team for the review of the British Cabinet Office's modernisation program. He was a member of the Clerk of the Privy Council's External Advisory Group on the modernisation of human resource management and is a member of the board of directors of the Institute for Research on Public Policy.

Most recently Peter contributed significantly to the work of the Gomery Commission and it is the background to that Commission, its recommendations, and the prospects for the implementation of those recommendations that forms the substance of this invited article. Peter was one of those invited to participate in the research undertaken as part of the Commission's work programme, and a number of the recommendations arising out of the work of the Commission reflect Peter's contribution.

Readers interested in Peter's contributed research, "The Staffing and Evaluation of Canadian Deputy Ministers in Comparative Westminster Perspective: A Proposal for Reform" on which the following invited article is, in part, based can find it at: http://www.gomery.ca/en/phase2report/volume1/CISPA_Vol1_7.pdf

New Public Governance

In his article, Peter advances the argument that what has been described as one of the defining elements of Westminster styled political and administrative systems – namely a constitutional bureaucracy with a non-partisan and expert public service – has in Canada (and arguably in other jurisdictions as well) been the casualty of what he terms the 'New Public Governance'. In essence the New Public Governance is characterized by the politicisation of the public service and the corrosion of public service neutrality.

As Donald Savoie observed in introducing Peter Aucoin's contribution to the Phase Two Report of the Commission:

The Canadian public service has traditionally given high priority to its loyalty and responsiveness to ministers. Aucoin says that responsiveness has not been viewed as the result of political pressure, nor has it been seen as undermining the neutrality of the public service, rather, the public service leadership has independently placed a



high priority on responsiveness as a core public service value because it feels that the conventions on the relative independence of deputy ministers [chief executives in the New Zealand context] from ministers, including the Prime Minister, were sufficiently respected to enable them to balance the values of political responsiveness and public service neutrality.

Aucoin maintains, however, that the New Public Governance has tipped the balance too far in the direction of responsiveness ...' (Donald Savoie, 2006, Introduction, Restoring Accountability – Research Studies: Volume 1, Parliament, Ministers and Deputy Ministers, *Commission of Inquiry into the Sponsorship Program and Advertising Activities (Gomery Commission)* http://www.gomery.ca/en/phase2report/volume1/CISPA_Vol1_1.pdf)

Peter Aucoin is a regular (and most welcome) visitor to New Zealand and extremely knowledgeable about the New Zealand system of public management, and how it has evolved over time. It is aspects of the New Zealand model of public management – in particular the arrangements for the appointment and accountability of public service chief executives – that Aucoin views as of potential benefit in the Canadian context.

Chris Eichbaum
IPANZ

After New Public Governance goes awry in Canada: Changing the way government works or simply changing the guard?

Peter Aucoin

Dalhousie University, Halifax, Canada

In January, 2006, the Liberal government of Prime Minister Paul Martin went down to electoral defeat in an election that had but one salient and determining issue: government corruption. The Liberals lost power because, beginning in the mid 1990s, they had designed and managed a program – to promote Canada in the province of Quebec by sponsoring various kinds of public events and by direct advertising – that was intentionally subject to maladministration by a number of Liberal Ministers and their political staff, supported by the acquiescence of public servants at all levels in the hierarchy. Unfortunately for the Liberals, the maladministration enabled a very small group of public servants, advertising firm executives and Liberal Party administrators to engage in corrupt activities without being caught for several years. The corruption in question encompassed fraud related to government contracts with these advertising firms and kickbacks from these firms to the Quebec wing of the federal Liberal Party that contravened the federal campaign finance law.

Inquiries by the Auditor-General, the Public Accounts Committee, a Commission of Inquiry (the Gomery Commission, after its sole commissioner, Judge John Gomery of the Quebec court), and the police did not implicate any government Ministers in the corruption. At the same time, a number of Ministers, including the former Prime Minister, Jean Chrétien, a number of political staff, and, in particular, one senior public servant were held accountable for the maladministration. The maladministration and the corruption were widely perceived as related and in the partisan-political arena the two were usually not distinguished. In any event, the maladministration *cum* corruption stuck to the Liberal party and brought it down.

In opposition, the Conservatives blamed the scandal on what they alleged was the Liberal Party's arrogance, hubris and sense of entitlement to power. In government, the Conservatives continue to blame the Liberals, but also have promised to clean up government, to change the way government works. The new government's immediate agenda has five priorities, and the first is a so-called 'Accountability Act', a series of measures to enhance accountability in government, to control for undue influence by lobbyists, and to increase transparency and scrutiny.

The Gomery Commission's recommendations go much further than the Conservatives' Accountability Act scheme. Gomery saw the problem as stemming from an imbalance of power and sought to right the balance by enhancing the

capacity of Parliament to hold Ministers and public servants to account and by strengthening the independence of the public service (as well as of arm's length government agencies) from inappropriate political interference by Ministers and their political staff in the management of government programs. Except for the few reform items that the Conservatives and Gomery shared in common, the recommendations of the Gomery inquiry appear to have been shelved. The new Conservative government, in other words, has maintained the basic structure of what I call the New Public Governance that, in my view, contributed mightily to the maladministration within which the corruption occurred.

Before the scandal breaks wide open

The defeat of the Martin Liberal government on the basis of this one issue took place in a context that otherwise could not have been more favourable to the governing Liberals. The Liberals had been in power since 1993. From 1993 to 2004 they constituted a single party majority government, with Chrétien as Prime Minister from 1993 to December 2003 when his former Finance Minister, Paul Martin, assumed office, having won the Liberal leadership at a November 2003 convention following Chrétien's resignation. At the outset Martin proved to be more popular than Chrétien had ever been. The party was so far ahead in public opinion polls it appeared that it would be in place indefinitely. The public service, it was reported, was beginning to plan ahead on a ten-year basis.

The Canadian economy was one of the strongest internationally. Interest rates and unemployment levels were at record lows. The federal government was recording huge multi-billion dollars budget surpluses following a successful turnaround on deficit budgeting at the outset of the Liberal regime. Public opinion polls suggested that the Liberal government's 'progressive' stance on a range of social, moral and foreign policy issues, including cutting-edge positions on such matters as same-sex marriage, were supported by majorities of Canadians. And, to top it all off, the major opposition party, the Conservatives, was hardly a potent opposition force, having recently emerged from a messy reintegration of the old Progressive Conservative party and its populist offshoot, the Reform party (that itself had morphed into the Canadian Alliance in an unsuccessful attempt to 'unite the right'), and having a new leader, Stephen Harper, who had not been able to overcome suspicions about a hidden right-wing policy agenda.

As the scandal unfolds

Although the maladministration of the program in question had begun to become known as early as 2000, within a few months of assuming the office of prime minister in late 2003 the situation began to unravel for Martin and his government. A damning report from the Auditor-General in February, 2004 was especially unsettling to public opinion, and Martin responded by creating an independent commission of inquiry (the Gomery commission) with a very broad mandate and full powers of inquiry. By the end of May, 2004, when Martin called a general election for the end of June, the debacle was out of control. The issue was front-page news daily, and unfolded live on television like a soap-opera before the House of Commons' public accounts committee.

What was expected in December, 2003 to be a huge Liberal majority following Martin's first election as PM was reduced to a Liberal minority government. Following the 2004 election the Liberals found themselves in a House of Commons with the Conservatives as the Official Opposition and with neither of the other two other opposition parties – the federal Quebec separatist party the Bloc Quebecois the left of centre New Democratic Party (NDP) – willing (BQ) or with the number of MPs (NDP) to guarantee the Liberals the majority support necessary to govern. The Liberals survived until the House voted non-confidence in November, 2005. In the January, 2006 general election the Liberals went down to defeat, coming second to the Conservatives. From June, 2004 to November, 2005 no other issue overtook the unfolding scandal.

2006 election

By the time of the 2006 election, there was only this one issue of corruption and the three opposition parties – the Conservatives as well as the New Democratic Party and the Bloc Quebecois – exploited it to the fullest. For their part, the Conservatives promised to enact a wide-ranging 'accountability act', encompassing measures dealing with campaign finance, whistleblower protection, ethics, lobbying, procurement, government appointments, access to information, the powers of the Auditor-General, a parliamentary budget office, and, among other things, deputy minister (i.e. chief executives of departments) accountability before the Public Accounts Committee of the House of Commons. With the Liberal defeat in the election, the Conservatives, who had secured a plurality of 124 seats in the 308 seat House of Commons, then formed a minority government with Stephen Harper as Prime Minister.¹

From a comparative perspective, the defeat of the Liberal government is of no particular significance. Some commentators, especially those on the political right in Canada and abroad, have heralded a conservative turn to Canadian politics, but the evidence is scanty to non-existent. Although the degree to which Canadians are 'liberal' (in the American definition of left or centre-left) is probably exaggerated, Canadian public opinion is clearly middle of the road and pragmatic on a wide range of current social, economic, moral, and foreign policy issues. And, the new Conservative government's record and agenda lends support to this view.

By the time of the 2006 election, for instance, the Conservatives under Harper had jettisoned virtually everything that had distinguished the Western Canadian populist Reform Party from the old national Progressive Conservative Party (and, for that matter, the Liberal Party). It had also downplayed or scuttled the moral positions advanced by its Christian-fundamentalist wing that sought to have the Conservative party look as much like the American Republican Party under George W. Bush as possible. In office, Harper has dominated his government with a micro-management style and has governed in a manner that is very much in the 'brokerage-politics' leadership tradition of successful Canadian Liberal and Conservative prime ministers. His ambition to win a parliamentary majority requires that he cater to Quebec and to other voters who have little sympathy for what his core conservative supporters hold dear. He appears more than willing to do whatever is necessary to achieve this goal.

Cleaning up government

From a comparative perspective, the Conservative government's agenda to clean up government is not especially interesting. Its 'Accountability Act' is now a bill before Parliament. It has passed the House but was in senate committee when the summer parliamentary break started. The bill covers everything in the campaign platform, although there has been some watering down and backtracking on details, a few of which, particularly dealing with amendments to the access to government information regime, were important. The government claims that the act will clean up government, even transform the way it works.

The provisions in the act will not be unique to Canada, however, and, on the basis of experience elsewhere, there is no reason to assume that these changes will transform the political or governmental system. They will introduce more accountability by way of more scrutiny of government and more transparency. The government's plan enhances the capacity of Parliament, but primarily by creating new or expanding existing parliamentary agencies, all of which function with a good deal of independence from Parliament itself. In many respects it is obvious that the various provisions in the 'Accountability Act' were crafted not only by an opposition party with almost no government experience but also at a time when public opinion polls suggested that it would still be in opposition after the 2006 election (since the Liberals maintained a very slight lead in the various polls until the middle of the campaign).

Whether accountability improves to any great extent remains to be seen. The Canadian system already has several mechanisms of accountability that are as good as any elsewhere, including its Question Period, its Auditor-General regime, and its parliamentary committee structure. The one provision that pertains most clearly to the maladministration that enabled the corruption to occur – the accounting officer scheme for deputy minister accountability before the public accounts committee – has received virtually no parliamentary or media attention. In part, this is because the Conservatives have successfully linked the scandal to the former Liberal govern-

ment and party. In so doing, moreover, they have deflected the focus from the Canadian structures of public governance and management. These structures were considered deficient by many commentators, and in the first report from the Gomery commission in November 2005. The criticism focused primarily on the concentration of power under the Prime Minister and his political staff and for the degree to which the professional public service had failed to stand up to its political masters on those matters for which public servants had major, even exclusive, responsibilities.

New Public Governance at issue?

What is perhaps of interest from a comparative perspective, accordingly, is the sharp contrast between what the Conservatives have portrayed as the problem and the analysis and recommendations of the Gomery Commission. The Commission submitted its recommendations in its second report, released early in February, 2006,² that is well after the Conservatives had formulated their election campaign proposals in 2005 and after they had won the 2006 election. The Conservatives, however, had the first report of the Gomery Commission from November 2005 which presented its initial analysis of the problems at hand.

In its first report the Commission concluded that: ‘Three main factors...caused or contributed to the problems’. They were:

1. *the unprecedented decision [by the Prime Minister] to direct the Sponsorship Program from the PMO [the Prime Minister’s Office – his personal political staff], bypassing the departmental procedures and controls which the DM [Deputy Minister] of PWGSC [the department of Public Works and Government Services that administered the program] would normally have been expected to apply and enforce;*
2. *the failure of the DM of PWGSC to provide oversight and administrative safeguards against the misuse of public funds;*
3. *the deliberate lack of transparency on how the Program was initiated, financed and directed.*³

The Commission, in short, identified the politicised character of the management of this program, including the willingness of the public service to accept the maladministration, as the chief determinant of the problems. Gomery attributed the acquiescence of the public service to the prerogative power of the Prime Minister to control the careers of the senior public service, beginning with the Prime Minister’s own deputy minister (who wears three hats as Clerk of the Privy Council-Secretary to Cabinet-Head of the Public Service). The Prime Minister decides who will be deputy ministers (and associate deputy ministers) and what positions they will hold. All serve at the pleasure of the Prime Minister, even though the tradition has been that they are promoted to this leadership cadre from the professional public service.

In this instance, the acquiescence of the senior public service took place over an extended period of time. It entailed inaction or ineffective action on more than one internal audit, inaction on the criticism of a whistleblower (as well as his demotion), the issuing of inappropriate instructions to

managers, including to the few who sought to correct matters, and a general failure to do what should have been done on the part of the senior public service leadership. The excuse or reasoning was that Ministers had decided and the public service should simply follow ministerial direction. What was once perhaps one of the most important virtues of the Canadian public service culture – its attention to the democratic primacy of Ministers in the conduct of public administration – had become a vice. The traditional and legitimate concern for ‘political responsiveness’ gave way to allowing Ministers, and their political staff, to go beyond the pale of good public administration, as defined in law and traditions of public service values and ethics.

Addressing New Public Governance

The chief recommendations from Gomery to address this matter were essentially threefold. First, he recommended the adoption of a Canadian version of the ‘accounting officer’ scheme used in Britain since the late 19th century so that deputy ministers would be personally responsible and accountable before the public accounts committee of the House of Commons for the administration of their departments (at least insofar as they possess statutorily assigned or delegated authority over the management of resources). The Harper government, as noted above, has included a version of this scheme in its Accountability Act, as it was contained in its campaign platform.

Second, Gomery recommended that deputy ministers be appointed using a more open and transparent appointment system. The idea was based on the New Zealand system for appointing and managing chief executives (and recommended by me in a commissioned research report⁴). The model suggested in the Commission’s second report, however, is the process now in place in the province of Alberta. There is some disagreement about how this differs from the New Zealand system but it has not been resolved because the Harper government has not pursued it and no media have paid any attention.

Third, Gomery recommended curtailing the privileged access of political staff to appointments in the public service without competition. Again, this was promised by the Conservatives in their campaign platform and a provision in the Accountability Act eliminates the most offensive former privilege. Nonetheless, the Act does contain a provision that would give them the right to compete in internal competitions, and thus has retained some special status or advantage. Someone obviously was able to get the government to compromise somewhat on this matter.

Given the willingness of a number of crown corporations (state enterprises) to engage in aspects of the maladministration, if not corrupt activities, Gomery also addressed the need to reduce the prerogative powers of the Prime Minister to appoint partisan cronies to the boards of directors of these government corporations and to appoint their chief executive officers. Gomery recommended that the Prime Minister be removed entirely from this process, that each board of directors appoint

new directors as vacancies occur and that each board appoint its own CEO. The government had already committed to another approach with respect to appointments to boards, namely, the provision in the Accountability Act to establish a Public Appointment Commission to establish merit-based criteria and procedures and then to oversee ministerial appointment processes.

New Public Governance as status quo?

The Conservative government in power shows little inclination to change the balance of power. Prime Minister Harper quickly established himself as a strategic leader who also engages in micro-management. Political power is concentrated in his office. Ministers, political staff, and Conservative MPs are on a tight rein, as tight as ever seen in Ottawa. While some of this is no doubt due to the fact that this is a new government, by a party out of office for over a decade, and in a minority government situation, no one doubts that the leadership style of the new Prime Minister fully conforms to his personality. Moreover, it is possible for the Prime Minister to dominate in this way precisely because of the prerogative powers of a Canadian Prime Minister, the traditional structures of party leadership in Canada's two governing parties (that long ago eliminated the capacity of the party caucus to depose of a prime minister as party leader), and the pressures that produce the New Public Governance in every jurisdiction today.

The New Public Governance entails the following developments:

- the concentration of power under the Prime Minister and her or his court of a handful of a few select Ministers, political aides, and public servants;
- the enhanced number, roles and influence of political staff;
- the increased personal attention by the Prime Minister to the appointment of senior public servants where the prime minister has the power to appoint;
- the increased pressure on the public service to provide a pro-government spin on government communications; and,
- the increased expectation that public servants demonstrate enthusiasm for the government's agenda.
- None of these elements is entirely new. But the intensity of political pressures on the public service has increased significantly. No government can escape the pressures that bring about these developments; they emanate from, among other things:
- the transparency resulting from the contemporary electronic communications revolution;
- the greater assertiveness and aggressiveness of the mass media resulting from greater competition;
- the demand for openness that come with the advent of a recognition of the public's right of access to government information;
- the creation or expansion of a host of independent audit and review agencies;
- the public exposure of Ministers and public servants before parliamentary committees as well as public consultation or engagement exercises; and,
- a less deferential citizenry that demands greater public accountability.

The New Public Governance is clearly not a phenomenon unique to Canada. It is an international phenomenon. Not all governments are affected exactly the same way, of course, since they have different institutional arrangements and political practices, even in the family of Westminster systems. The Gomery commission's recommendations could help immensely here in changing the balance of power in Canada. There is no reason to conclude, however, that the new Conservative government will go any further than it has with its Accountability Act.

Notes

- ¹ The Liberals won 103 seats; the BQ, 51; the NDP, 29; and there was one independent elected. At the time of the formation of the new government, however, one former Liberal minister crossed the floor and was rewarded with a major portfolio.
- ² Canada, Commission of Inquiry into the Sponsorship Program and Advertising Activities, Restoring Accountability: Recommendations Phase 2 Report (Ottawa: Public Works and Government Services Canada, 2006).
- ³ Canada, Commission of Inquiry into the Sponsorship Program and Advertising Activities, Who is Responsible? Phase 1 Report (Ottawa: Public Works and Government Services Canada, 2005).
- ⁴ Peter Aucoin, 'The Staffing and Evaluation of Canadian Deputy Ministers in Comparative Westminster Perspective: A Proposal for Reform,' in Canada, Commission of Inquiry into the Sponsorship Program and Advertising Activities, Restoring Accountability: Research Studies, Vol. 1, (Ottawa: Public Works and Government Services Canada, 2006), pp. 297–336.

Peter Aucoin is Eric Dennis Memorial Professor of Government and Political Science and Professor of Public Administration at Dalhousie University, Halifax, Canada. He is a Senior Academic Fellow at the Canada School of Public Service, Government of Canada. His most recent book, with Mark Jarvis, is Modernizing Government Accountability: A Framework for Reform (Ottawa: Canada School of Public Service, 2005).



Use of targets to improve health system performance: Should New Zealand follow the successful lead of the English NHS?

Nicholas Mays

Department of Public Health & Policy, London School of Hygiene & Tropical Medicine, University of London

Summary

The setting of quantitative, time-limited 'targets' backed up by institutional and managerial rewards and sanctions has been a notable feature of performance improvement efforts in the National Health Service (NHS) in England since 1998 and especially in the period 2000-2004. Performance improved in the areas covered by English NHS targets, most markedly in relation to waiting times, but also in relation to treatment outcomes. None of the other parts of the United Kingdom followed England and similar trends were not observed, particularly not in waiting times, despite similar injections of funds. Despite the improvements in performance in target areas, targets were criticised, principally, for having perverse and unintended consequences (e.g. distorting priorities, encouraging 'gaming', etc) which could have potentially out-weighed their benefits. On the other hand most experts in performance improvement in public services argue that carefully chosen, incentivised targets are a useful part of the performance management repertoire when used well (e.g. when sanctions and rewards are proportionate). Some dysfunctional consequences are to be expected, but can be mitigated. Given the similarities between the English NHS and the New Zealand public health system, there is scope to use targets and related incentives sparingly to improve performance in New Zealand in areas of high importance to government and the public.

Introduction

Performance measurement and management are important elements in the range of methods available to improve performance in publicly financed health systems. One particular approach to performance management which has attracted considerable attention is the setting of explicit, quantitative, time-limited 'targets' backed up by an incentive regime of rewards and sanctions. This remains an important element in the performance improvement regime in the National Health Service (NHS) in England. Given the similarities between the objectives and challenges facing the publicly financed health systems of New Zealand and the UK, it is worth considering what can be learned from the English experience of using targets to improve performance.

A 'target' can be seen as 'a desired process or outcome that has been codified ...' (Collins et al, 2005, p1); i.e. the process or outcome has not only been specified, but it has been incorporated into some system of performance monitoring and accountability. A 'target' is thus a performance indicator embedded in a particular set of organisational incentives.

In the UK, government 'targets' are quantified, time-specific goals which are built into the Public Service Agreements (PSAs) between central government departments responsible for particular public services and the Treasury, on the basis of which funding is made available, and which the relevant spending Minister commits to delivering on behalf of the government. The English Department of Health's PSA

'targets' are incorporated into its performance assessment and incentive system for NHS providers (NHS Trusts) and commissioners (Primary Care Trusts).

Using targets to improve performance in the English NHS

The most widely discussed part of the English NHS system of performance improvement were the so called 'star ratings' in which both provider organisations and commissioning bodies were given an overall rating from zero to three stars based on their performance on a number of target measures. The star ratings for providers, 2000–2004, depended principally on performance on nine 'core' indicators mostly related to waiting times and financial stability which were regarded as largely within their control.

The policy goal of the 'star ratings' system was to provide the mix of managerial and financial incentives to performance improvement in areas of high priority to government and to patients which the quasi-market of the 1990s in the NHS was regarded as having failed to produce. They were also a response to a perceived deterioration of performance in relation to waiting times since the mid-1990s and to unfavourable comparisons of the outcomes of care in England versus continental Europe.

Importantly, the rating system was accompanied by an incentive system that was directed at holding the boards and,

especially, the chief executives of hospitals and other organisations, accountable for the local delivery of national priorities through the ‘naming and shaming’ which inevitably accompanied the publication of league tables. Given that there is a purchaser-provider split in the English NHS, there was always the related consequence that purchasers might attempt to redirect some patients in response to poor performance ratings. The chief executives of zero rated NHS Trusts were also at risk of dismissal along with their chairs. Some of the remuneration of senior staff was also potentially at risk if performance were poor.

On the other hand, high performing NHS Trusts were able to take advantage of an incentive system that focused on ‘earned autonomy’ as a reward for success. In addition, £155m was set aside in 2001 as a performance fund at provider level (not controlled by the commissioners/purchasers) to support Trust incentive and reward schemes. The better the performance, the more autonomy Trusts were given in terms of how to spend the extra funds as well as a lower level of general oversight from the centre. Funds were to be spent on and by the staff who had contributed to meeting the performance targets. Furthermore, only three-star Trusts were able to apply for ‘Foundation’ status in the first wave of this new, more autonomous form of governance of NHS provider organisations. Finally, three-star Trust management teams had the opportunity to take over the running of ‘failing’ Trusts thereby sharing their experience and expertise more widely and building their reputations.

The impact of the ‘target’ regime in the English NHS

In general, performance improved markedly in the areas covered by English NHS ‘targets’. The timing of these improvements suggests that the setting of targets with related league tables and incentives was causally associated with a substantial part of the improvement.

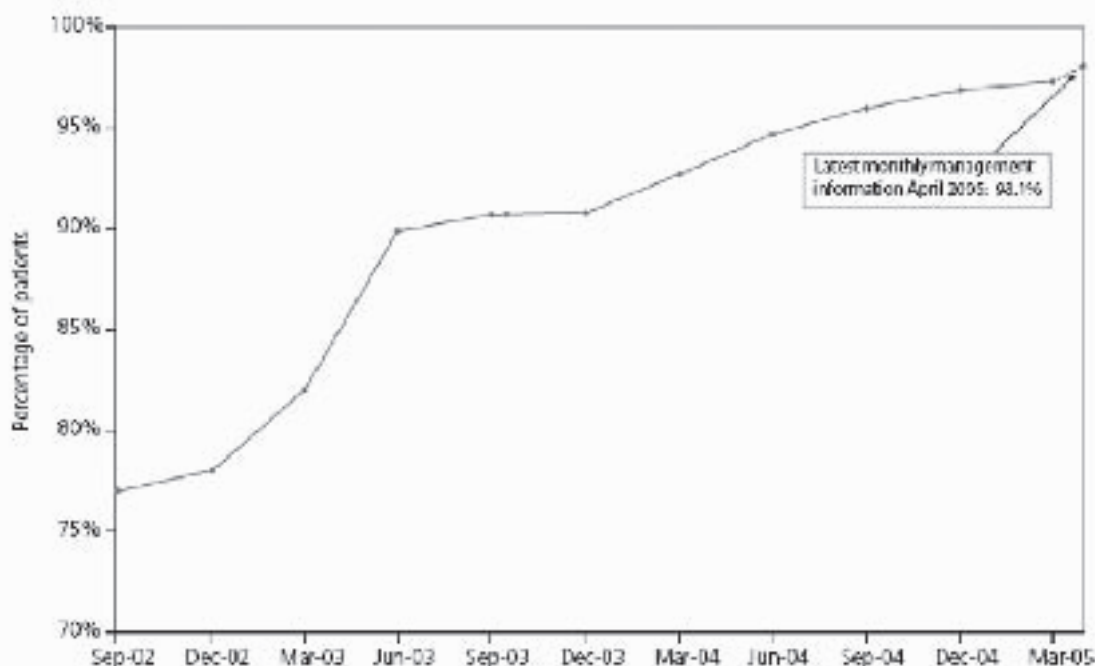
Waiting times

The trends in the high priority English waiting time targets show that on all the indicators performance improved markedly, comparing the situation before the target was introduced with the years that followed. It is noteworthy that performance had already begun to improve by 2002/03 before most of the recent much publicised growth in NHS spending and capacity began.

The effect on performance of setting and focusing management effort on the A&E and ambulance key targets are shown in Figures 1 and 2. Note the average improvement and the narrowing of the gap between the poorest and best performing ambulance services in Figure 2.

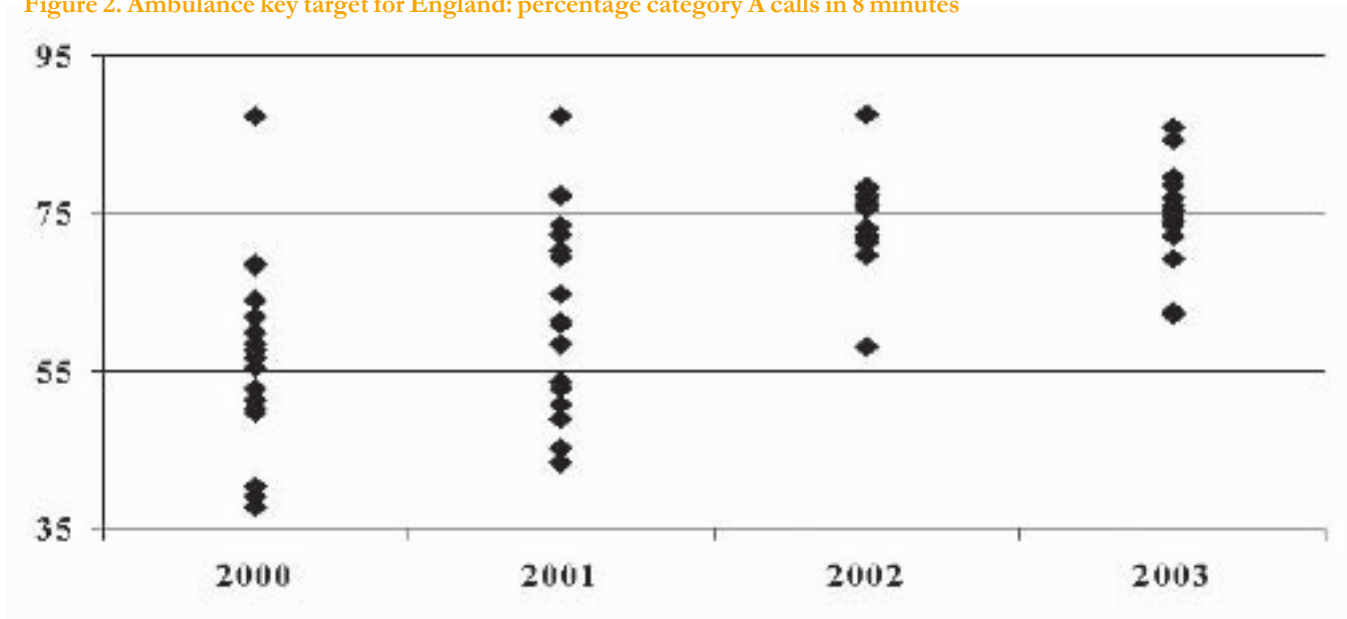
Figure 3 shows the downward trend in patients waiting more than six months for inpatient admission. No one had waited more than 12 months by March 2003.

Figure 1. Percentage of patients spending four hours or less in A&E



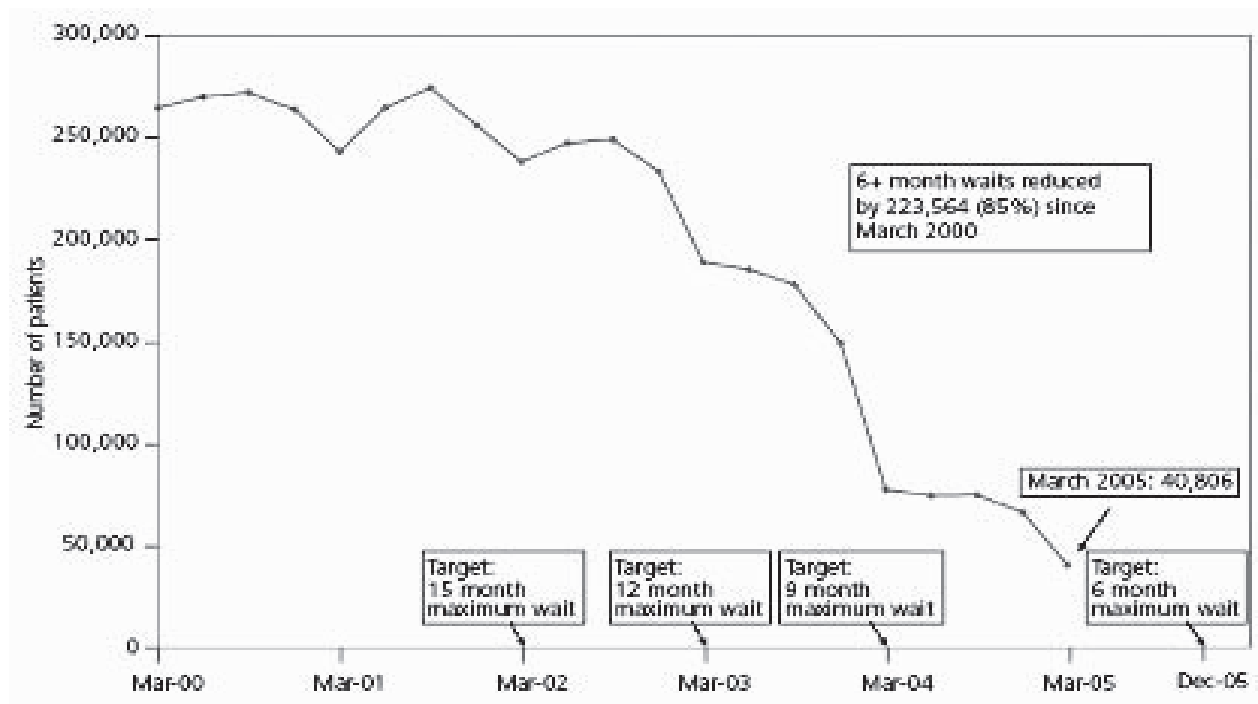
Source: Department of Health (2005) *Chief Executive's Report to the NHS*. London: Department of Health

Figure 2. Ambulance key target for England: percentage category A calls in 8 minutes



Source: Gwyn Bevan, London School of Economics, personal communication

Figure 3. Patients waiting over six months for admission



Source: Department of Health (2005) *Chief Executive's Report to the NHS*. London: Department of Health

Comparison between England and the rest of the United Kingdom

None of the other parts of the United Kingdom followed England in setting high profile, quantitative, time-limited targets, monitoring individual indicators, publishing 'league tables' and operating an incentive regime of organisational and managerial rewards and sanctions which applied to both commissioners and providers of services. Indeed, after political responsibility for the NHS was devolved to Wales and Scotland in 1998, targets were abandoned.

The most striking difference in the performance of the NHS across the four countries of the UK, comparing 1996 with 2003, was the reduction in waiting in England which did not occur elsewhere and which seemed to be the result of strong performance management against targets (Alvarez-Roseté, Bevan, Mays and Dixon, 2005).

Table 1, below, gives the comparative trends for 6-month and 12-months waits in England, Wales and Northern Ireland (unfortunately, there was a change in the method for calculating Scottish waiting time statistics during the period so that they are not now comparable with the rest of the UK). It shows deterioration in Wales and Northern Ireland, 1999–2001, when England's performance was improving markedly, followed by some signs of a catch-up as pressure mounted to emulate trends in England.

Hauck and Street (2006) compared the performance of hospitals on either side of the England-Wales border over a six-year period before and after devolution. They showed that the English hospitals recorded increased levels of activity, undertook proportionately more day case activity and had declining mortality rates while activity levels remained constant in Wales, the proportion of day cases fell and mortality rates rose. English patients waited less time and were more likely to be treated within the target waiting period.

In Scotland, clinical performance data were published, but without the incentives and external scrutiny put in place in England. It was expected that providers and clinicians would use the data to stimulate further investigation into causes of performance variation and act accordingly. The initiative had no discernible effect on performance (Mannion and Goddard, 2001).

Trends in treatment outcomes

Targets were set to reduce death rates from cancers, circulatory disease and intentional self-harm. Although analysis of trends cannot prove causality, the focus on these three areas appears to have been associated with noticeable reductions in mortality. In the period after targets were set, premature deaths from cancers and coronary heart disease fell faster in England than in any other European country, though admittedly from a high base. For example, the cancer death rate for people under 75 years fell by over 12 per cent between 1999 and 2003 (Figure 4).

Principal criticisms of the use of targets and star ratings, and responses in the English NHS

Like any policy instrument, the use of incentivised targets has both strengths and weaknesses as do the other policy instruments available [i.e. variants on exhortation, 'choice' (markets) and 'voice' (community governance)] to improve performance. Table 2, summarises the strengths and weaknesses of the English experience with 'targets'.

Despite the improvements in performance in areas which were the subject of targets and related incentives, which was not matched elsewhere in the UK, targets, and particularly, star ratings, were criticised, principally for being crude and leading to perverse consequences.

Table 1. Percentage of patients on NHS hospital waiting lists waiting longer than six or 12 months, 1999-2005

	1999	2000	2001	2002	2003	2004	2005
% waiting >12 months							
England	4.4	4.7	4.2	2.1	0	0	0
Wales	11.2	14.2	13.8	14.3	15.9	11.3	1.3
Northern Ireland	17.9	20.0	21.8	24.9	22.0	14.7	8.5
% waiting >6 months							
England	26.1	25.8	24.4	23.3	19.4	8.9	5.0
Wales	NA	NA	34.0	37.0	37.0	35.2	24.9
Northern Ireland	36.7	39.1	41.4	44.1	40.0	34.1	28.1

NA=data not available.

Source: Bevan G, Hood C. Have targets improved performance in the English NHS? *BMJ* 2006; 332: 419-22

Figure 4. Progress against cancer mortality target

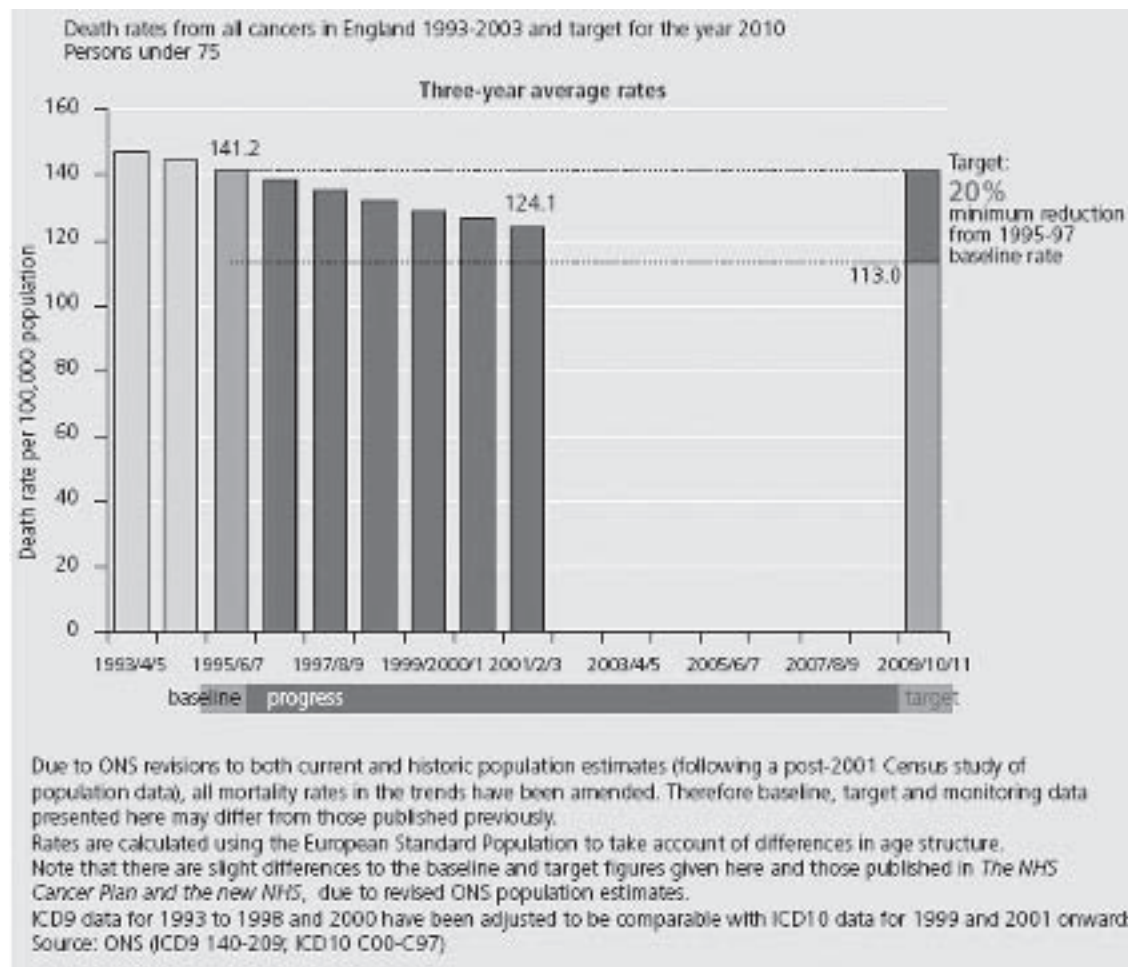


Table 2. Strengths and weaknesses of 'targets' and 'star ratings'

Strengths	Weaknesses
Relatively simple, clear targets with strong financial incentives improved performance, especially in relation to waiting times. These gains were not seen in other parts of the UK where specific targets were not set and where performance continued to deteriorate.	Managers focused on targets, controlling 'year ratings' rather than on areas that might have been more important for overall health system performance (e.g. a focus on meeting the target of a 5% reduction in mortality for the specified cancers, as opposed to identifying 'holistic' issues).
Progress in England eventually set pressure on other parts of the UK to emulate England.	
Targets covered aspects of performance that were of great importance to patients (e.g. timely waits in A&E for inpatient admission).	Targets potentially neglected important areas where they were limited by available data to what could be measured easily (e.g. relative paucity of data on clinical quality versus waiting times).
Some targets related to quality of care (e.g. emergency re-admissions) and not just to issues of responsiveness. It was possible to mitigate unintended dysfunctional consequences (e.g. by modifying targets). Some targets (e.g. in cancer) focused clinical attention on long-standing issues.	There was significant evidence to focus on reducing waiting times rather than improving other aspects of service quality. Targets produced a range of dysfunctional responses. Targets and related incentives risked crowding out intrinsic motivation to 'do well'.

Targets were too rigid and undermined staff morale

These criticisms related to the fact that targets did not take into account local variations in factors such as the incidence of disease (size of the problem), deprivation (difficulty of implementing a response) or the fact that different places may have different local problems. This was principally because the most important targets initially related to process improvements (i.e. shorter waits) which were regarded by the Department of Health as directly under the control of the NHS, irrespective of population characteristics.

The concern about staff morale relates to the general risk that too much emphasis on externally driven targets may drive out intrinsic motivation, particularly among professional staff. This emphasises the importance of keeping the number of targets under control.

This set of criticisms has to be taken seriously. It challenges those setting targets to set good targets in consultation with front-line staff and service users, to adjust targets to take account of factors outside the control of those being assessed, to exercise judgement when acting on performance data and to be prepared to refine targets in light of experience. However, in tax-financed systems, final authority (and responsibility, arguably) for setting targets should rest with central government, despite the fact that it is tempting to allow influential professionals to set them (Collins *et al*, 2005). While local managers and clinicians will need more detailed performance and other information for running services, this should be seen as quite distinct from national targets.

Targets had perverse and unintended consequences

Though difficult to verify, there is some evidence of some adverse effects (House of Commons Public Administration Select Committee, 2003). For example, it is conceivable that any neglect of non-targeted areas could have reduced service quality sufficiently to offset any benefits accruing in the targeted areas. In addition, there were reports of perverse behaviour (e.g. refusing to deal with low risk patients at A&E departments at peak times until the four-hour waiting target could be met), responses which had no obvious health care benefit but helped meet a target (e.g. employing nurses to greet patients at A&E departments to ensure that all arriving patients were 'seen' within five minutes of arrival) and fraud (e.g. manipulation of waiting lists and waiting time statistics). There were reports of hospitals reducing the number of patients on waiting lists and driving down average waits by preferentially treating 'easier' patients at the expense of more complex patients who might have had to wait longer as a result (Chang, 2006).

On the other hand, targets were modified in light of evidence of inappropriate responses. Thus the target that all patients should be able to book an appointment with their GP within 48 hours was amended to reflect the fact that some patients wished to book appointments further in the future but were being prevented from doing so by practices anxious to hit the target because of the financial consequences. Another potential

response would be to define 'good' performance in an area as the ability to hit a number of complementary targets, thereby avoiding an excessive focus on any one indicator (Nolan and Berwick, 2006).

As Collins *et al*, (2005) point out, there is no intrinsic reason why a target should *distort* priorities since, by definition, a target *indicates* a priority. Seen from this perspective, many criticisms of the 'distorting' effects of targets are, in fact, criticisms of the priorities themselves and of the fact that they focused managerial and clinical attention on particular areas (e.g. cancer treatment) and/or facets of performance (e.g. waiting) rather than others.

The data on which targets were based were not credible

It is argued that a part of the improvement observed was simply a result of changes in the way that data were recorded and reported. It seems at least possible that part of the reported improvement in waiting times, if not in survival, was due to changes in reporting. However, other pieces of evidence indicate that the improvements reported were also genuine. For instance, numbers of operations carried out increased in the period.

One overarching response to this group of criticisms is to put in place an independent agency, as in Canada, to supervise measurement issues (e.g. to prevent accusations of government or individual organisations 'cooking the books'), to develop better data collection systems and to compile performance reports.

The degree of sanction or reward was not clearly related to the degree of failure or success

It was argued that organisations could be assigned a zero star rating with major consequences through missing just one target even if their performance in other respects were exemplary and that the system allowed no discretion to take this into account. Clearly any system in which performance against targets is strongly incentivised needs to allow some discretion. Sanctions and rewards need to be proportionate to the degree and extent of any failures or success, not simply to a particular score.

Implications of the English NHS experience for New Zealand's public health system

Sheila Leatherman, a leading health services quality improvement expert, argues that the 'First Fallacy' of performance improvement in health systems is that performance targets and indicators do not work (Leatherman, 2005). Despite the acknowledged weaknesses of the target regime, the verdict of other analysts has also tended to be positive. For example, Bevan and Hood (2006, p. 421) conclude their review of the impact of NHS targets as follows: 'Nobody would want to return to the NHS performance before the introduction of

targets, ...' This view is shared by the members of a recent UK independent commission into the use of targets in the public services: 'Targets can and should be defended. ... They are useful for a government to ensure that public money is spent well. Used well, targets provide organisational focus, embody the ambitions of government and offer a transparent account by which services can be measured.' (Collins *et al*, 2005, p.1)

Yet, targets linked to incentives have not been used in New Zealand despite the similarities between the two public health systems in terms of general tax funding, strategic objectives, organisational accountability and recent funding increases. Though the New Zealand Health Strategy and related Strategies set a large number of objectives these tend to be aspirational, and are usually not quantified or time-limited. What are described as 'targets' exist in some areas, but these are not linked to managerial incentives so are not strictly 'targets' in the sense described here. Performance 'league tables' are not published.

The evidence of the positive effect of 'targets' in the English NHS suggests that there is a case for considering similar use of 'targets' in the New Zealand public health system in a small number of areas where there is a reasonable consensus that current performance can and should be improved, and that appropriate targets can be set and validly measured. This is not to say that the system should rely exclusively on such 'targets' to generate improvements in performance. 'Targets' should be seen as one among a range of approaches (Ham, 2003) and can be effective without being turned into 'star' ratings.

However, there are a number of issues in relation to the use of 'targets' which would have to be taken into account in designing an effective system of targets and incentives. Some of these issues relate to the differences between the New Zealand public health system and the English NHS, others are generic to the use of performance targets with associated incentives. On the generic side, in addition to possible adverse side-effects such as some distorted behaviour, ineffective responses and even fraud, and the need to put in place countervailing measures if targets are linked to relatively high powered incentives, the risk that a 'target' regime may reduce the internal motivation of professional staff has to be faced (Smith, 2005). The costs of heavy reliance on external motivation through 'targets' may be considerable, although much depends on the degree to which the relevant professionals agree or can be persuaded of the importance of pursuing particular targets.

This tends to suggest that national 'targets' should be used sparingly and that, as far as is consistent with government responsibility and accountability for the use of large amounts of taxpayers' resources, they should engage the commitment of health professionals as well as being directed at managers (arguably, the English regime was mostly (perhaps excessively) directed at incentivising managers). In this regard, the English experience in the cancer field is instructive in that the impetus for service change came from setting improvement 'targets' (e.g. that no patient should wait more than two weeks to see a specialist when referred by their GP with suspected cancer)

through a relatively 'top-down' problem identification process, but the changes in response were developed and implemented through regional 'collaboratives' or networks of organisations and professionals involved in all aspects of cancer screening, diagnosis, treatment and care. This process was led from the centre by the appointment of a so called 'cancer tsar' (the NHS National Cancer Director), Prof Mike Richards, a medical oncologist. In this way, a balance was struck, at least in the cancer field, between 'top-down' external scrutiny and accountability (through tracking progress towards 'targets' in terms of post-treatment cancer mortality rates), and reliance on more 'bottom-up' professionally led change (through staff themselves reconfiguring services and referral processes).

In designing targets and incentives, there are also the questions of how to set the standard embodied in any target and what to reward/penalise. For example should targets be set in terms of raising average performance across a group of institutions, or should they be based on an expected level of *improvement* in performance irrespective of the starting point, or should they relate to how far from a specified standard or the group average an institution starts (i.e. so that improvement from a low base might count for more than the same improvement from a higher level of performance)? Further, should targets apply to all institutions or only to those performing below a specified level? Answers to these questions depend, in part, on the overriding goal of the target regime – for example, whether it is to raise the average level of performance irrespective of which institutions contribute, or whether it is to raise the average by improving poor performers.

Evidence indicates that targets should be set, or at least rewarded, generally in terms of *improvements* in performance rather than the attainment of a particular level, since the latter tends to signal to average and above-average performers that they have nothing to accomplish and only sends out strong incentives to poor performers (Mannion and Goddard, 2002). In addition, a focus on improvement does not disadvantage organisations (in this case, District Health Boards (DHBs) and Primary Health Organisations (PHOs)) which serve more deprived or higher need populations since they will be rewarded for improvement irrespective of where they start from. This approach also means that it is less critical than it would otherwise be to be able to adjust any performance measures exactly to take into account differences between populations.

In the context of a much smaller health system than the English NHS, with only 21 DHBs (though 81 PHOs), separating real variations in performance from apparent variations attributable to small numbers of events will be important in order to maintain the credibility of the approach. Any variations in performance which attract sanctions and rewards have to be valid (e.g. calculated on the basis of moving averages over a number of years and/or presenting 95 per cent confidence intervals around any point estimates).

Another important design issue is to set targets that are within the scope of the relevant agency or agencies to influence if not entirely remedy. For example, while a health problem may be a major contributor to the burden of disease, it may not be amenable to action on the part of the health sector or there may

not be adequate knowledge of how the health system can best respond. It would be important, particularly at the beginning of the process to set strongly incentivised targets in areas which are clearly the responsibility of the health system.

Other issues which have to be determined include what rewards/sanctions attach to good/poor performance (and/or little or no improvement in performance), whether or not there should be any local as against national targets, and whether or not progress should be measured by an organisation other than the organisation which sets the targets. Of these, the most sensitive is the choice of financial and non-financial rewards and sanctions facing DHBs and other health sector organisations. At present, little use is made of either financial or non-financial rewards and sanctions, yet it is well known that simply collating and monitoring performance information, as in the Scottish case, is unlikely to produce substantial performance improvement. The only financial reward available to DHBs currently is advance payment on a monthly basis from the Ministry of Health to those DHBs that are performing well financially. It is possible that a similar advance payment could be made available to DHBs that make non-financial performance improvements in target areas. However, this is a very limited reward, particularly given that it would offer nothing to those DHBs that are already performing well financially.

Another possibility in the New Zealand context, where equity of funding and access to services between DHBs are high priorities (as they are in England), might be to offer high performers a share in a staff development fund. However, the vertical integration of planning and funding with hospital provision in the DHB model makes it more difficult than in the English NHS to reward providers versus purchasers for their contribution to performance improvements since publicly owned providers are part of the DHB. There is some scope to use peer and public recognition as an incentive if performance trends are publicly reported. Again, the ability to do this is reduced in the New Zealand context by the fact that purchase and provision of hospital and public health services are the responsibility of the same organisation making it less likely that a DHB could or would use provider performance data to alter its pattern of purchasing. Similarly, many DHB hospitals (if not other service providers) are local monopolies further reducing (but not necessarily eliminating) the ability of the centre to use comparative performance assessment to encourage performance improvement.

There is also the question of whether there should be any external assessment of why performance is poor in order to be able to offer assistance or whether this should be left to local initiative. In the English NHS, the NHS Modernisation Agency developed to provide a management consultancy service separate from the Department of Health to work alongside local providers to help them with problem identification, development of solutions and their implementation to improve performance. The Agency also publicised case studies of improvement so that other NHS organisations could benefit from the achievements of leaders in the field. It is possible that the Ministry of Health could contribute in this

way since it is unlikely that a separate agency could be justified in the New Zealand context.

Conclusions

The results achieved in the English NHS through a regime of targets and related incentives suggests that rather than rejecting them because of their admitted drawbacks, the policy challenge for the New Zealand health system is how to maximise their social benefits and minimise their costs as part of a range of different approaches to performance improvement.

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‘A longer version of this paper is available on the Treasury website (www.treasury.govt.nz/workingpapers/) as Working Paper 06/06’.

The views, findings, and recommendations expressed in this paper are those of the author. They do not necessarily reflect the views of the New Zealand Treasury. The Treasury is not responsible for the correctness of the contents.

Nicholas Mays has been Professor of Health Policy in the Health Services Research Unit, Department of Public Health and Policy, at the London School of Hygiene and Tropical Medicine (University of London) since May 2003. He currently also spends three months of each year as principal advisor in the Social Policy Branch of the New Zealand Treasury in Wellington.

From 1998 to 2003 he worked in the Health and Cross-Sector Strategy Sections in the Social Policy Branch of the New Zealand Treasury. From 1994 to 1998 he was Director of Health Services Research at the King's Fund, London. He directed the Health and Health Care Research Unit in the Queen's University of Belfast from 1991 to 1993. Before then he held a variety of research posts in the Universities of London and Leicester, in government agencies and in the National Health Service.



The Institute for Public Policy Research: Rethinking Whitehall

The Institute for Public Policy Research (IPPR) – an independent charity – is one of the UK's leading think-tanks. Launched in 1988 the IPPR has made a significant contribution to public policy debate and development across a number of policy domains. It has a reputation for well-researched and clearly argued policy analysis, reports and publications, possesses strong networks in government, academia and the corporate and voluntary sectors and maintains a high media profile. The stated aim of the IPPR is,

...to continue to be a force for change by delivering far-reaching and realistic policy solutions that we hope will produce a fairer, more inclusive and more environmentally sustainable world.

In March 2005 the IPPR launched a major research project, *Rethinking Whitehall: The Future of the Civil Service*. The purpose of the project was to fundamentally assess the way that Whitehall works, identify the challenges it faces, and ask what role the civil service should perform to remain fit for purpose in the twenty first century? Announcing the project the IPPR noted that:

A high performing Whitehall is crucial to the functioning of good government and to the delivery of public services. Yet so far a national debate about the future of the civil service has failed to materialize. Instead it has focused on the important but relatively narrow issues of politicization and more recently on the Gershon and Lyons-inspired efficiency and relocation reviews. Given how integral an effective civil service is to the wider public service reform agenda we feel the time has come for a serious discussion about the future of our civil service.

Rethinking Whitehall will review the options for civil service reform and, drawing heavily on international experience and lessons from wider public service reform, it will clearly identify the steps needed to be taken to ensure that the civil service performs as it should.

The aims of the project were to:

- Explore the proper roles and functions of a central government civil service in the 21st century;
- Identify where the civil service is working and where it has broken down;
- Understand what factors explain poor performance;
- Conduct a comparative survey of international administrative systems, highlighting overseas experiences which offer models for the UK;
- Set out what the priorities for reform should be and how the politics of reform should be managed; and
- Recommend specific and practical policy proposals.

The results of this project were published in August 2006 in the IPPR publication *Whitehall's Black Box: Accountability and performance in the senior civil service* (see <http://www.ippr.org.uk/cationsandreports/publication.asp?id=486>)

The article that follows was written by one of the co-authors of that report, and the person with overall responsibility for the Rethinking Whitehall project, Guy Lodge.

In the next issue of Public Sector we will review the full report in some detail, and compare the trajectory of public/civil reform in the United Kingdom and in New Zealand.

Chris Eichbaum
IPANZ

Westminster and Whitehall World

Guy Lodge

Institute for Public Policy Research, London, United Kingdom

Recent events at the Home Office and elsewhere in Whitehall, along with last month's capability reviews, have exposed significant weaknesses in the way the Civil Service operates, and have thrown the issue of Civil Service reform under the spotlight. Such a debate is to be welcomed. While public service reform has been something of a *leitmotiv* of the current government – Civil Service reform has been conspicuously neglected. Ministers have focused downstream – on schools and hospitals – rather than upstream on the core executive.

Our research – which has included in-depth interviews with leading civil servants and Ministers – concurs with many of the criticisms levelled at Whitehall. We found serious problems with its skills-base, especially where management and delivery is concerned, its ability to innovate, to think strategically, learn from mistakes and work effectively across departmental boundaries. These weaknesses are not new and have long been recognised. Indeed the Civil Service has been subject to a succession of reforms intended, but frequently failing, to address them.

We argue that many of these reform efforts have not got to the root of the problem, which we believe rests with the constitutional conventions which govern the Civil Service. It is these, after all, which foster its culture, outlook and incentives, which regulate its relationship with Ministers, parliament and the public, and which ultimately determine how and why the civil service behaves as it does. We argue that these conventions are now anachronistic and severely inadequate. This is particularly true of the most important of these, the doctrine of ministerial responsibility, which holds that Ministers, and Ministers alone are accountable for everything that happens in their departments. It is simply no longer effective. Developed in pre-democratic times it now needs recasting to take account of the realities of 21st century government. Times have changed.

Whitehall's governing arrangements increasingly entail that relations between Ministers and civil servants are ill defined, and their respective roles and responsibilities unclear. As a result there is a 'governance vacuum' at the top of Whitehall: lines of accountability are confused and leadership structures are weak. These arrangements hold the Civil Service back and undermine its performance.

Take the issue of accountability. Ministerial responsibility means that civil servants are not subject to external accountability for the roles and functions they perform. But it also ensures weak internal accountability, since civil servants, despite the rhetoric, are not held to account by ministers in any meaningful way. For them to do so would mean violating the

merit and impartiality conventions. Ministers have very limited powers to choose their civil servants, promote them or dismiss them – or to seek redress when they feel that they are being poorly served. In other words Whitehall is largely accountable to itself.

Whitehall's governance arrangements also undermine effective leadership. The Cabinet Secretary – the nominal head of the Civil Service – lacks an effective power base, since permanent secretaries are said to serve their Ministers, and account to parliament in their role as accounting officers. He has little formal leverage over his colleagues.

In summary they:

- Confuse the respective roles and responsibilities of Ministers and officials;
- Lead to an absence of clear corporate leadership, so detracting from the service's ability to think and act strategically or drive change;
- Ensure civil servants have a weak sense of individual responsibility; there is no tradition of feeling accountable for outcomes – too often there is no price for failure in Whitehall;
- Militate against root and branch change – as a self-governing institution the Civil Service can, and in the past always has, avoided fundamental reform;
- Allow Ministers and civil servants to duck and dive behind one another and avoid taking responsibility for their actions;
- Encourage civil servants to focus upwards on Ministers, rather than outwards and downwards on civil society organisations and citizens;
- Result in a neglect of managerial and operational matters; and
- Promote ministerial overload by drawing ministers into operational details when they should be focusing on policy.

Past efforts to reform Whitehall have treated its governing conventions as sacrosanct, and instead focused on important but nonetheless 'second order' matters. Recent attempts at reform fall within this tradition – so while the capability reviews are a welcome step they only begin to scratch at the surface. Instead what is needed is a radical overhaul of Whitehall's governance and accountability regime.

Crudely there are two broad directions for reform. Firstly, we could make a 'reality' of ministerial responsibility and give

Ministers much greater control over the civil service, including over the hiring and firing of mandarins. Ministers would genuinely hold officials to account and would legitimately be held responsible to parliament, and ultimately the electorate, for all aspects of Civil Service performance. Ministers would take on a real rather than a formal – responsibility for Civil Service performance. It is arguable that this is the default option at the moment – frustrated with continued under-performance; Ministers tend to want to take more control over the Civil Service.

However, we reject politicisation on a number of grounds. In Britain, politicisation is unsuited to our constitution because there is no separation of powers. A politicised civil service would create an overbearing executive. Such patronage would also run the risk of increasing corruption in government – something Whitehall is mercifully free of. Moreover, it would further exacerbate ministerial overload.

The second option would be to reformulate ministerial responsibility so that civil servants become directly accountable for clearly defined operational matters with Ministers being responsible for policy and resources. This option, which we favour, seeks to build on the Civil Service's traditions of objectivity and impartiality by giving civil servants greater responsibility for clearly defined operational matters. It would clarify the respective roles of Ministers and mandarins, enabling each to be held to account for what they do. Accountability would be used to drive up performance.

We argue that such a change would need to be underpinned by a range of institutional reforms. Among other reforms we recommend that:

- The creation of a new Civil Service Executive led by a new Head of the Civil Service. Modelled on the New Zealand State Service Commission this body would, in consultation with the Prime Minister and individual Ministers, appoint and line-manage permanent secretaries. He or she would have the power to reward high performers and remove under-performers.
- The establishment of a new governing body for the Civil Service. Appointed by parliament, this would be responsible for setting the strategic direction for the service, appointing the head of the Civil Service, scrutinising performance, and laying out what is expected of civil servants and Ministers and, where necessary, managing disagreements between them.

- The introduction of external assessment for all Whitehall departments;
- The enhancement of parliament's powers to hold Ministers and mandarins to account and giving it new powers and resources to assist with this; and
- The creation of a Department for the Prime Minister and Cabinet, with the Cabinet Secretary becoming in effect the permanent secretary of the new department.

Introducing a clearer division of responsibilities between Ministers and mandarins and improving the arrangements by which both Ministers and officials are held to account would improve government performance. We reject the notion that by dividing accountability you dilute it. It is the present arrangements which undermine effective accountability – by allowing Ministers and officials to 'duck and dive' behind each other.

And while we recognise that there is no pure and binary distinction between 'policy' (the realm of Ministers) and 'operations' (the realm of officials) we do not believe complexity should be used as an argument for inertia. There is plenty of evidence to suggest that an effective dividing line can be drawn as demonstrated by the case of New Zealand and the experience of local government. Moreover, there is precedent to build on. The Accounting Officer principle, in particular, shows how it is possible to differentiate Ministerial and official responsibilities. As does the experience of the Next Steps reforms, and more recently the decision to grant operational independence to the Bank of England. Most illuminating, however, is the decision at the Home Office to introduce a 'contract' between Ministers and officials. Indeed the recent review of the Home Office – both its diagnosis of the problem and the solutions it advances – chimes strongly with our proposals.

Both Ministers and civil servants stand to gain from a greater demarcation of responsibilities. Civil servants will gain new responsibilities and a higher, public profile. Ministers will get a professional, better managed, more strategic and more outward looking Civil Service. Reforming Whitehall's inadequate system of governance and confused lines of accountability is what is needed to ensure the civil service becomes 'fit for purpose' in the 21st century.

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Guy Lodge is a Research Fellow at the Institute for Public Policy Research, London. Before joining the IPPR in October 2004, Guy worked at the Constitution Unit in the School of Public Policy, University College London, and previously worked in the British Parliament and for the Fabian Society. During the 2005/06 academic year Guy is a Visiting Research Fellow in the Department of Politics and International Relations at Oxford University.



Pathways to influence: Senior Māori public servants talk about their public sector careers

The following is an edited account of an evening seminar sponsored by Te Puni Kōkiri and IPANZ on 2 February 2006 at Turnbull House in Wellington. The seminar was designed as an opportunity to learn from Māori leaders in the public sector.

The seminar discussants were Dr Cindy Kiro, Children's Commissioner, Ria Earp, Deputy Director-General Māori Health and Martin Wikaira, Kaihautu Māori, Ministry for Culture and Heritage. The seminar was facilitated by Leith Comer, Chief Executive Te Puni Kōkiri.

The seminar afforded an opportunity for each to share with the audience their career experiences, and the values that underpin their role as public servants.

Finally by drawing upon the experience of three senior Māori public servants it is hoped that understanding the barriers they have had to overcome and opportunities they have realised will go some way towards making the public sector a preferred employment option for Māori in general. To this end each discussant was asked to address the following three areas in respect to their careers:

- Background and early influences;
- Career high and low points;
- Challenges they have faced and overcome and lessons learned.

Mynetta Eurati
IPANZ

'The proverb ... *Whaia te iti kaburangi, ki te tuobu koe, me maunga teitei* – Seek the pinnacle of your endeavour, and if you have to bow down let it be to a lofty mountain ... is still very relevant in my approach to what I do as a senior Māori manager today.' M. Wikaira (Pathways Seminar 2006).

Background and early influences

CK: The phrase 'Pathways to influence' suggests that there are multiple ways of influence – which is true, there is not a single, correct path, just some that are easier than others, and elements in common to all i.e. good education, consistent hard work and often sacrifice of personal time and space. I have to admit to a scattered and ad hoc career coming into the public sector. It is quite unlike any of the other panellists. My current position is one that is almost entirely reliant on influence I can bring to bear. There is limited accompanying authority, but plenty of scope to influence because of the breadth of the legislative responsibility, independence of the role within a Crown entity and ability to speak publicly and critically.

RE: I did not set out with the goal of becoming a 'senior public servant.' My daughter is very clear that she does not want such a position having watched me develop in this role

over a number of years. When I think back over the experiences that influenced me, one of the strongest would be the time I spent as an exchange student in the States in the 1970s. Part of that time included a two week inter-exchange, living with a black family and attending a predominately black high school in the inner area of Cleveland, Ohio. The previous year, there had been riots involving students where the Ohio National Guard had been called out to control the situation. Cars and buildings had been damaged and students had been injured. To prevent that happening again the school had introduced a system where students wore photo ID cards, classroom doors were locked after the second bell, and armed guards then walked through the corridors. The guards escorted students with IDs to a study hall, and those without their ID cards were 'removed' from the school buildings. This system had a lasting impression on me. While there had been no history of high school students rioting in New Zealand, it wasn't such a big leap for me to envisage a situation where Māori would be put in that position. I returned to New Zealand with a desire to work in areas that would prevent such scenarios in New Zealand and areas that focused on seeing the situation for Māori changed and improved. That took me through the career pathway of social work, teaching in the Pacific, and into the public service with a focus on social service policy and development.

MW: I was a later comer to the public service. In fact when I accepted the position of Kaihautu Māori – Manager Māori at the Ministry for Culture and Heritage in late 1999 the thought of entering the public service never entered my mind. Entering an organisation called the public service was not the reason for accepting the position. As far as I was concerned I was entering the Ministry for Culture and Heritage as Kaihautu Māori, full stop, and if anyone had mentioned the public service I am sure I would have looked at them quizzically and muttered some inaudible negative response. I remember someone asking what I did not long after my joining the Ministry for Culture and Heritage. After trying to explain a rather flash title in a government ministry with the Prime Minister as my main Minister; I was promptly reminded ... oh you're a public servant!

CK: I grew up in an extended family situation – the eldest child of six with four brothers and one sister in West Auckland with grandparents, both Māori, who lived in South Auckland and who, over the years, assumed an increasing responsibility for raising their grandchildren. Both my grandparents and parents were very sociable and actively involved in their communities – Māori wardens, Māori Women's Welfare League, Netball, Church, local gangs and neighbours and extended family. My sister Kerry Roimata was New Zealand's first qualified female plumber and my son Kahu has recently graduated with his Bachelors in education from Auckland University.

RE: I had gone back to University to become a 'qualified' Social Worker on my return from the Pacific and 'fell' into the public service more by accident than design. It is my own passion and belief that I am contributing to Māori development that keeps me motivated in my work. Two Māori women who were mentors for me when I first came to Wellington remained both friends and mentors as I moved into the public service. In particular they guided me on how to operate within 'te ao Māori' and supported me in my personal development.

MW: My first connection with this thing called the public service goes back almost thirty years when as a university student I had the opportunity to attend a social gathering with an older brother, and his friends (mainly public servants) in a bar in Auckland. They were what I would describe as the *proverbial* public servants. You know the ones; as the night got longer and the *diction turned to sliction*, out came the proverbial sayings. It so happened that on this particular occasion, among the many songs sung that night was this *signature* song. While I don't remember all the song the first verse stands out.

*I work in the office every day
And every second Wednesday I collect my pay
And for me my life is bliss
Cause I work in the Public Service...*

I couldn't help thinking, well if that's all they go to work for then the public service is not for me. Yes, from that moment I was determined that the public service was not going to be me. I am pleased to say that although it took nearly thirty years you could say I have succumbed to the life of bliss ... whatever that

may mean?

I came to the public service from the education sector and with teaching positions in primary and secondary schools, and most recently in a tertiary institution. I served in management positions for nearly 15 years culminating in the position as Director of Māori Teacher Education at the Wellington College of Education in 1997. My appointment to my present position was like a dream come true as I walked into an area of work that many may consider 'a much sought after hobby'. I was working with art and artists who were either famous, or were about to be. I was privy to cultural performances as a spectator, a confidante and inevitably as a close friend. I met and worked with so many important people from politicians, to those who were not politicians but were obviously more important in their various fields. And then there were all those important committees out there waiting to discover me ..., or for me to discover them. For those who know me I am not really one to sit around waiting for an opportunity, I believe you have to go out and get it.

Career high and low points

RE: Qualifications are important in the public sector. While I had my BA and MA Applied in Social Work, taking 2 years out to gain my MBA was an important step, particularly in management. Public service managers are expected to manage large budgets, complex issues, and staff and to work at both the political and public interface. Qualifications and continued training are critical to managing these roles. Being able to operate in the Māori world is an important skill when recruiting Māori staff. When recruiting staff I look to develop both the skills for operating in Te ao Māori, and their overall generic qualifications and experience. I certainly don't go out to recruit tohonga (but we do work with kaumatua and experts when we need to). However it's not fair to expect new Māori staff to have the full range of skills. Just as you wouldn't expect a new university graduate to become a fully operational policy analyst overnight, I expect staff to know where they need to build skills and then look at further training and support.

MW: What are some of the highs in the public service for me? Well there are many. Completing an MBA while working full time is a noted highlight. It provides a kind of credibility especially in management work. Working across the country with Māori communities and engaging in those interesting challenges with iwi is also a highlight, although at times it can be a low point too. It can be a highlight, because of the engagement and the enthusiasm expended in working towards clearly stated outcomes. And a low point because while you might agree with iwi, the government line is at variance with their view and you have to somehow manage the process as a government servant.

There have been a number of lows but none that can't be resolved through communication and discussion. I will mention two. The first concerns colleagues who struggle to understand what your job is and rather than come and ask they assume that you are not doing it properly. More than that they

mention to others that you are neglecting what they see as the work you should be doing. This occurs mainly because they feel you should be at their beck and call for the work they so believe you should be doing.

I mentioned earlier that networking was very important. Some colleagues do see networking as important but fail to understand that networking is often best achieved by working away from the office. For senior Māori managers being out there engaging (and therefore networking) is crucial. Senior Māori managers are often required to be at various Hui, and invitations to attend Hui, are regular.

The second major low occurs when colleagues working on Māori issues don't tell you about it until things go wrong and they expect you to automatically fix it up. We usually have a process in place to avoid this but unfortunately when things go wrong and they hit a snag that has Māori written all over it, they come back to ask you to fix it up. As far as coming back to ask for help is concerned I do not have a problem. The problem I do have is that the same people are usually the first to repeat the mistake.

CK: While the Media are always crucial for getting the message out; you do have to be careful, as it only takes one seriously wrong comment to end a career. In a position of influence you must always focus on the issue, never the personalities involved. It's hard not to react emotionally in some situations, but you have to remember it's always about the job, not you. In my job it's always about how I serve the greater public good given my role – otherwise I would be open to criticism.

Never forget that a proper perspective is hugely important. I believe life is for living, every job is a chance to know myself better and to perform a service for people who need my help. This is the nature of public service.

Challenges faced and overcome

CK: I'm not a good example of someone with a career plan – I have chosen jobs that interest me and which I feel passionately about and used this to invest my work energy into – I couldn't do a job I didn't believe in. Family demands are always a juggling act – managing marriage, children, organising Christmas, family reunions while also meeting increasing demands of work is stressful.

Make a decision to seek generic jobs not just Māori specific roles. However, there will be a clear expectation that you will meet the needs of all New Zealanders in mainstream, generic roles and you must respect and honour this. Mindfulness of the particular needs of Māori is a way in which we make space for Māori responses that are not only appropriate for Māori, but also for all New Zealanders.

RE: I have been in my current role in the Ministry of Health probably longer than is good for me. I have taken a number of roles in a number of agencies since I entered the public service: corporate, service, and policy management, in both Māori specific and generic roles. However I think there is a tendency to become

'marginalised' or even 'branded' when working in the Māori arena. It is often perceived to have a smaller role (smaller staff, smaller budget) and it is easy to be seen as an advocate. The generic management skills you possess are not always recognised.

MW: A particular reality check confronted me when I arrived at the Ministry for Culture and Heritage. The Ministry had one other Māori, and she was on her way out the door to another job. The reality check with the dearth of Māori in the Ministry turned into a challenge. The challenge was to build Māori numbers and therefore Māori capacity to engage Māori subject matter (kaupapa) which was relevant to the work of the Ministry. A month after I joined MCH I decided that as well as Māori staff, I also needed allies, a group of like minded individuals outside the Ministry, to share ideas, and pave pathways for better opportunities in the public service. I attended, invited myself to, and turned up at, as many Māori forums as I was able. I was determined to not let my lack of public service experience deter me and just get out there and do the job.

CK: There is a huge personal and private cost on self and family. We must be able to demonstrate that our ethical standards are equal to or better than those of others to survive. It is a wearying game and one that challenges whether we want to stay in public positions of influence.

RE: The Ministry of Health has a leadership role in the health and disability sector. My personal philosophy is that the role is about strengthening Māori leadership within the sector so that this leadership has a sound base from which to grow and extend. The public service offers a career base, for developing a range of skills, offers opportunities for further training, and can offer support for women or men with child care responsibilities. It's important that Māori outcomes are owned by the whole of the Government. For those of us who work in mainstream organisations, the issues need to be owned by the whole agency because a small Māori team within such an agency can never hope to deal with the full range of issues. Within the Ministry of Health, our training focuses on the need to up-skill all staff in Māori health issues. We also work to recruit, train and retain Māori staff. Within the health sector it is considered the responsibility of the whole sector to work to reduce Māori inequalities and improve Māori health.

MW: To show how determined I really was after attending my first meeting of Te Hao Roa (Senior Māori Managers in the Public Service) I became the chair, and I must say that for the first two years we did okay. I did find however that while motivating myself was okay, motivating others to attend meetings when they already had many other commitments in their own busy lives – was tough. And although I had to eventually place Te Hao Roa in recess, I am heartened by the attempts of others to start similar groups. The problem I saw with our group was that it really should have been targeting all Māori in the public service and not just senior managers. What it also highlighted was that being Māori in the public service comes with many other responsibilities that often sit outside one's job description as a Māori public servant, but sit squarely

inside as a Māori individual.

The key to managing in the public service for senior managers is to know your strengths, and to work with your weaknesses as you exhibit those strengths. It is also about displaying leadership, while determined to do a good job. Māori managers need to know that non-Māori and even many Māori will expect the sweat that comes from your brow to be both Māori and non-Māori sweat. In other words there will be an expectation that you have all the answers to all the queries, or if you don't then you will at least be able to point the direction to someone who has. You are expected to be the bus driver and/or the conductor and at times the passenger as well.

The second key ingredient in a senior Māori manager is networking. To be a successful senior Māori manager you will need to have a network of resource at your fingertips. To get this network you need to get out and attend Māori Hui, or any Hui for that matter. Remember the saying *he kanohi e kitea*, a face seen is so important to Māori. A face not seen offers many queries, especially in Māori circles. You need to also know that as a Māori you bring a certain cultural kit with you, which is a more

than useful resource. The kit contains things like a *whakapapa* or genealogy which is a personal network tool as well. It contains an historical account of the geographical region from whence you came, and it contains a whole lot of *reminders* of whom you are, where you are going and the benefits or otherwise of what will happen when you get there. The point is that apart from a university higher degree you carry other treasures that not every person has the right to carry.

MW: I want to end by saying that organisations like Te Hao Roa need to come out of recess because they are there to assist Māori in the public service to meet goals and meet new pathways. Senior Māori management is achievable for all Māori in the public service, and like most challenges how much you want it will determine how much you succeed.



News

IPAA Queensland annual conference

The 2006 annual conference of the Queensland division of Institute of Public Administration Australia will take place on Thursday and Friday November 2 and 3 at the Brisbane Convention & Entertainment Centre.

The theme for this year's State conference is 'Public Administration Through the Looking Glass: Drawing on the Past to Build a Better Future'. Registration details may be found at http://www.qld.ipaa.org.au/01_cms/details.asp?ID=178



AGM – President, vice-president, board and committee members and awards for 2006–07

President



Ross Tanner was elected President of IPANZ at the AGM in June.

Ross concluded a term of eight years as Deputy State Services Commissioner in 2001 and currently works as a company director and consultant, specialising in public policy, public management and governance.

He is Chair of the Crown Health Financing Agency, which is a Crown entity that finances the capital requirements of the District Health Boards in New Zealand, an independent member and Chairman of the Audit Committee of the Education Review Office; a member of the Audit Committee for the Auditor General, and member of the Risk Management Committee for the Legal Services Agency and Treasurer of the New Zealand Harkness Fellowship Trust.

In 2004, Ross was appointed as an Honorary Fellow at the School of Government at Victoria University of Wellington. He holds an MA from the University of Canterbury and the MPA from Harvard University.

Vice-President

Mynetta Erueti was elected Vice-President at the June AGM

Mynetta has worked in various roles in the public sector at both central and local government level. Her first public sector job was with the Treasury followed by a move to Auckland to work for Deloitte Corporate Finance as a senior analyst and then to Manukau City Council for two years managing the Council's economic policy and advocacy portfolio.

More recently, Mynetta has completed consultancy work for the Department of Internal Affairs, Ministry of Agriculture and Forestry, Ministry of Education, Ministry of Justice, Ministry of Māori Development and the State Services Commission.



Mynetta holds a BA in Politics, Philosophy and Economics from St Peter's College Oxford University and a MSc in Comparative Politics from London School of Economics.

Our board and committee members

Board members

Nerissa Barber, Ministry for Culture and Heritage; **Mynetta Erueti**; **Rebecca Golledge**, Department of Building and Housing; **Keith Johnson**, Ministry of Transport; **Judith Johnston**, Consultant; **Allen Petrey**; **Brenda Pilott**, Public Service Association; **Gaylia Powell**, Ministry of Social Development (Minute Secretary); **Joan Smith**, Consultant (Treasurer); **Ross Tanner** (Chair) and *ex officio* **Christine Goodman**, Immediate-Past President and **Rebecca Webb**, Convenor of the New Professionals group.

Committee members

Finance administration and membership committee

Mynetta Erueti; **Christine Goodman**; **Gaylia Powell**; **Joan Smith**; **Ross Tanner** (Convenor) and **Rebecca Webb**.

Editorial committee

Tom Berthold, Ministry of Social Development (Convenor); **Ralph Chapman**, Victoria University of Wellington; **Chris Eichbaum**; Victoria University of Wellington; **Geoff Lewis**; **Allen Petrey**, (Editor); **Gaylia Powell**; **Mike Reid**, Local Government New Zealand and **Carol Stigley**, Consultant.

Professional development committee

Nerissa Barber; **Christine Goodman**; **Keith Johnson**; **Allen Petrey**; **Ross Tanner** (Convenor); **Prue Tyler**, Russell McVeagh and **Michael Webster**.

New Professionals committee

Leigh Henderson, Ministry of Health; **Prue Tyler**; **Jacque Singh**, Housing New Zealand Corporation and **Rebecca Webb**, Ministry of Health (Convenor).

Awards

Life member **John Martin** and author of *Spirit of Service: A History of the Institute of Public Administration New Zealand 1936–2006* was awarded the Institute's Fellowship at the AGM.



IPANZ New Professionals Conference 2006

Seize the world, shape your future – future leadership in the public sector: challenges and opportunities

Conference overview

A highly successfully inaugural conference for IPANZ New Professionals was held in Wellington, 15–16 June, under the theme ‘future leadership in the public sector: challenges and opportunities.’ Some 170 delegates from around New Zealand explored, discussed and practised the principles of leadership over two days in Wellington. Day one of the conference was devoted to the big picture of leadership and day two to career development. IPANZ was also delighted to host a delegation of five from the Australian Institute of Public Administration.

Key concepts to emerge were the increasing complexity of contemporary society and changing notions of leadership from the historical model of compliance to one that is more nebulous and based on networks, relationships, collaboration and team involvement. These concepts resonated with delegates as notions of inclusivity reflect the preference of Generations X and Y to work collaboratively.

Overwhelming positive feedback came from both delegates and speakers alike. The conference evaluation showed that the quality of speakers, good organisation, topic scope and audience participation impressed participants. Hon Annette King, Minister of State Services, and the State Services Commissioner, Dr Mark Prebble launched the conference, while speakers included New Zealand and Australian leadership and management experts, such as Brad Jackson, Bill Ryan, Andrew Banks and John Allen, and sports stars Melissa Moon and Waimarama Taumaunu. A high powered panel of five chaired by Chris Laidlaw, consisting of Wellington Mayor Kerry Prendergast, Tall Poppies’ Ani Waaka, Brad Jackson, the PSA’s Brenda Pilott and Brendan Boyle of Land Information, debated the challenges of leadership and management for generations X and Y. The debate was well received by delegates who voiced their support through vigorous and intelligent participation.

While there are many thousands of definitions of leadership, it became apparent that there are no blueprints for leadership. What delegates were given, however, was opportunity to draw upon wisdom, emerging concepts and tools. More importantly, delegates were challenged to take these tools, to seize the world and shape the future, as individuals and collectively.

The New Professionals Leadership Team, headed by Rebecca Webb with Jacque Singh, Prue Tyler and Leigh Henderson with help from Christine Goodman, Callum McKirdy, Linda Moore, Louise Pirini and Paardekooper and Associates, began planning the conference last August. Its success presents opportunities to strengthen the IPANZ New Professionals

brand with the possibility of Leadership Teams being established in Auckland and Christchurch.

The conference presentations may be found at http://www.ipanz.org.nz/SITE_Default/x-newprofessionals/New_Professional_Conference_presentation.asp

Rebecca Webb
IPANZ New Professionals

My conference – my IPANZ

Entering the inaugural IPANZ New Professionals conference, I did not quite know what to expect. Being new to the public sector, I am continuously becoming familiar with new organisations, many of which have numerous interrelationships with one another. At first glance, IPANZ was little more than just another acronym to me, but I am glad to say that after attending the two day conference, it means considerably more.

The conference had a very logical purpose – to discuss future leadership in the public sector with the obvious audience – the future leaders of the public sector. It provided the group of around 170 new professionals with three key opportunities: to gather a large amount of important information, to create networks, and to undertake informed debate on the issues raised. This was quite a big ask for just a couple of days.

Overall, the conference was extremely well focused. The gathering had a very clear theme, put succinctly in its slogan. The specific topics, however, were particularly varied, providing a broad discussion of contemporary theories on leadership and the current and future challenges for the workforce. The speakers were as diverse as their material, coming from the fields of academia, business, politics, the public service and even the sporting arena. The eclectic nature of the conference could have easily led to it being a series of seemingly unrelated spiels, leaving its audience entertained, but largely unenlightened. It is a testament to the organisers that the conference left us with a clear set of ideas and challenges to apply in the workplace.

Personally, I found the discussion of real-world experiences from speakers in senior management roles to be of the most interest. I was pleasantly surprised at how open senior managers can be about their past successes and failures, and what they learnt from both. After reflecting on the conference with

other attendees, I have not met one person who found the same presentations to be of the most use, showing that there was definitely something in there for everyone.

Surprisingly, the other key learning I got from the presentations had nothing to do with what the presenters said, but rather *how they said it*. The event organisers chose an excellent lineup, providing a dynamic and diverse group of speakers, all of whom have very effective styles that we can all draw from in our own future presentations.

The other vital parts of the conference were when we were left to our own devices. During the meal breaks, dinner and disco (yes, disco) we had the chance to meet other public servants, and talk about our jobs, the conference and, of course, the weather. It was only from a presentation in the Friday morning session that I realized that these kinds of exchanges have a name – *networking*. As many of the speakers suggested, one of the increasingly important aspects of modern life is that we are all becoming more and more interdependent, making the ties

made at the New Professionals gathering all the more important.

I can't say that I agreed with absolutely every word that was said at the conference, but after discussing my thoughts on the presentations with my colleagues at Statistics New Zealand, I realized that the conference had achieved its third objective – *promoting informed debate*. The more I reflect on the New Professionals conference, the more I realise that I have learnt from it.

After initially being just another organisation that I knew of but didn't really understand, IPANZ has become a valuable aid for me in appreciating the scope and potential of the public sector. To me, the conference achieved all its objectives, and I would hope that it will continue in future years.

Thomas McNaughton
Statistical Analyst
Statistics New Zealand

Statistics New Zealand attendees at the 2006 IPANZ New Professionals conference



Front L to R: Louise Pirini (MESD), Linda Moore (OSRDAC), Sara McKeown (PDP), Daniel Griffiths (Prices).

Middle L To R: Michelle Butters (PDP), Lauren Wood (PDP), Tracey Savage (Business Solutions), Adam Dustin (gLDP), Cath Taylor (PDP), Belinda Hussey (PDP).

Back L to R: Victoria Treliving (Census), Thomas McNaughton (gLDP), Nadia Batista (National Accounts), Rico Namay (Stats Methods), Lisa Mulholland (HR), Luke Roper (National Accounts), Kim Cullen (OSRDAC), Rosie Fyfe (Collections Classifications and Standards), Louise Holmes-Oliver (Business Indicators), Sharlene Turner (Prices), Jason Eady (SONAR).

Absent: Tamati Olsen (Māori Stats Unit), Caroline Galvin (PDP).

Delegates at the IPANZ New Professionals conference





Seventieth Anniversary and launch of *Spirit of Service*

June 2006 was a month of celebration and milestones for the Institute of Public Administration, New Zealand.

On 14 June, the Minister of State Services, Hon Annette King, hosted a function at Parliament House that represented three events rolled into one: the celebration of the Institute's seventieth birthday, the launch of a history of those seventy years, *Spirit of Service*, and the award of service certificates to a group of IPANZ new professionals.

The inaugural IPANZ New Professionals Conference took place on the following two days (see page 24).

Addressing some 150 current and former officeholders and staff of the Institute, individual and corporate members, sponsors, academics and service providers, Hon Annette King noted that the Institute had grown out of a strongly-felt need for opportunities to share knowledge across agencies and build a sense of professionalism in public service. Need for collaboration and professional development had been a constant throughout IPANZ's history. The Minister commended the Institute's contribution as a professional organisation; because high quality and committed public servants were essential to enabling the government of the day achieve its goals.

In response to the Minister's toast to the Institute, President Christine Goodman observed that the founding members from 1936 would undoubtedly be astonished by some of the changes that had taken place in the political and organisational environment.

Not the least of those would be to be addressed by a woman Minister from a government headed by a woman Prime Minister. And I suspect they would be surprised to find that, in this 70th anniversary year, all of the current officers of their Institute (President, Vice Presidents and Treasurer) happen to be held by women. But there are other things that remain the same, and are at the core of what it means to be a public servant in New Zealand: our public service ethics and our commitment to making a difference for our community and our fellow New Zealanders.

Christine highlighted the unifying theme in the Institute's history over seven decades as being the organisation's adaptability, while staying true to its goals of upholding the profession of public service and providing ways for public servants to share their knowledge and learn their craft.

In introducing the guest speaker, Andrew Podger from the Institute of Public Administration Australia, Christine noted that the 1930s had seen parallel developments in Australia and New Zealand of the concept of professional bodies concerned with public administration. Contact between the two had been sporadic over the years and the invitation to the IPAA President marked a renewal of relations with a fellow institute.

Andrew Podger congratulated IPANZ on the fact that, unlike most of its sister organisations around the Commonwealth, IPANZ had not begun as a child of the British professional association, the Royal Institute of Public Administration, but was 'a much more home-grown body than ours'. He noted that the Australian Institute had only become a national Institute in a formal sense just over 25 years ago. It was 'the most loose of federations with a minimalist national structure and a formal membership structure based entirely on the eight state and territory divisions, to which individuals actually belong.' As President, he was keen to develop a stronger national focus for IPAA and believed the two national organisations could use their shared interests to forge stronger international links, particularly in the Asia-Pacific region.

Andrew emphasised the enthusiasm of the IPAA Young Professionals to see closer networking and opportunities with their opposite numbers in New Zealand. He took the opportunity to announce that IPAA's National Council had reciprocated IPANZ's gesture with an invitation for two New Professionals and the Institute's President, to attend IPAA's National Conference in Alice Springs in September 2006.

Hon Annette King then launched *Spirit of Service*, recognising that the title reflected the preamble to the State Sector Act 1988, to ensure that employees in the State services are imbued with the spirit of service to the community. She described this as a fitting title to honour the spirit of those who have contributed to the life and activities of IPANZ. It also characterised the style of the writer of the history, former academic and public servant, and life member of the Institute, John Martin. The Minister acknowledged the many hours of voluntary time that John Martin had dedicated to researching the text and illustrations.

In John's response he indicated that his research for *Spirit of Service* left him with the overriding impression of dedicated input of time and effort put into the Institute by seven decades of presidents, secretaries, treasurers, committee members and editors. On a more personal level John expressed the hope that the book captured firstly

... the commitment of the Institute from day one to the development and maintenance of a professional public service – and I use the term to encompass all state services. And associated with that idea is the belief that there are dimensions of the public service that transcend the disciplines and practice of management in the business sector.

Secondly, and consistent with this belief, is the capacity of the Institute to adapt to the changing environment in which it is located. This is a theme that runs through the book.

Finally, this is I hope a book, that highlights the place in our history of generations of people who in the Institute and in their careers were truly imbued with the "spirit of service" of which the state sector legislation speaks.

The third focus of the evening was the presentation by the Minister of IPANZ service certificates. These were granted to members of Statistics New Zealand's graduate team in recognition of their partnership with the IPANZ New Professionals, and their successful project management of a large-scale social and networking function in February 2006, which had attracted attendance from some twenty different public sector and related organisations. Recipients were: Donna Broadhurst, Aaron Carson, Joel Cook, Rosie Fyfe, Allannah

Irvine, James King, Linda Moore, Louise Pirini, and Shanika Yapa.

The formalities were followed by an anniversary dinner for invited guests, principally life members and fellows of the Institute, and current and past officeholders.

Christine Goodman
IPANZ



Charles Hudson and Christine Goodman at the 70th Anniversary celebration



Andrew Podger IPAA President



John Martin



John Martin and Royce Elliott



IPANZ President Christine Goodman introducing *Spirit of Service* author John Martin



Author John Martin addressing the audience at the launch of *Spirit of Service*



Front row from the left, Rebecca Webb, Hon. Annette King, Christine Goodman and Wendy Adams with Statistics NZ graduate team.



70th Anniversary celebrations

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P O Box 5032, Wellington

Phone: +64 4 463 6940

Fax: +64 4 463 6939

Email: admin@ipanz.org.nz

Website: www.ipanz.org.nz