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Prioritising Purpose in the Public Service
Gabriel Lim

Economising with Imagination in Harsh Times
Geoff Mulgan

Prioritising the Big Small Things for S.C.A.L.E.
Eileen Wong

ETHOS

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Editorial

by **Dr Alvin Pang**
Editor-in-Chief, ETHOS

The world is at a crossroads: perhaps its most significant in decades. On the one hand, recent advances in technology herald tremendous, transformative leaps in the way we may soon live, work and play—as public excitement over recent AI-powered tools such as ChatGPT and Stable Diffusion indicates. On the other hand, a draining battle with COVID-19 has left societies reeling and exhausted—and yet they must continue to confront economic uncertainty from war, inflation, supply chain shifts, amid the looming threat of climate change, growing geopolitical contention, demographic ageing and other existential challenges.

The rapid confluence of these disruptive megatrends have left governments with too much to do, with too little time to plan or prepare for a fundamentally different future. There is a sense in which an age of plenitude and complacent optimism is over, and we are entering an age of constraint: as societal demands proliferate while the resources needed to meet them become less readily available.

For the public sector, this is an important juncture at which to regroup and take stock: to reassess priorities and to consolidate hard-won lessons from a gruelling, as well as revealing, past few years. The necessities of the pandemic have shaken up many pieties—about the way we work, for instance—but it has also reaffirmed the purpose and meaning of Public Service (*p. 6*). The urgency of current challenges can focus the mind and sharpen our sense of what really matters, allowing us to identify and trim our organisational and procedural fat (*p. 14*). This renewed sense of discipline can only stand us

in good stead in our next phase of development and innovation.

Even as we grapple with current demands, we must also continue to invest in the future. Indeed, reforms to instil greater prudence need not lead to damaging reductions in public value, but should pave the way for better means of generating and delivering it (*p. 24)*. Such reforms will include changes to government financing to reflect the reality that many societal needs are interrelated, cut across agency lines, and are better addressed jointly (*p. 38*). They will also look to harness new tools that multiply the effectiveness of the human and material resources we can deploy (*p. 46*), and to ensure that sustainability is core to our operations in the long term (*p. 54*).

An area for reinvigorated attention will be working with stakeholders and partners beyond the public sector to achieve public outcomes. While this is not a new approach, what was perhaps regarded as a good-to-have a decade ago has become all the more vital, precisely because of our constraints and the formidable scope of the challenges we face. In this, we can draw on a rich and growing body of international experience in carrying out such collaborations effectively (*p. 70*). We must sustain the public trust and strong relationships crucial for such inter-sectoral efforts to thrive (*p. 88*). Singapore's Public Service, which enjoys very high levels of trust as a national institution, is in a good place to start reimagining the networks, communities, processes and partnerships we will need to thrive together as nation in a more turbulent 21st century. This is a precious resource we should not squander.

I wish you an inspiring read. ■

Prioritising Purpose

in the Public Service

by **Gabriel Lim**

The Chairperson of the Public Sector Transformation—People Committee shares insights on a movement to reignite passion and pride in the Public Service by trimming processes, refocusing on meaningful work and supporting public officers' growth, wellbeing and agency, in the face of a changing world.

Gabriel Lim is Permanent Secretary of the Ministry of Trade and Industry and also chairs the Public Sector Transformation (PST) movement's People Committee. The Committee oversees initiatives to strengthen innovation, champion growth and development, deepen the culture of care, and galvanise the workforce to participate in PST.

We are moving into quite a different future. The external environment has changed. Domestically, we have a mature population with new needs but also more questions about how things are done. At the same time, we know we need to use resources more sustainably. Public Service manpower growth cannot outpace that of the broader labour force when our population is not growing and the labour force is stagnating. This is the reality we must grapple with.

In other words, demands on government are growing even as our resource envelope is not keeping pace. To date, Singapore has been reasonably successful in managing our challenges and constraints. But we have not had to confront these issues as urgently as we now must.

In my view, it is a privilege to have these demands placed on us, because it means that Singaporeans trust us to deliver and they look to us for solutions. This is a better position to be in than one in which the public does not trust government and has given up on it being able to solve problems, which is happening in some countries. But it does mean that we have to prioritise and approach our work differently.

It is important to refocus public service workload on what really matters.

Coming out of the pandemic, we see the cumulative strain that public officers have borne over the past few years: they feel overworked, and their engagement is dipping. This is in part because we have very committed public officers who want to do their best and go the extra mile, but as a result, they have given a lot of themselves and feel exhausted.

It is important to recognise this burnout, and therefore find ways to refocus our public service workload on what really matters, in the face of many competing demands. We want to emphasise the areas of work that bring joy to our officers and reinforce the satisfaction they feel when they improve lives. At the same time, we should reduce the pain points that public officers face, such as the internal bureaucracy that comes with any mature, complex organisation.

If anything, COVID-19 has reaffirmed the value of good governance and the importance of the Public Service. This is why we need to continue to keep officers engaged in the Service and staying well.

Creating More Purposeful Work

In 2022, we launched a movement to manage work. We initially called

it the "Reduction Movement" but are deciding on a different phrase because it is not just about reducing unnecessary work, but also about uplifting the joys of work, emphasising purpose, and making a much bigger commitment through words and deeds to the development, progression and learning of all our officers.

It is vital that the Public Service delivers on the promises of this movement, in tangible and intangible ways. We must demonstrate our commitment to our officers' wellbeing: that we do not take them for granted, even as we affirm our sense of shared mission as a Public Service.

We must ensure that we are changing the way we work, reducing internal red tape and so on. It must happen on the ground in a way officers can experience.

As Permanent Secretary, my duty to my colleagues is to make sure that our Ministry reviews all our processes and we understand the user journeys, to know what our officers are going through, so that we can make the right decisions on how to streamline and what to get rid of.

But any officer should also feel it is within their power to figure out the best way to do this. They know where the pain points are, be it travel claims or procurement processes, or clearance and reporting lines in their agencies. I'd like to encourage all officers to embrace this sense of agency in raising these issues to supervisors, suggesting alternatives to achieve the intended outcomes, and then working together to make them happen. If we can get officers to work alongside supervisors to streamline work, with leaders prepared to make executive decisions to change processes, we will go a long way.

Innovation first and foremost starts from a culture of wanting to do things better.

Balancing Care, Performance and Growth

We can draw an analogy with athletes at the very peak of their performance envelope, for example, LeBron James and Michael Jordan. To get to their highest performance levels, they have to train a lot. But what performance science tells us is they also have to recover, rest and recharge in order to continue to train and push their performance envelope. So, care, growth and innovation are mutually reinforcing.

A former Head of Civil Service used to say, "People don't care how much you know, until they know how much you care." At the end of the day, public officers are not digits nor statistics: they are part of a team, a family. And it is right we care for them, because we have a mutual connection by way

of the organisation and our shared professional obligations. As leaders, we have this responsibility to care.

Wellbeing is a holistic concept that not only involves physical wellbeing, but also mental wellness, and physical wellness—making sure people are exercising, eating right and recharging. Our public officers tend to work very hard. Again, this comes from wanting to do well. But we should not overdo it. We must find a balance so that we don't feel so emotionally drained or mentally exhausted by what we are doing, which then eats away at us and affects our mental wellbeing, sometimes invisibly. It is important for officers to point out some of the areas which they find emotionally taxing and not as meaningful, and then it is the responsibility of leadership to sort these out.

Growth comes from learning and development. This in turn comes from a mindset that there is a brighter future, and we can progress towards that. Innovation first and foremost starts from a culture of wanting to do things better. It does not really matter what the innovation is, whether in terms of technology or process. It's about attitude: we may be good now, but we want to be great.

Our move towards reprioritising and reducing workload is not at all about compromising professional pride or outcomes.

New ideas can come when you step away from day-to-day work and get fresh perspectives elsewhere, such as through training programmes, or even when pursuing other interests. But it is not necessarily true that one cannot innovate by working hard; sometimes necessity can be the mother of invention, such as during a crisis. It is about balance.

It is important for us to deliver work professionally and with pride, but one's identity cannot just be about work. It is just as critical to set aside time for other important priorities such as family and friends, or just private time, rest and reflection.

Challenges to Reprioritising Work

Culturally, it is not easy for us to let go of work. This stems from a certain sense of pride in our work, which is why we push ourselves so hard and work long hours and on weekends. But our move towards reprioritising and reducing workload is not at all about compromising professional pride or outcomes.

In the Ministry of Trade and Industry (MTI), we are trying to automate some of our briefs, using off-the-shelf software to analyse data trends, for instance. Our mindset is to use technology to help

us do work more quickly and easily. An efficiency savings of say 15 minutes may not seem like a lot, but it can add up. An hour a week means more time to take a power nap, or have lunch, or chill out. We should not underestimate this.

COVID-19 has shown us that we can actually work quite effectively through virtual means. I think this will eventually lead to a productive hybrid arrangement, while the nature of what we do face-to-face will change qualitatively. We should not lose what we have learnt during the pandemic.

For instance, at MTI, we are now more deliberate about making the days officers come into the office more interesting and purposeful—that is, they are not just coming in to do things they can do at home, but to reconnect with colleagues or to do work that is best done in person. We have also organised Ministry-wide gatherings called Chillax, to bring people together and unwind for an hour or so, to get to know each other personally, so that our relationships as colleagues are undergirded not just by work but a social bond.

Now, when we talk about prioritisation and focusing resources, it's one thing to put emphasis on a particular workstream but it's quite another to take away resources from other workstreams. But it is not always the case that when we downsize resources, outcomes

suffer—sometimes there are different ways to deliver the same outcomes.

One area we ought to do more is to leverage the general public, and make use of resources outside the public sector—so we ourselves need relatively less to get things done. Successful private businesses manage leverage very well. Firms in the financial sector often use a portion of their own resources but also raise external capital from elsewhere to deliver outcomes that they would not otherwise be able to achieve with just their own in-house capital. Our public sector needs to find a way to do that.

We do not have to do it all alone. If anything, we have people and private sector organisations who are much more enabled and enthused about working with us to deliver these outcomes, and we should take full advantage of that. This is not just from a resourcing standpoint but has also to do with the way we operate nationally as a public sector. It is right that we take a more inclusive approach and involve multiple stakeholders. Let's do that more, and better.

Leadership and Prioritisation

Ultimately, the greatest resource constraint, for anyone, is time. It's highly perishable, not transferable, and not reversible. Prioritisation has always been part of the picture. Everyone has always had to work towards a resource envelope and make trade-offs. It is just that the envelope will be a bit tighter in future. Good leaders can never achieve good outcomes if they do not figure out what a team needs to deliver; how they need to resource that endeavour; and how they organise themselves for success.

The greatest resource constraint, for anyone, is time. It's highly perishable, not transferable, and not reversible. Prioritisation has always been part of the picture.

The key is how we engage our teams so that they have a bigger part to play in the prioritisation process. How do we work with them through the prioritising? How do we help those who may not have the resources they need to find ways to deliver outcomes or better participate in the broader organisational mission? If we are sincerely committed to bringing everyone on board, I believe we can mitigate some of the downsides and trade-offs.

At heart, the Public Service attracts a certain type—highly empathetic, committed, and compassionate individuals, in the main. I do not think that will change in the short term. But the onus is on us to make sure public officers are given space to do their best.

Fundamentally, we have to care for our officers and live up to our commitment and responsibility to them. We cannot

take them for granted. This is a basic principle of people management that is true now when we are thinking about a more resource-constrained environment, but it was true even when we had more surplus, and the world was more benign.

Reframing Public Sector Transformation

I would like to see more widespread acknowledgement and *awareness* of the importance of this movement, starting from the top. We want our officers to know we are serious and that this is intended for them: that it isn't just about slogans, or something imposed by senior management.

I would also like to see more *activity*, with every ministry, agency, team and individual making conscious efforts to uplift the joy of working in the Public Service, streamlining the workload, but also having a commitment to development and growth.

This must be an inclusive effort. While there is an onus on leaders to play their role, I would like everyone down the line to feel that they are both a beneficiary and an active contributor, empowered to make a positive difference and to experience the benefits of it.

In the end, we should aim to have a Public Service that is leaner, sharper, more focused and effective, but also one in which officers have a deeper sense of engagement and pride.

These are not easy outcomes to achieve, but if we can move in these directions, we will be doing well. If we are able to corral together efforts from across the Service, as part of a broader movement with everyone feeling a sense of empowerment, we can make a decisive difference. ■

We should aim to have a Public Service that is leaner, sharper, more focused and effective, but also one in which officers have a deeper sense of engagement and pride.

PRIORITISING THE BIG SMALL THINGS FOR **S.C.A.L.E.**

by **Eileen Wong**

Meaningful change can be initiated by small, purposeful first steps, rather than massive investments of time, resource and effort. The Institute of Leadership and Organisation Development (ILOD) at Civil Service College offers practice-based insights.

Eileen Wong is Principal Consultant at the Institute of Leadership and Organisation Development, Civil Service College. She leads the ILOD Transformation Team to provide consultancy services to help agencies and senior leaders build and transform their organisations to thrive. Her consultancy scope includes organisation transformation and change, organisation development, leadership team development, employee engagement and hybrid work design.

All organisations and teams face challenges in prioritisation. This is because workload gain, like weight gain, is insidious. It creeps up on us and is hard to get rid of. We rarely seek to add on more of it, but often find ourselves inundated nevertheless.

Our instinct when prioritising is to remove activities that take up time. But prioritising work is not about harnessing the willpower to say no to new things. Nor can we expect to start from a blank slate, like how Shopify cancelled meetings (some 322,000 hours' worth) to free up time for staff members to get things done.[1]

Paradoxically, what we need instead is to spend time and energy deciding what we *will* do and what we will *not* do.

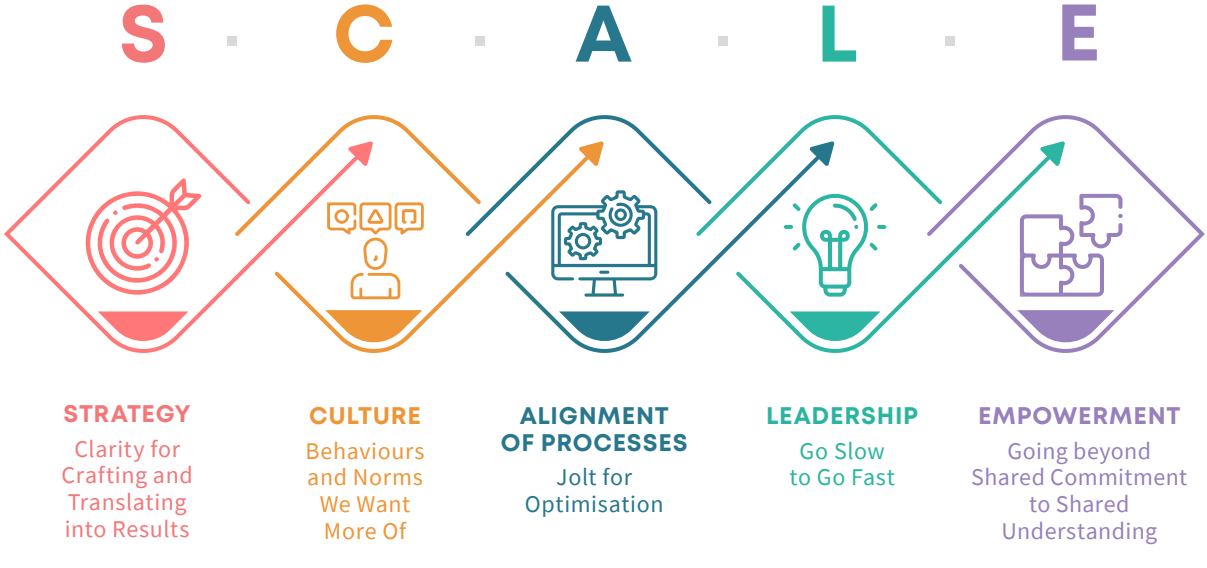
What Prioritisation Is: Focusing on the Big Small Things

Prioritisation happens daily, but this is not always tangible to us. The results of how well we prioritise show up as a lagging indicator. Every day, we make choices and incur trade-offs in how we spend our time, energy, and talents, which then also affects others in turn. What can help is to spend our limited time, energy, and talents on the big small things, i.e., the small actions that scale up to a big impact and results.

For example, a senior leader at a management meeting might make it a point to clarify how a new staff idea could contribute tangibly to the agency's longer-term plans. What might begin as one simple question could prompt other leaders and officers to think more intentionally about the investment of resources for an idea to achieve the agency's goals. This is what we mean by a "big small thing" that can make a difference in shifting the way teams or organisations think about their work.

Based on insights from the ILOD Transformation Team's consultancy work with close to 40 public agencies, we have developed a **S.C.A.L.E. Framework** as a practical tool to help leaders and organisations prioritise more effectively by focusing on some big small things, along five key dimensions: *Strategy*, *Culture*, *Alignment of processes*, *Leadership*, and *Empowerment*.

> ***What we need is to spend time and energy deciding what we will do and what we will not do.***



STRATEGY

Clarity for Crafting and Translating into Results

The two questions you need to ask about your ***Strategy***:

- How is our work achieving what is core to our organisation?
- How is our work reflecting what our organisation can uniquely do?

The most important step in prioritisation is to clarify the organisation's *strategy* and to activate it in the work done, from the top all the way to the ground. In our consultancy work, we have heard varying degrees of clarity across different levels when officers are asked about their organisation's focus. We often see organisations spending extensive effort in crafting strategic plans, but less effort in communicating and translating strategies into day-to-day work.

In an engagement session designed for 76 senior and middle management leaders of an agency, participants discussed how their teams contributed to the strategic pillars of their agency's transformation. The senior management team had earlier developed the agency's transformation vision and corresponding strategies. They wanted to take time to share with middle managers, so as to sharpen and translate the strategies for the work on the ground. Energy levels rose as different participants articulated a shared desired impact for their stakeholders and end users. Gathering the leaders for half a day was a big small thing—a small investment of effort that led to significant value in alignment. At the end of the session, participants echoed that the time was well spent, particularly with the middle managers articulating greater resonance with organisational strategies in planning and prioritising their work.

When leaders take time to help others understand the core work and unique value created by their organisation, teams and officers will have more clarity in prioritising time and energy for work that matters.

> ***When leaders take time to help others understand the work and value created by their organisation, officers will have more clarity in prioritising time and work.***

CULTURE
Behaviours and Norms We Want More Of

The two questions you need to ask about your ***Culture***:

- How is our culture recognising and rewarding our work outcomes?
- How is our culture recognising and rewarding the collaboration needed for our work?

> ***We have been conditioned for success through adding and not subtracting.***

What gets rewarded gets done. An organisation's culture is built and reinforced day by day through actual work behaviours and norms. Ask any newcomer to observe and share candidly what gets rewarded or frowned upon at the workplace. Their fresh perspectives—free from legacy experiences—offer an outside-in view of current work interactions.

In a conventional workplace, officers are given additional projects beyond their core work in exchange for progress and rewards. While officers can gain exposure and growth opportunities, there is an implied message that one must do more to progress and be rewarded. Taking on ever more work becomes a learned behaviour. Furthermore, we have an intrinsic need to feel competent, which is more easily shown and experienced by doing more. This runs contrary to the call for prioritisation and reducing workload because we have been conditioned for success through adding and not subtracting.

In ILOD's interactions with agencies, we have seen some leaders find ways to combat such learned behaviours to do more. One leader articulated clear expectations of what was needed for a work deliverable and told officers what 'done' work would look like, to reduce unnecessary rework. Another leader clarified with subordinates what good staffing looked like, to prevent overzealous preparations. One leader made the effort to email the entire division, openly lauding an officer who had put up a request to drop work that was no longer relevant.

A few words or a short email can make implicit expectations explicit. These big small things not only have a big impact on officers' workload and priorities, but can also clarify and encourage the work behaviours and norms we want more of.

ALIGNMENT OF PROCESSES

Jolt for Optimisation

The two questions you need to ask about your ***Alignment of processes***:

- How have we optimised the layers of clearance and iterations needed for our work?
- How have we optimised virtual and in-person ways of working?

Work processes can accumulate over time and be hard to get rid of. With the hybrid/flexible work arrangements of the pandemic years, processes may even have multiplied. At the same time, the constraints imposed by the pandemic have also taught us that we can in fact do quite well with less. For example, we learnt that virtual meetings can save on commuting time while not compromising work outcomes.

One big small thing we can do is to give ourselves an intentional jolt to see if our work processes are indeed adding value. During a leadership team conversation to address high workload, an agency head related his shock of discovering that over 20 iterations had been made to a set of meeting notes that the meeting chairperson did not even see. It could not be clearly determined if each layer added value. The high number of iterations prompted the leaders to discuss how they might have unknowingly contributed to similar inefficiencies. They decided to update the clearance process from a sequential flow to using a shared platform for concurrent clearance by the required parties.

Such a change was a relatively small step for them. But it was a big small thing that led to a shift in mindsets and expectations, prompting a broader relook and optimisation of how they had been working.

> ***One big small thing we can do is to give ourselves an intentional jolt to see if our work processes are indeed adding value.***

LEADERSHIP
Go Slow to Go Fast

The two questions you need to ask about your ***Leadership***:

- How are our leaders able to take time to prioritise and communicate directions?
- How effective are our leaders in sensing ground needs?

Leaders these days have little time to think. In a poll with over 300 responses at ILOD's sharing session on prioritisation, a top-ranked challenge was the scarcity of time and not being able to step back to think. Having to juggle 'business-as-usual' activities and new initiatives driven by various stakeholders was another key challenge.

Among the leaders we interacted with were a number of 'positive deviants'—those who seemed to be able to cope and even thrive in this context. Their trade secret was common knowledge but not common practice: the importance of having white space to think and plan, while also taking time to get ground data to assess and adjust how well plans are working.

In a leadership team planning discussion to chart plans for the agency's strategy, one division head revealed that he asked his staff to set aside time every week as 'free time' to pause and think. He related how he blocked off two hours every week to reflect on the past week. This helped him sharpen his priorities. He finished his sharing with an apologetic look at the agency head because he had self-declared the 'free time' for his staff without prior permission. To his credit, the agency head nodded his approval as the room of leaders cheered at the encouraging confession.

> ***Common knowledge but not common practice: having white space to think and plan, while also taking time to get ground data to assess and adjust how well plans are working.***

Pausing to 'go slow to go fast' illustrates how a big small thing can enable leaders to prioritise better.

EMPOWERMENT

Going beyond Shared Commitment to Shared Understanding

The two questions you need to ask about your ***Empowerment***:

- How are the right decisions made by the right people at the right level?
- How are we facilitating the co-creation of ideas and solutions?

Involvement leads to commitment. This is a principle we often emphasise in our change consultancy work. Recall the 'Ikea effect', where you will likely assign a higher value to something you have assembled, even if the nails do not line up straight or the final product looks imperfect. When people are involved in making decisions or have a say in the eventual plans, they are more motivated to see things through to achieve the agreed outcomes.

This also means that leaders have the latitude to delegate formal authority, change informal norms and decision-making, and energise those in the levels below. This can be liberating for top leaders—freeing up time to keep track of what's going on and prioritising well especially as the operating environment becomes increasingly complex. In other words, they can go slow to go fast.

In our consultancy work, we found that this empowerment can also go further to creating shared understanding. We have brought people together to share 'what your world is like' in various engagement sessions. In one cross-level discussion between senior leaders and middle managers, we created the space for them to share their respective conditions and challenges. At the start, the atmosphere in the room was tentative. Gradually, it became more uplifting as everyone took a small figurative step into one another's worlds. By the end, there was a shared understanding of the different worlds of experiences in the group. All it took was a big small thing to come together to create shared understanding.

> ***When people are involved in making decisions or have a say in the eventual plans, they are more motivated to see things through.***

Scaling Made Versatile and Adaptable

The S.C.A.L.E. Framework is versatile. It can be used as a full framework to cover all five dimensions. Each dimension can also be used separately in deep dive discussions to surface issues and big small things for improvement.

The S.C.A.L.E. Framework is also adaptable. We have used the S.C.A.L.E. Framework and assessment tool in a bespoke workshop designed for a Ministry's senior leadership team. In their discussions, they applied the framework to assess the state of prioritisation at the whole organisation level—for diverse functions as well as at the cluster or divisional level for intact teams.

The Big Small Things Compounded to Keep Off the 'Pounds'

Many of the examples from our consultancy experiences are small actions that build up into significant impact and results.

By improving day and day, instead of relying on willpower or wiping the slate clean, they are akin to making the 1% progress every day that recent studies on habits highlight as vital to long term behavioural change.

Small actions can compound to keep off the 'pounds' in our work and organisations. They sustain our efforts to achieve organisation-wide impact, ensuring that our prioritisation can S.C.A.L.E. ■

ILOD's Transformation Team can help your agency realise its strategy, sustain performance, and build a healthier organisation. It offers consultancy support for:

- *Organisation transformation and change management*
- *Organisation development and employee engagement*
- *Leadership team alignment and development*
- *Hybrid work design*

To find out more, connect with Eileen at:
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Note

1. Andrea Hsu and Stacey Vanek Smith, "Shopify Deleted 322,000 Hours of Meetings. Should the Rest of Us Be Jealous?", February 15, 2023, accessed February 27, 2023, https://www.npr.org/2023/02/15/1156804295/shopify-delete-meetings-zoom-virtual-productivity.

ECONOMISING WITH IMAGINATION IN HARSH TIMES

by **Geoff Mulgan**

Crisis does not always have to lead to damaging reductions in the public good: instead, they can prompt innovative improvements in the way public services are resourced, structured and operated.

Sir Geoff Mulgan CBE is Professor at University College London, in the Science, Technology, Engineering and Public Policy team. He has had many previous roles including Head of Policy in the Prime Minister's office and CEO of Nesta. He is the author of many books, including most recently *Another World Is Possible: How to Reignite Political and Social Imagination* (Hurst/Oxford University Press, 2022). His new book on art and social change—*Prophets at a Tangent*—is published in early 2023, with others in the pipeline: on science and politics, and the future of social science.

There is much debate globally about how the accumulation of crises—economic, ecological, political and around energy—now amount to a *polycrisis*. Whether or not they are as connected as some believe, there is no doubting the pressure they are putting on public services across the world. Governments generally responded well to the COVID-19 pandemic, showing great agility. But one legacy of the pandemic is fiscal overstretch—and sharp constraints on resources which make it even harder to respond to the new crises. Meanwhile geopolitical pressures are pushing up spending on defence, which means even less resources available for other purposes.

So can governments adapt, and refashion their shape, processes and cultures to more turbulent times—the times that Xi Jinping often describes as "changes unseen in a century"?

Governing in booms is very different from governing in times of retreat. In this different context, governments need to think and act to use resources carefully while also addressing deep-seated problems. Here, useful ideas can be drawn from ecology, which has introduced many to the idea that policies of reduction—whether reducing energy and materials use, waste or carbon emissions—can be as important as policies for growth.

I propose three areas in which new methods are needed:

1. We need to mobilise **intelligence** more systematically, i.e., data, evidence and knowledge of all kinds, to ensure that action is focused, targeted and smart. Experiences from the pandemic can be applied to other fields but will require different structures and processes to be effective.

2. Some overdue **reforms** to public finance are needed to better fit the demands of the 21st century, including using investment methods for human services such as education, health and innovation, and better use of data to connect inputs of money to outputs and outcomes.

3. We need a framework for thinking creatively about how to achieve **economies** within public services: going beyond the standard tools of cuts, trimming and delay to more creative options for restructuring services and changing the contract with citizens.

INTELLIGENCE AS A CORE TASK OF GOVERNMENT

Governments have always relied on intelligence to do their work. But whereas in the past this was thought about primarily in relation to enemies and threats, espionage and war, they now need to think systematically about intelligence in relation to everyday tasks, from transport to healthcare, welfare to education.

This became very apparent during the pandemic. As I showed in a recent study of how governments—and the societies around them—mobilised intelligence to handle the COVID-19 pandemic and its effects, the last few years brought an explosion of innovation in new ways to organise intelligence.[1] The pandemic was an unprecedented event in its global impacts and in the scale of government responses and required a myriad of policy decisions: about testing, lockdowns, masks, school closures, visiting rules at care homes and vaccinations. All of these depended on inputs of intelligence including data, evidence, models, tacit knowledge, foresight, and creativity and innovation.

But governments varied greatly in their ability to organise these well. Governments needed health as well

IMPROVISING INTELLIGENCE TO TACKLE A HEALTHCARE CRISIS

During the pandemic, Taiwan's 'Digital Fencing System' monitored locations based on triangulating a phone's position relative to nearby telephone masts.

Monitoring was conducted by telecoms companies using phone numbers of quarantining individuals provided by the government, and with protections on privacy including a constitutional limit of 14 days on tracking any individual.

as non-health data to help understand how the virus was spreading in real time and its impacts. They needed models—for example, to judge if their hospitals were at risk of being overrun. They needed evidence—for example, on whether enforcing mask-wearing would be effective. And they needed to

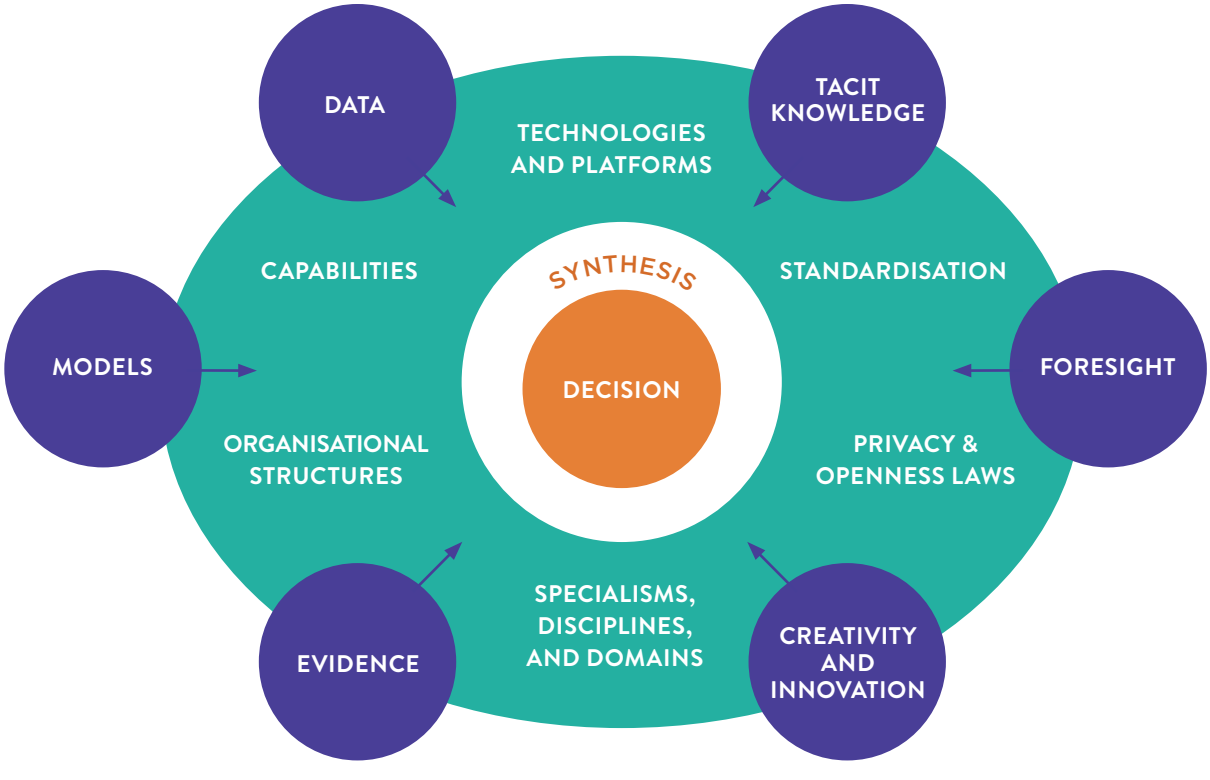


Figure 1. Types of intelligence are mediated and shaped by processes and contextual factors before feeding into decisions.

Source: Geoff Mulgan, Oliver Marsh, and Anina Henggeler, "Navigating the Crisis: How Governments Used Intelligence for Decision Making During the COVID-19 Pandemic", International Public Policy Observatory, December 2022, p. 6.

FUNCTIONAL DIVISIONS MAKE IT HARD FOR GOVERNMENTS TO THINK AND ACT HOLISTICALLY, OR TO LOOK IN A ROUNDED WAY AT THE COSTS AND BENEFITS OF ALTERNATIVE ACTIONS.

tap into the knowledge of citizens and frontline staff quickly to spot potential problems and frictions.

Most governments had to improvise new methods of organising that intelligence, particularly as they grappled not just with the pandemic's immediate health challenges, but also with the knock-on challenges to economies, communities, mental health, school systems and sectors such as hospitality. The innovations included mass serological testing (which showed, for example in India, that most schoolchildren had already had the virus even as schools were being shut down). They included analysis of sewage, now being done in several thousand locations, as well as mobilising mobile phone and credit card data to target lockdowns or using citizen generated data on symptoms to track new variants. There was an equally impressive explosion of research and evidence; and innovative approaches to problem solving and creativity, from vaccine development to Personal Protective Equipment (PPE).

But the stress of the crisis also showed up many deficiencies which often contributed to misplaced actions. The most basic was that almost every government divided the intelligence task both by function, with separate teams responsible for data, statistics, science advice, economics, and by departmental silos of health, finance, education and so on. This may have been necessary in the 20th century but given the availability of new technological tools, this approach was no longer fit for purpose. On the contrary, these functional divisions made it hard for governments to think and act holistically—to weigh up physical health risks against mental health ones, or to look in a rounded way at the costs and benefits of alternative actions. They made it even harder for governments to think synthetically. This lack of effective methods for intelligence led to many inefficiencies.

In our study, we suggested that future governments should organise intelligence in much more systematic and integrated ways, with teams charged with looking at intelligence in the round, focused on the outcomes

they are trying to achieve, and then drawing on a range of sources to provide this. Such methods will be relevant to everything from Net Zero to tackling difficult issues such as rises in economic inactivity or population mental health. Net Zero is a particularly live example, with a huge upsurge of initiatives to gather research, evidence and data, but still major challenges in making that knowledge used and useful.[2]

Only with transformed structures, processes and cultures will it be possible to see more clearly what is working and what isn't, to generate solutions faster and to direct resources to where they are needed most urgently.

MONEY: REFORMING PUBLIC FINANCE

There are also implications for how money is organised. Governments are meant to be there for the long term: able to defend their people, guarantee their pensions or cope with big challenges like climate change. Yet they are often trapped by the tyranny of immediate pressures. This is particularly true in relation to finance, which has seen surprisingly few innovations in recent years to better align how government works with what it needs to do.

IT IS VITAL TO KNOW NOT JUST WHICH AREAS OF SPENDING WILL ACHIEVE THE MOST, BUT ALSO WHICH CUTS COULD BACKFIRE.

Money is the fuel for much of the daily life of governments, which are often engaged in endless battles over budget allocations and priorities. But the ways in which finance is organised are at odds with what's needed in three vitally important ways.

First, there is a common failure of time horizons and investment. Spending on physical assets and investments in infrastructures are appraised using rigorous investment methods: i.e., by analysing the link between present day costs and long-term returns from buildings, roads, airports, etc. By contrast, most spending on people—which includes most public spending on health, education and social security—is organised on an annual basis, and without any attempts to look at long-term impacts or returns.

Yet people now often last longer than infrastructures. For example, for children born in 2020, the average life expectancy in OECD countries is over

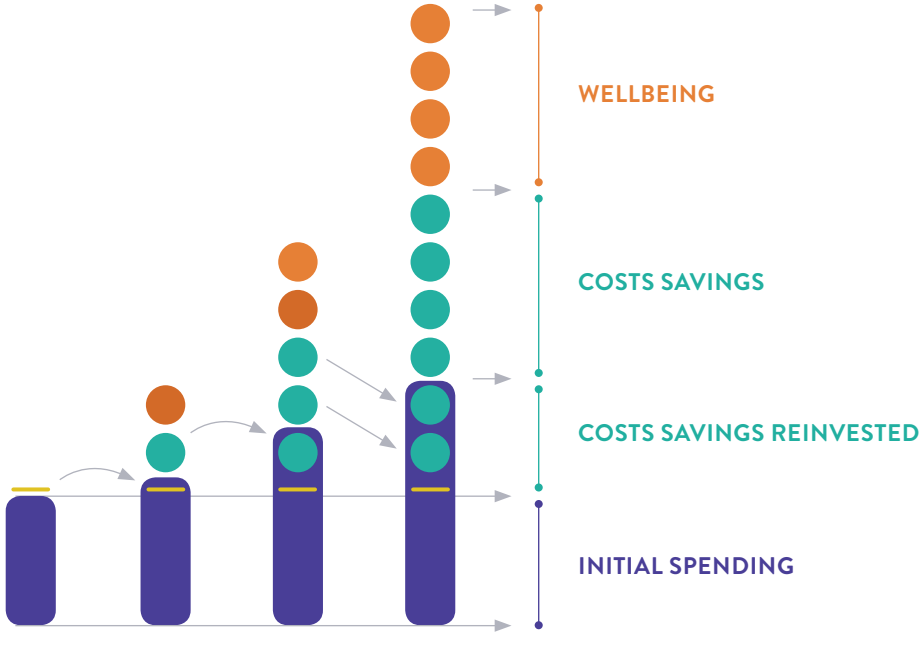


Figure 2. The Public Pound Multiplier

Source: Geoff Mulgan, Silva Mertsola, Mikael Sokero, et al., "Anticipatory Public Budgeting: Adapting Public Finance for the Challenges of the 21st Century", UAE Global Innovation Council, 2021, p. 22.

80. There have been many attempts to gather more systematic evidence on the returns to preventive spending, or the multiplier effects of investment in early years or for that matter research and development. But none of these are integrated into budget setting procedures.

The related problem is the lack of effective ways to link inputs and outputs and outcomes, so that governments can be clear how different spending choices will achieve results over time. Again, there have been many attempts to evaluate the impacts of different programmes and interventions. But no

government uses data systematically to tag the intended objectives of spending, of the beneficiary geography or population groups, in ways that would then make it possible to learn systematically, or to train machine learning tools in future.

There have been many promising experiments over the years to address these problems, though all remain marginal. They include the shift to accrual-based accounting in many governments and introducing 'phenomenon-based' budgeting for complex and cross-sectoral phenomena (e.g., gender, SDGs or children) which don't fit neatly into existing government structures. They also include the analysis of multipliers: looking at how some kinds of spending achieve cross-cutting impacts or save money (such as the UK's 'Public Pound Multiplier' which draws, for example, on evidence that preventative action on smoking can deliver a £1.7-billion savings in return for a £300-million investment). This is a crucial concept for the future of public finance, particularly in times of shortage. It is vital to know not just which areas of spending will achieve the most, but also which cuts could backfire. Boomerang cuts are familiar to anyone who has worked in public services: the equivalent of cutting maintenance for roofs which then leads to much higher costs later when the roof falls in.

IT IS MUCH HARDER TO WORK OUT HOW TO SAVE MONEY WITHOUT DOING HARM.

There are also useful lessons to be learned from the world of impact investment which has become more rigorous in measuring social and financial returns, at least for individual projects and programmes. Part of the value of ideas like social impact bonds, which I helped develop in the 2000s, is to clarify the link between inputs of money and outcomes achieved.

Many countries have sophisticated machineries for public finance. In the USA, various bodies—including the Office of Budget Management, the Congressional Budget Office and the General Accounting Office—prepare long-term budget projections (75 years out in the case of the Social Security Administration) to aid decision making. The UK's Office for Budget Responsibility comments publicly on the long-term effects of budget decisions—though only taking account of first order effects

(i.e., the overall fiscal position rather than the value created by spending in fields like health and education). The OECD has at various times in the past looked at long-term budget planning issues. These all attempt to look at stocks and balance sheets as well as flows.

But all these focus primarily on fiscal balance sheets. Few analyse rates of return on the assets they hold (or organise national registers of assets). Even less use is made of intangible measures in the public sector, though these are now routinely measured in the private sector, or balance sheets taking account of human or natural capital.

As a result, these fall far short of what's needed, which is a 20-year programme to realign public finance with the priorities of the period. That will involve mapping all spending in terms of likely impacts over time and tagging spending data with data on purposes. It will rarely be possible to turn these into a return on investment (ROI) figure, but greater clarity on what is intended to be achieved, for example, for R&D or education, and then learning from results, is vital for governments to be effective in the decades ahead.[3]

This will be even more vital as hard choices have to be made about what to protect, what to cut and what to expand. Without some sense of likely impacts over time, governments will make even more arbitrary decisions and will be even more at risk of boomerang effects of the kind that the UK has suffered, with strong evidence now that cuts in the early 2010s have had disastrous effects later in the decade on everything, from life expectancy to productivity.

ECONOMIES AND ECONOMISING

It is not hard to come up with good suggestions for spending more money. It is much harder to work out how to save money without doing harm. Much of the world is always looking for ways to be frugal, and even the rich countries are now going through another period of stringency. Such periods of retrenchment can be bad for innovation and creativity. But there are ways to combine imagination and reductions in spending.

Here, I share methods developed to help public officials having to make significant cuts during the period of austerity. In some respects, they are

very simple. They list a series of ways in which services can save money, providing a prompt for creative thinking about how to cope with cuts. But the aim is also to prompt deeper questions, about how to organise public services, and about the relationship between the state and citizens.

Most economists are familiar with economies of scale and scope, but much less familiar with notions of relational economies, or economies of flow, or economies of penetration, which should be part of their armoury. The framework also points to more lateral ways of saving money—for example, asking where new kinds of public commitment can be mobilised, or where transparency can reduce costs.

To make this practical, I like working with small groups of frontline staff or managers to generate options under each of the twelve headings (see Table below), and then to assess which ones were viable in the short, medium or long term. Most groups can quickly generate options for achieving 10%, 20% or 50% savings, including very radical ones.

Sometimes it is best to start off by helping people to become familiar with the approach by taking a live example—such as rural bus services, libraries or nursery education—and showing the options under each heading. Then some shared grounding in current data (e.g., costs, unit costs, etc.) can be brought in to help sharpen the discussion, and lead to more specific proposals.

1. **Pure economies**
2. **Economies of trimming**
3. **Economies of delay**
4. **Economies of scale**
5. **Economies of scope**
6. **Economies of flow and prevention**
7. **Economies of penetration**
8. **Economies of responsibility**
9. **Economies of commitment and relational economies**
10. **Economies of visibility**
11. **Economies from data sharing**
12. **Economies of doubling up**

PROMPTS FOR ECONOMISING PUBLIC SERVICES

The approach starts off by looking at the traditional tools, which are the first options considered when a department must save money.

TRADITIONAL TOOLS

1. **Pure economies**
   Stopping doing things (e.g., fewer bin collections, closing rail lines and bus services, closing libraries)
2. **Economies of trimming**
   Freezes, efficiency savings (e.g., 5% cuts to pay or opening times), shorter school days
3. **Economies of delay**
   To capital, pay rises, procurement, maintenance, improvements

We then move onto less familiar ground, using a more creative economic lens to think about how a service could be reorganised. Much of the digital economy has grown by applying similar ideas to everything from shopping to dating.

ECONOMIC RESTRUCTURING

4. **Economies of scale**
   E.g., Aggregating call centres or back-office functions. These have been exaggerated in the past (small governments and municipalities are often just as efficient as big ones) but they can sometimes deliver big savings.
5. **Economies of scope**
   E.g., Combining multiple functions in one-stop shops, multipurpose personal advisers, neighbourhood media, extending roles, standardised identification or payments. Much recent digital innovation has essentially helped with this—such as Estonia's X-road platform or India's Aadhaar.
6. **Economies of flow and prevention**
   E.g., Hospitals specialising in a few operations and so improving efficiency, cutting bottlenecks or easing transitions, for example out of prison or from school into work. A related concept is reducing failure demand (such as recidivism or hospitals with repeated re-admissions), helped by tools like outcome-based funding or investing in preventive health. Many of the greatest costs in public systems accumulate around blocked flows of this kind.
7. **Economies of penetration**
   These are economies that result from concentrating a service or cluster of services in a locality. In energy, this can be done by Combined Heat and Power schemes, and in housing, often through roles such as street concierges.

Next come options that involve a renegotiation of the implicit contracts between states and citizens.

REVISED SOCIAL CONTRACTS

8. **Economies of responsibility involve passing responsibility out to citizens**
   E.g., For COVID self-testing, separating out waste, or self-packing as supermarkets shifted the role of packing from paid staff to customers.

9. **Economies of commitment and relational economies**
   These are economies that flow from shifting tasks to more committed providers, or ones with a sense of relationship. This can apply to professional social work and care, but also to making the most of the community, for example using volunteer bus drivers for marginal rural bus services or organising neighbours to watch out for people with dementia.

Next come some ways of using digital to cut unnecessary costs.

SMART TOOLS

10. **Economies of visibility come from mobilising public eyes and the power of shame**
    E.g., Making parliamentarian's expenses more public and reducing them; the same principle applies to public contracts of all kinds.

11. **Economies from data sharing**
    Open data enabling innovation, competition and new models (as has happened in finance, energy and transport, where much has been learned about the value of open data—for example, opening public transport data to enable new apps, or opening up banking data to third parties to prompt innovation).

JOINED-UP THINKING

12. **Economies of doubling up**
    Finally, there are often options for joining up the work of government in creative ways, promoting actions that address two problems or needs simultaneously (such as training up the young unemployed to work on home retrofit programmes).

It should be apparent that these prompts can help us rethink public services not as static things that have to always take the same forms, but rather as building blocks that can often be organised in different ways.

Public services notoriously suffer from what's sometimes called 'Baumol's disease'. Because productivity is hard to increase in fields like classroom teaching or running a theatre, the relative costs of public services tend to increase over time. Methods such as this are at least a partial and healthier alternative to the assumption that hard times must always bring about damaging cuts.

These various approaches all connect with each other—they are all about using intelligence, money and relationships in creative ways to rethink how government can work more effectively. Crises can be productive moments for achieving shifts—and one definition of good leadership is the ability to use the smallest crisis for the greatest impact. The alternative is retreat and stagnation. ■

Notes

1. Geoff Mulgan, Oliver Marsh, and Anina Henggeler, "Navigating the Crisis: How Governments Used Intelligence for Decision Making During the COVID-19 Pandemic", International Public Policy Observatory, December 2022, accessed February 15, 2023, https://theippo.co.uk/how-governments-used-intelligence-decision-making-covid19-pandemic/.
2. Geoff Mulgan, "Net Zero: Mobilising Knowledge for Easier, Effective Decision Making", International Public Policy Observatory, January 9, 2023, accessed February 15, 2023, https://theippo.co.uk/net-zero-mobilising-knowledge-easier-effective-decision-making/.
3. Geoff Mulgan, Silva Mertsola, Mikael Sokero et al., "Anticipatory Public Budgeting: Adapting Public Finance for the Challenges of the 21st Century", UAE Global Innovation Council, 2021, accessed February 15, 2023, https://gic.mbrcgi.gov.ae/storage/post/f6bTTlppsLhLElDnEVTTTRm36I3t70HP4rY722t0.pdf.

BUDGET 4.0: Optimising for Better Outcomes

by **Kwa Chin Lum and Kyle Goh**

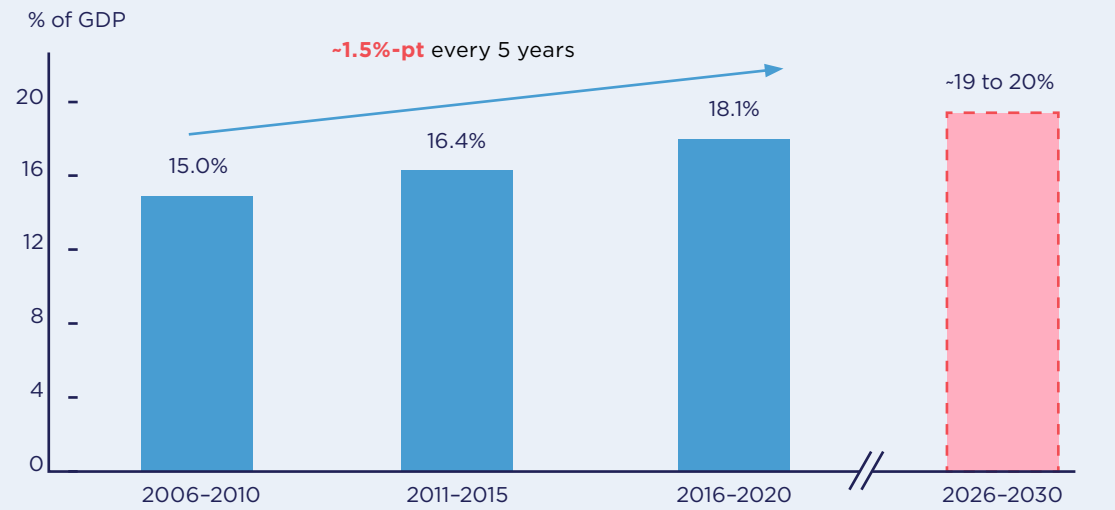
Singapore's Ministry of Finance is spearheading budgetary reforms to enhance cooperation, sharpen priorities and promote innovation, to meet national challenges in an increasingly resource-constrained environment.

Kwa Chin Lum is Director (Fiscal Policy) at the Ministry of Finance. He previously served as Special Assistant to Senior Minister Tharman Shanmugaratnam, and in various other Ministries.

Kyle Goh is Associate in the Fiscal Policy directorate at the Ministry of Finance, and works on strategic planning and policy research at the Ministry and Whole-of-Government levels.

The Singapore Government's budgeting framework continually evolves to meet the needs of our people and the challenges of our national context. We have matured, from a traditional bottom-up system based on detailed line items (Budget 1.0) and programme budgets (Budget 2.0), to a system which emphasises robust aggregate limits on spending while providing line ministries with maximum discretion to make final allocations among their various programmes (Budget 3.0). While Budget 3.0 is still relevant and important for our fiscal management, significant changes in our operating environment have prompted further improvements to our budgeting framework.

Expenditure on government policies has been increasing significantly with time: from 15.0% of GDP in FY2006–2010 to 18.1% of GDP in FY2016–2020. This has been funded sustainably through increasing taxes and a Net Investment Returns spending framework that strikes a fair balance between the interests of today and tomorrow. However, we anticipate pressures for public expenditure to continue rising. Geopolitical uncertainty and lessons learnt from the COVID pandemic will



Notes:

1. Please refer to MOF's Occasional Paper on Medium-Term Fiscal Projections (published 8 February 2023) for details
2. Inclusive of Special Transfers

Figure 1. Government Spending as % of GDP

increase the size of government and expenditure on resilience. Our ageing population and slowing resident labour force growth will limit the amount of revenues we collect, while requiring greater expenditure on healthcare and social security. In the longer term, economic growth is expected to plateau, further limiting revenue growth.

Meanwhile, problems faced by the Government have been growing in complexity and scope: these will require multi-agency collaboration, such as for digitalisation, social service delivery, and workforce and skills development. Without an agreed method for providing resources for managing cross-cutting issues amongst the various agencies working on them, policy development and implementation may be impeded. Thus, there is a need for greater upstream intervention to allow cross-agency budgeting for agencies to achieve their collective goals.

There have also been greater demands on the public sector to respond more quickly to non-routine, uncertain and emergent problems that run counter to the regular cycle of traditional budgeting. We have had to mount prompt policy responses to abrupt and unforeseen challenges such as the COVID pandemic and heightened inflation due to supply chain disruptions induced by the Russian invasion of Ukraine. Many of these policy responses have been unprecedented and innovative, made possible only because of the Government's ability to allocate resources nimbly and decisively.[1]

There have been greater demands on the public sector to respond more quickly to non-routine, uncertain and emergent problems.

To be better prepared for such challenges, the Ministry of Finance (MOF) is implementing three improvements to Budget 3.0. Collectively, these make up Budget 4.0.

STRENGTHENING REALLOCATION

The first prong of Budget 4.0 involves strengthening reallocation mechanisms, to allow the shifting of funds from less relevant programmes to emerging and meritorious areas of need. If all our resources were allocated to individual Ministries as block budgets, there would be no room for any reallocation. To reallocate effectively, we need to increase the size of our reallocative resource pools and reduce the size of resource buffers decentralised within individual block budgets and statutory boards. For Ministries, this means a baseline that grows more slowly, resulting in pressures to better manage programme costs and to review the continued relevance of programmes. Statutory boards would retain smaller amounts of monies for

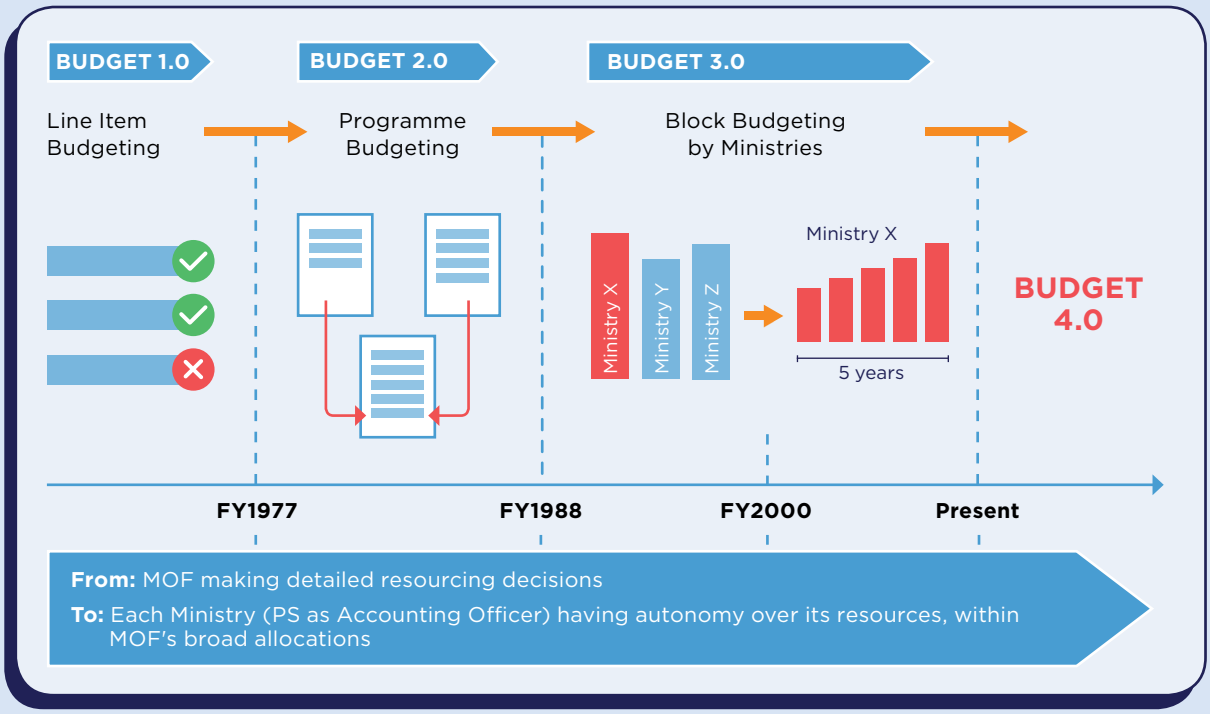


Figure 2. Budget 1.0 to 4.0

near-term operational needs, instead of accumulating large surpluses for asset replacement and acquisition of new assets over the longer term.

On the manpower front, the Public Service is making broad moves to right-size Ministries' permanent headcount baselines, to reallocate scarce public sector manpower resources towards new and emerging needs.

As our resident labour force growth slows to near zero after the end of the decade, we have to be highly discerning about where we deploy our officers, or there will be fewer residents available for the workforce. We have no choice, unless the public were to accept more foreign workers within our shores, which would introduce new stresses to our social fabric.

FOSTERING ALIGNMENT

Creating joint budgets to foster greater cross-agency collaboration on specific issues is MOF's way of intervening for greater Whole-of-Government (WOG) and multi-agency outcomes. Through the joint budgets, agencies are expected to rationalise efforts, achieve

greater cost effectiveness and enhance accountability for shared outcomes. Operationally, MOF will partner parties interested in starting a joint budget to ensure appropriate governance structures, apportionment of resources and responsibilities, as well as proper tracking of KPIs and utilisation.

There are broadly three models of joint budgeting arrangements (see Figure 3), each suited for different purposes.

ENHANCING NIMBLENESS

To better prepare for quicker responses to non-routine, uncertain and emergent problems, the pace of reallocation will be increased through faster evaluation and more efficient allocation of resources. Proposals will be prioritised based on the projects' risk-scored strategic importance, urgency and innovative value. Efforts spent on evaluation will be commensurate with the resource requirements and risk level of each project. There will also be greater leeway for MOF to time-shift reallocative resource pools across financial years to better resource agencies' needs. This will help cater for unexpected and/or lumpy expenditure requested of our reallocative pools.

For agencies seeking to validate pilot projects at the agency level, resources are available via the Public Service

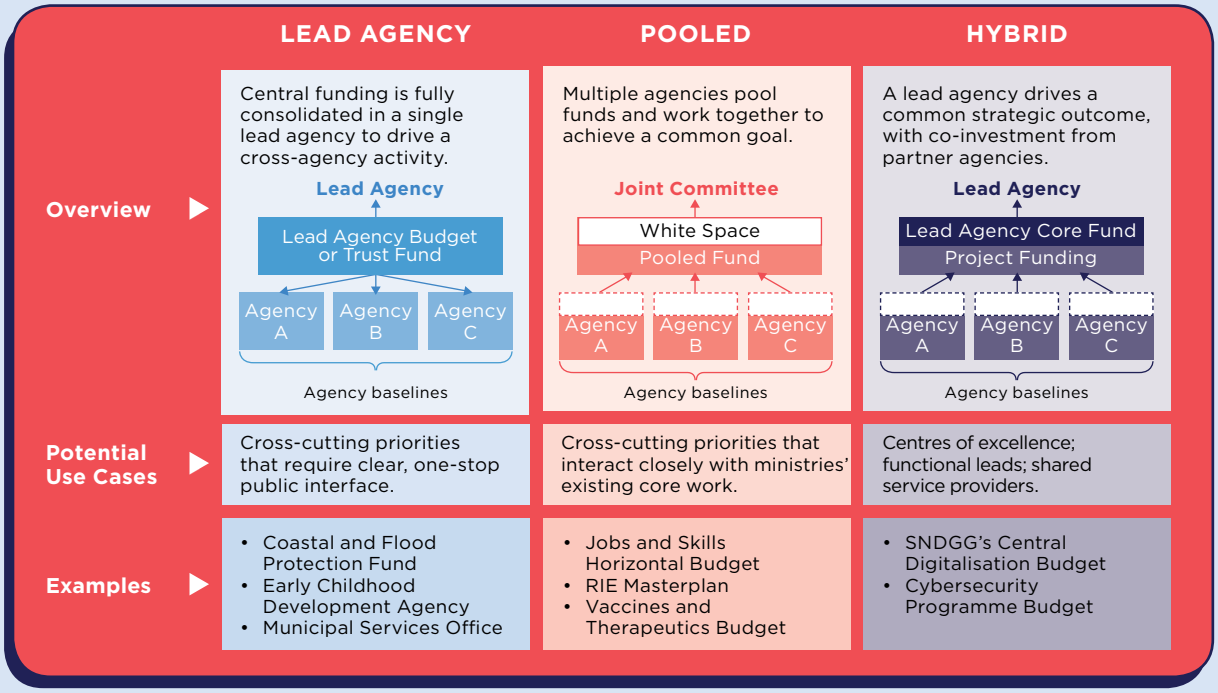


Figure 3. Three Models of Joint Budgeting Arrangements

Transformation and Initiation Budgets. The WOG Public Service Transformation budget is also available for cross-agency pilot projects. Such budgets are intended to foster a culture of experimentation and innovation for incipient projects in the Public Service, anticipating that successful pilots might be scaled up for greater benefit over the medium to long term.

Since providing speedier funding invariably means giving up some degree of accuracy, additional guardrails have been introduced to ensure greater accountability and effectiveness in the use of such funds. For instance, projects receiving additional funding will be periodically evaluated for viability and outcomes, particularly for large, novel or complex ones. Their resource utilisation will also be tracked in existing and future data platforms, which will allow for data analytics to aid better decision-making, such as for the sizing of future reallocation pools. To facilitate better comparability between projects, inputs for cost-benefit analyses will be standardised to enable better prioritisation of competing needs.

CONCLUSION

Every agency and public officer has a role to make Budget 4.0 effective, because our fiscal and manpower constraints are national, real, and binding. While we have traditionally thought of manpower shortages as the most binding constraint, recent experiences have reminded us that raising new taxes can be challenging

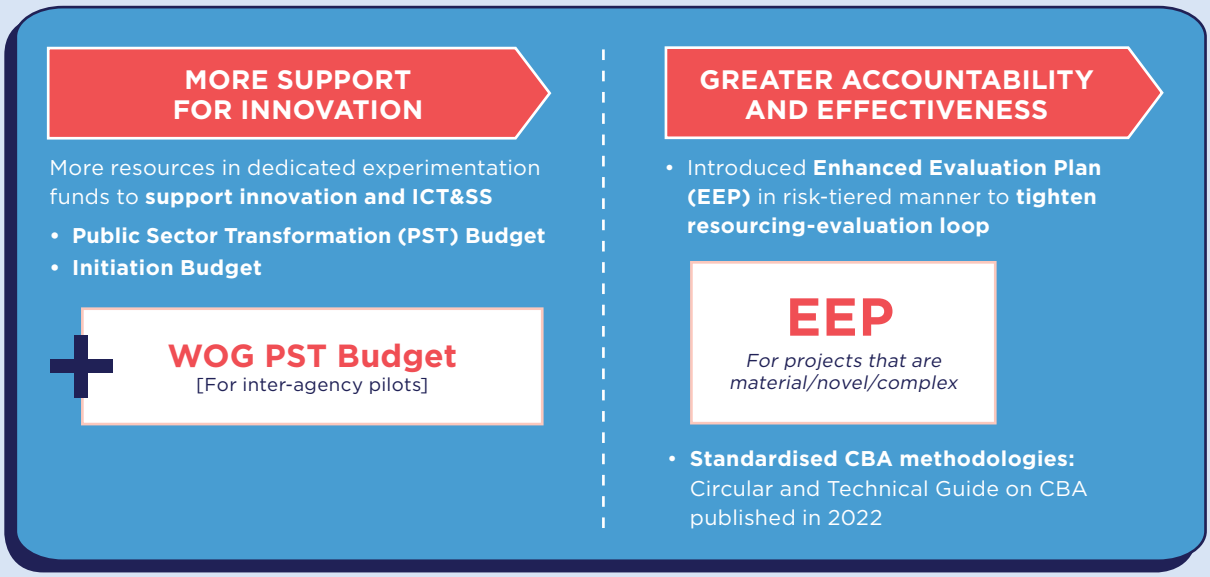


Figure 4. Budgetary Mechanisms for a Nimble Public Service

Optimising the system at a macro-level will be of limited benefit if individual officers are not ready or able to maximise spending effectiveness and outcomes.

too. New policies and programmes must be designed with these resource constraints in mind, so the trade-offs in outcomes between options of different resourcing needs can be fully considered. Agencies must keep an active and keen eye out for where functions are no longer relevant and can be deprioritised, and seek out productivity enhancements where possible.

An important role of leadership will be to pay attention to change management and help their organisations and people to reskill and pivot as demands change. Leaders and managers should think about how to bring out the best in their staff, which will involve not just drawing out greater productivity, but keeping them motivated, engaged, and well equipped for their mission.

While Budget 4.0 effects system-wide changes to our budgeting framework, freeing up fiscal space for emerging needs is the collective responsibility of every public officer. Innovation and transformation must be part of our DNA as public officers. Individual officers should constantly ask themselves whether they are doing enough to provide for the nation and for the future, which will entail making the most of available resources.

Optimising the system at a macro-level will be of limited benefit if individual officers are not ready or able to maximise spending effectiveness and outcomes. In the words of former Head of Civil Service and PS (Finance) Mr Lim Siong Guan, there is never enough money to fund all the things the public want from the Government. Therefore, it is important that we prioritise Singapore's needs and create the conditions to resource these needs in a sustainable and principled manner. ■

Note

1. Examples of such policy responses to address the pandemic include: the Jobs Support Scheme, the Care and Support Package, the COVID-19 Recovery Grant, the Jobs Growth Incentive, SGUnited Jobs and Skills, Rental Relief and Cash Grant and so on. Together, they helped Singapore avoid long-term scarring from COVID-19. For more information, please see "Assessment of the Impact of Key COVID-19 Budget Measures", published by the Ministry of Finance (MOF) on 17 February 2022.

Further Reading

- Ministry of Finance, "Occasional Paper on Medium-Term Fiscal Projections", February 8, 2023, accessed February 16, 2023, https://www.mof.gov.sg/docs/default-source/default-document-library/news-and-publications/featured-reports/occasional-paper-(final).pdf.

OPINION

ENHANCING PUBLIC SERVICE WITH TECH

by **Jordan Tan**

A public sector tech leader outlines how technology can complement new ways of thinking and working—making the most of scarce resources to achieve better public outcomes.

Jordan Tan is Director (Digital Workplace) at the Government Technology Agency (GovTech).

TRANSFORMING THE WORK OF THE PUBLIC SECTOR IN AN AGE OF SCARCE RESOURCES

Due to various headwinds in the world today, resourcing has become an increasingly pertinent concern in the tech space, and the public sector has not been spared. GovTech, through the Digital Government Blueprint,[1] is making a difference by helping to realise Singapore's public sector transformation, particularly in three broad areas: the Future of Work, our Future Workforce, and our Future Workplace.

Under Future of Work, we are leveraging data, and data analytics, to relook at how the public sector should be working in the future, including how public officers interact with, field enquiries from, and work alongside citizens. The pandemic has changed how we work; it has made us realise that a lot of what we do can be digitalised and carried out online for an enhanced experience.

These changes have implications for our Future Workforce. We need to determine the skills which will be relevant to our public officers in the future. It is important to upskill and reskill our public officers, uplifting their digital competencies such as how to make the best use of data and technology tools, as well as cybersecurity. Training aside, it is also about attracting and retaining talent for the public sector. In the past year, we have seen the tech sector slow down their hiring and letting their workers go because of over-hiring during the pandemic. This period of industry correction has provided an opportunity for our public sector to bring in quality digital talent.

With the pandemic unlocking hybrid modes of working and flexible work arrangements, we must explore how to enable more productive, flexible and joyful Future Workplaces. How can we leverage digital technology to improve these new modes of working, enhance collaboration, and at the same time, maintain engagement with our public officers, as well as monitor their health and mental wellbeing? How should team leaders manage their workplaces differently in this new context?

REALISING DIGITAL TRANSFORMATION

The Smart Nation and Digital Government Group (SNDGG), which includes GovTech, typically looks at three sets of stakeholders: citizens, businesses, and the Public Service. As Director of GovTech's Digital Workplace, my purview is the stakeholder group comprising public officers. Our Future Workplace is one of my key themes of focus, but I also look at the Future of Work and how our public officers can leverage more data, as well as upskilling and other aspects of building up the future public sector workforce that we need.

The work we do goes beyond just gadgets and technology—it also addresses the psychological and cultural aspects of work. For example, team cohesion is an important element of work. After putting in place the technology to let our people connect and work remotely, we need to think about how to enable more seamless interaction and engagement. For example, after providing connectivity tools such as Zoom and SG-Teams, we want to support communities of practice, so we have technologies like Workplace from Meta, to help colleagues come together and share ideas and best practices to help each other level up on areas they may not be strong in. But having technology is one thing—people must also be willing to use the technology. Officers may have webcams, but they may not turn them on during online sessions. Getting people to turn on their webcams is not a technology issue; it's a cultural one. So, one of our key priorities is the non-tech side of work.

Through various surveys, we know that many public officers have been saying that being provided with and given tech training is one thing, but it is quite another to see it used in the workplace. For instance, do supervisors and leaders model tech adoption? One of the initiatives we have set up to address this is a Government to Employee (G2E) Change Network. We have gathered around 1,400 Change Champions across different roles in the public sector, including some who are in public-facing roles. These are individuals—not necessarily senior leaders—who are passionate about technology and driving digital transformation; they are influencers and ambassadors. At the same time, we also work with senior leaders to help set the direction for where agencies are going, sponsor changes, and empower efforts to do so, embracing both a top-down and bottom-up approach to adopt technology. Our role is to give these champions the right tools and knowledge to lead the change and get their colleagues excited about what technology can do for them.

Having technology is one thing—people must also be willing to use the technology.

We also have an online community through which we share the latest products as well as innovative uses of technology. We run workshops based on where the end-user agencies and teams are. These workshops may not always be for IT departments or Chief Information Officers (CIOs), but are often the officers on the ground. We show them how various tech tools can be usefully and securely adopted within the Public Service. We also share how other agencies have leveraged technology. For instance, HDB mounted a camera on a drone and used SG-Teams to do building inspections through livestreamed aerial drone video feeds. If an incident were to

occur, this could also be used for crisis coordination and better appraisal of the situation. Such cases demonstrate how we can use available tech to do our work better and faster. By sharing these examples, we inspire new applications and new public sector innovations.

MAKING DATA AVAILABLE AS A GENERATIVE RESOURCE

Apart from technology, data is also an increasingly important resource for public sector work. A lot of data has already been made open and available, through platforms like data.gov.sg. Now the issue is whether we can continue to grow this data, and whether people will make use of it to create public value.

What may hold people back from continuing to contribute data? When it comes to sharing data, public agencies typically adopt a mindset of sensitivity and security, and public officers tend to err on the safe side—this has long been ingrained, and for good reasons. So, we need to work on democratising our data: not only sharing it with the public but also with each other within the Public Service. This is an important workstream for us at GovTech, but it is not so much about technology as it is about good knowledge management, both within and across public agencies.

We need to encourage some mindset shifts. First, are we overclassifying our data? The right classification is important. Some data used to be classified by default for selected senior management meetings. But after consulting the meeting secretariats, we concluded that not everything needs to be classified by default. Some materials are meant to be published later and could be declassified. Do emails you forward to your staff need to be classified? Probably not. We want to inculcate the right leadership behaviours so that the right classification cascades down the workflow and makes useful information more widely available. We want to put in place policies about data sharing: such as right classification to reduce

WHAT TECHNOLOGY CANNOT DO FOR THE PUBLIC SECTOR

In a technology space, you can throw a lot of money and tools at various problems, but when the rubber hits the road, things may not always work. But that's where you start getting new insights.

We need to work on democratising our data: not only sharing it with the public but also with each other within the Public Service.

the tendency to overclassify data, and the democratisation of data by granting access according to an officer's role, instead of by request or by name. This will promote a greater general willingness to share data, within, across and perhaps outside public agencies.

Finally, we need to encourage people to make use of the data, and that means having the right expertise to convert that data into useful insights and innovations. This relates to the work we are doing to upskill people around data analytics and promoting a data-driven culture. It is part of what we term Ops-Tech integration. As tech leaders, we need to work closely with the operations side of agencies so that our changes can reach our colleagues and benefit their actual work.

RESOURCING THE DIGITAL WORKPLACE

At GovTech, we are building several pieces that will support our public sector's digital transformation.

The first is developing platforms to scale: something we call Scaling 10x. By adopting a platform approach, we can enjoy economies of scale, and achieve ten times the outcome even with constrained resources. The idea is to optimise our resources in an output or outcome-driven way. Some early examples of this include the Singapore Government Tech Stack, which leverages the Government Cloud.[2] For specific services, such as cyber security, if you were to ask 10 agencies to list their requirements, you will likely have at least five teams asking for the same thing. That means a lot of resources will be spent on duplicating solutions. Instead, once we build a common platform and basic infrastructure, individual agencies can just focus on their mission outcomes and devote more time and resources

We know public agencies can be more risk-averse, in comparison to the private sector, because they are spending public monies. So, we need to develop a mindset of taking calculated risks to start small, start quick, and then through that process build fast, fail fast, and move on if it doesn't work. We must adopt a culture in which failure is taken as a norm and a basis for learning which can and should be shared. This culture is not something technology can provide. Instead, we need leaders who model the right culture and empower people to experiment.

Instead of being critical or quick to judge, leaders should begin with curiosity, and share their own concerns surrounding an issue, while inviting their teams to share the thinking behind a new approach.

NEXT STEPS IN THE DIGITAL JOURNEY

Moving forward, GovTech will focus on three key areas.

The first is digital inclusiveness. We have promoted tech aggressively, but we also know that not everyone can just pick up new tech tools and run with them; people need to be supported in this transition. Furthermore, we do have diverse individuals—in the public sector as well as in Singapore more broadly—with different needs, including those with visual or physical challenges. How can we make sure our products consider these needs, such as in the way the user interface is designed?

The second area is our use of data—how we should continue taking in more data, unlocking it, and enabling our public officers to get more value out of it.

The third area is to look at learning on-the-go. How do we use digital means to help people find the right mentors or career coaches for their needs? How do we push the right learning materials to officers in a timely, personalised way? In these areas, we are working closely with the Public Service Division to create a talent gateway. We are also collaborating with the Civil Service College on a digital academy to help generate some of the curriculum we will need, both to learn, and to learn on-the-go.

to serving citizens or doing their work better. They do not have to reinvent the wheel.

Another example is Workpal, a mobile app that enables a number of HR-related functions, from applying for leave to checking one's salary. For some agencies with their own HR systems, we build connections from their systems to shared platforms such as our Digital Business Cards, so they can scale up these functions quickly. Workpal also has a function for booking co-working spaces—which is a Future Workplace initiative meant to support hybrid work. Public officers need not return to their office every day. Instead, they can use a co-working space near their home and use the Workpal mobile app to book these spaces. Agencies can come on board this platform whenever they are ready.

Another approach we are taking has to do with Software as a Service (SaaS). Our Digital Government Blueprint recognises that there is a lot of technology out there that we can already buy as a service, so we do not have to develop it ourselves. Microsoft Teams is a good example of these. Going forward, we are also looking at other SaaS platforms such as Salesforce that could help with customer relationship management (CRM), since many agencies need to touch base with the public. Such systems are the best-in-class globally, so why try to build them ourselves, and

at great expense? Instead, we could focus on aspects such as procurement, security, and integration to make these platforms work for the public sector.

Recently we rolled out an App Library, which carries many common tools that have been reviewed to ensure they are compliant with our licensing, security, and other needs. Again, by democratising some of these apps, we are encouraging agencies to see what their counterparts are doing with tech, and to adopt some of these ideas and solutions to benefit their own workplaces.

A third approach we are taking is co-developing new solutions with the industry. This also helps optimise our scarce public sector resources—we work with others to build things we may not be able to build ourselves. This stems from our experience in working with key industry players on our Government on Commercial Cloud, including firms like Amazon, Microsoft, and Google. Last year, we ran some industry workshops to publicise some of our key initiatives and invited various players to co-develop solutions with us, to benefit public officers as well as citizens and businesses.[3]

Most importantly, the future workplace is not just about using technologies. Its purpose is to help our officers become more productive and more engaged in their mission, instead of spending time jumping through hoops or dealing with red tape and other unnecessary processes. This is also about retaining people by keeping them engaged with the work they do and creating value for our country and fellow citizens. ■

Notes

1. See: "Digital Government Blueprint", accessed January 6, 2023, https://www.tech.gov.sg/digital-government-blueprint/.
2. For more information on the Singapore Government Tech Stack, see: "Singapore Government Tech Stack", December 16, 2022, accessed January 6, 2023, https://www.developer.tech.gov.sg/singapore-government-tech-stack/.
3. Example of such initiatives include: Cloud hosting on the Government on Commercial Cloud, Smart Facility management and Speech-to-text transcription. For more information, see: Rei Kurohi, "Govt to Spend $3.8b on Infocomm, Tech in 2022; More Projects to use AI, Data Science", June 10, 2022, accessed January 6, 2023, https://www.straitstimes.com/tech/tech-news/govt-to-spend-38b-on-infocomm-tech-in-2022-more-projects-to-use-ai-data-science.

For more information on Whole-of-Government productivity tools, visit the Singapore Government Developer Portal:

go.gov.sg/devportalproductivitytools

DRIVING SUSTAINABILITY

in the Public Sector

by **Lim Tuang Liang**

Recognising its role to achieve net zero, Singapore's public sector has developed decarbonisation measures, embedded environmental sustainability into its core businesses, and built up key competencies.

Lim Tuang Liang is Government Chief Sustainability Officer (GCSO) and Deputy Secretary (Special Duties) in the Ministry of Sustainability and the Environment (MSE). In these roles, he works with public sector agencies to develop and coordinate strategies for the Singapore Green Plan 2030 and GreenGov.SG. He also spearheads the Government's partnership with stakeholders, including businesses, civil society partners and individuals, to advance our national sustainability agenda. He has served in the National Research Foundation, the Singapore Armed Forces, and on the boards of the Defence Science Technology Agency, Defence Science Organisation and IE Singapore.

The author wishes to thank the Public Sector Sustainability Office and Sustainability Partnerships Office for contributing to the drafting of this article.

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Sustainability is a whole-of-nation endeavour. In 2021, we launched the Singapore Green Plan 2030 ("Green Plan") and GreenGov.SG to rally collective action to tackle climate change, as a nation and within the public sector. GreenGov.SG will raise the bar on sustainability within the public sector in three ways: First, **Excel** by setting new and more ambitious targets; second, **Enable** a green economy and citizenry by embedding sustainability in our core business; and third, **Excite** public officers to contribute to sustainability in Singapore.

Under GreenGov.SG, the public sector has committed to several targets, including achieving net zero emissions around 2045, about five years ahead of the national target.[1] Executing the net zero transition will not be easy for Singapore, given our physical constraints and lack of renewable energy resources. So how are we going to achieve these targets?

EXCEL

REALISING A NET ZERO PUBLIC SECTOR

We are strengthening the leadership focus on sustainability through the appointment of Ministry-level Chief Sustainability Officers (CSOs) to oversee sustainability matters across Ministry families. As the first Government Chief Sustainability Officer (GCSO), I will also be working closely with the Ministry CSOs to develop and coordinate strategies to achieve the public sector's net zero agenda.

We have also identified measures that help our public agencies decarbonise their systems and processes. For instance, all new public sector buildings and those undergoing retrofitting will meet Green Mark Platinum Super Low Energy (SLE) standards. Agencies will also maintain an ambient indoor air temperature at 25°C or higher for their premises and deploy solar photovoltaics, where feasible.

> We have identified measures that help our public agencies decarbonise their systems and processes.

Towards Higher Standards of Sustainability in Government Buildings

Green Mark Platinum SLE requirements for government buildings will lead to marked improvements in energy management, indoor air quality, materials and waste management, greenery provisions and building maintenance. In addition, buildings will achieve at least 60% energy savings, compared to the 2005 building code.

One example of a government building that has met the Green Mark Platinum SLE rating is the BCA Braddell Campus, comprising the Academic Tower, Zero Energy Building (ZEB) Plus building and six other blocks.

The ZEB Plus building has adopted measures such as a hybrid cooling system and a smart user app to provide user control of ceiling fans and lighting intensity. Ceiling fans operating in combination with air-conditioning enable ambient temperature settings to be raised from 24°C to 26°C whilst maintaining thermal comfort.

The Academic Tower boasts multiple high energy savings measures, such as a brushless direct current fan coil unit which is low noise and provides up to 70% energy savings. The lush vertical greening and deep corridor shade reduce overall heat gain, further reducing cooling requirements. Task lighting has replaced ceiling lights as the mode of lighting in offices, with the usage of sun pipes for staircase and reception counter lighting in office, while solar PVs generate 23% of its total electricity needs.

Starting from FY2023, all cars procured and registered by public agencies will be clean energy vehicles with zero tailpipe emissions.

We are concurrently studying and implementing options to import clean electricity and remove carbon emissions. Singapore has started importing 100 megawatts of renewable hydropower from Lao PDR, which is enough to power about 144,000 four-room HDB flats a year. The National Environment Agency has also signed a Memorandum Of Understanding with Keppel Seghers in 2022 to explore the viability of Carbon Capture at our waste-to-energy (WTE) plants.

Even as we try to reduce our emissions and replace fossil fuel with renewable sources, we may have some residual carbon emissions that are hard to abate. We may have to consider the use of carbon credits.

EMBEDDING ENVIRONMENTAL SUSTAINABILITY IN OUR CORE BUSINESS

We have started to incorporate sustainability features into our public touchpoints. For example, some of our new public libraries have indoor greenery and sustainably sourced furniture. Existing public libraries also hold sustainability-themed workshops and events regularly. In addition, the public sector engages communities to raise awareness on environmental sustainability issues.

The public sector is also committed to enhancing its procurement policies

Inspiring a Sustainable Singapore

The Public Service is well-placed to both *enable* and *excite* all parts of our society to be sustainable, especially when we bring together our knowledge and tools as One Public Service.

The Green Action for Communities (GAC) offers a good example of how we can do this. It was launched in April 2022 by the Ministry of Sustainability and the Environment, the Ministry of National Development and the Ministry of Culture, Community and Youth, with support from the People's Association, Community Development Councils, along with the Green Plan Ministries and agencies.

The GAC aims to enable and empower citizens to take ground-up actions within their communities to achieve Singapore's climate and sustainability goals. It also seeks to foster an active, green citizenry, and embed sustainability as a shared responsibility and way of life.

Our public officers share ideas and support with the GAC groups within each constituency, comprising community leaders and sustainability champions in the community. Each GAC group will then create their own community action plan that reflects their community's features and their residents' wishes.

Public sector agencies support the GAC groups through district-level capacity building workshops, customised deep dives, and roadshows. To date, 700 GAC group members have been engaged through workshops and deep dives, with more to come.

> The public sector is also committed to enhancing its procurement policies to support Singapore's transition to a greener economy.

to support Singapore's transition to a greener economy. Apart from mandating minimum resource efficiency or sustainability standards for selected goods and services, we will be introducing more environmental sustainability considerations into the Government's tender evaluation process from FY2024. We will start with large construction and Information Communications Technology (ICT) tenders, setting aside up to 5% of the evaluation points for environmental sustainability.

Our digitalisation efforts have also contributed towards our sustainability goals. As more public services go online and accept electronic payment, we reduce the need for members of the public to submit hard copies or for public officers to use printing paper.

▼ Capacity building workshops include GAC group discussions and booths set up by agencies and community partners

▼ Deep dives for GAC groups

NURTURING A CULTURE OF SUSTAINABILITY IN THE PUBLIC SECTOR

At the core of the public sector are our public officers. If we are serious about achieving net zero, we will need to educate and empower public officers, especially colleagues who are in charge of maintaining our buildings or procurement. We have therefore identified a list of training courses to upskill them. In addition, we organise regular Communities of Practice and invite subject matter experts to share best practices or their experience with public officers.

Of course, culture building goes beyond capability building. It is also about creating a movement and getting people excited. To date, 286 officers have joined the Sustainability Ambassadors Network (SAN). The SAN was created to raise awareness on sustainability topics, bringing

Involving Public Officers in Sustainability Efforts

A total of 1,161 officers participated in the Public Sector Bring-Your-Own (P.S. BYO!) campaign in 2021. The campaign saw officers exploring ways to reduce the use of disposables in their daily habits, such as bringing their tumbler, reusable cutlery and bags for food or grocery runs.

MSE also organised a recycling campaign called "Sustainability Starts with M(s)E" in 2021. Over the course of three months, more than 500 MSE family officers took part in the campaign. A post-campaign survey found that 78% of respondents expressed confidence in recycling, which was a 28% increase from before the campaign.

together like-minded individuals who are passionate about sustainability to promote collaboration.

Through SAN, we hope to encourage more officers to take action for sustainability. For instance, in 2021, we organised a public sector-wide Bring-Your-Own campaign. We wanted to encourage public officers to take small steps to reduce the usage of single-use disposables in their daily habits.

To provide officers with easy access to GreenGov.SG resources, the Public Sector Sustainability Office in MSE has also set up a Resource Portal.[2] This one-stop repository consolidates all information and resources related to GreenGov.SG.

Looking to the Future

Looking ahead, we will issue a report card on the public sector's sustainability efforts and performance later this year. In addition, all statutory boards will publish annual environmental sustainability disclosures from FY2024. Through public disclosure of our sustainability efforts, progress, and plans, we will communicate to Singaporeans the seriousness of the public sector in meeting our goals and set an example for others to follow.

Climate change is an existential threat for all of us here in Singapore. As a public service, we can and should take the lead in environmental sustainability. Together with the support of businesses and communities, we can realise a green, liveable and climate-resilient home for all Singaporeans. ■

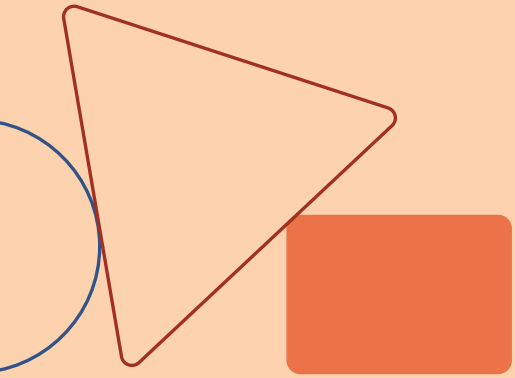
Notes

1. This will be contingent on the progress of technologies and international cooperation to enable mitigation measures.
2. GreenGov.SG Resource Portal (website), February 15, 2023, https://gccprod.sharepoint.com/sites/MSE-GreenGovSG-MST.

Sectoral Collaboration as Public Resource

A Conversation with Gus O'Donnell

The veteran economist and former UK Cabinet Secretary argues that harnessing skillsets across sectors is vital to addressing societal needs in the long term.



Lord Augustine O'Donnell is Senior Visiting Fellow at the Civil Service College. He has been non-Executive Chairman of Frontier (Europe) since October 2013. After joining the Treasury in 1979, he held various positions at the British Embassy in Washington, the International Monetary Fund and the World Bank. From 2002 to 2005, he was Permanent Secretary at the Treasury and in 2005 became Cabinet Secretary and Head of Civil Service. He held this position until 2011, serving three Prime Ministers. Lord Gus studied economics at the University of Warwick and holds an MPhil in Economics from Nuffield College, Oxford. He lectured in Economics at the University of Glasgow.

Why is public resourcing going to be an important concern for governments in future?

The next decade will be dominated by three trends—what fellow economist Mark Carney and I have framed as the 3 Ds—Digitisation, Decarbonisation and Deglobalisation. These will require us to think differently about what we do, but it is clear this will be a future in which government will be required to do more.

For instance, in the coming decade, we are going to see countries spending a lot more on defence, as the world is becoming more insecure. Private sector delivery of goods and services has also become more data-based and efficient, raising people's expectations of service delivery in general.

This means the government's share of GDP is expected to rise. In the private sector, you're paying for these better services. But in the public sector, there's a limit to how much you can meet these higher expectations purely through tax-based public funding. In countries like the UK, for instance, it's taboo to even think about market pricing for healthcare services because of perceived inequalities in affordability.

So, increasing demands on the public sector are not going to go away, but there is a limit to how much public funds we can raise through taxation. The question is how we are going to manage both the demand for and supply of government services. We will have to get much more efficient in what we do and find better ways of doing the same things, because we cannot just keep throwing money at problems.

We will have to get much more efficient in what we do and find better ways of doing the same things, because we cannot just keep throwing money at problems.

How should governments think differently about their longer-term resource concerns?

In the UK, as with many countries including Singapore, you have populations that are getting older on average, driving up the dependency ratios. In the UK, we also see the rise in what we call 'inactivity' in the 50+ age group. During COVID, many in this group worked from home and a number of them realised they preferred it to commuting to work—at the end of the lockdowns, they decided to exit the workforce rather than return to the office. This raises the question of whether their pensions are enough to keep them going. For now, they have decided that they are better off not working than working.

As a group, economists might narrow-mindedly say well, we just have to get them back to work. But is that really the right thing? What we find is that this is an age group that are thinking that they have enough and are not particularly interested in earning money anymore. At my charity Pro Bono Economics, we have evidence that many more people are now thinking about volunteering instead. In fact, many of these people are active and very highly skilled. There are a lot of things we can do to engage with them and make them socially productive, increasing the supply side of important activities.

One issue we have to come to grips with is that volunteering generates no income and will not show up in GDP. This is one reason why we should not judge societal success by GDP growth rates. For instance, parents who decide to stay at home and look after their children are doing something valuable, yet it is going to hit GDP as opposed to them going into traditional employment. We need to bear in mind that if they do go to work and pay for childcare, there will be a lot more taxes generated compared to if they stay at home. So there are public finance implications to thinking this way, which will need to be factored in.

But more and more, we see countries around the world trying to find better alternatives to GDP, with some referring to happiness indices. I don't use happiness much: as a species, we are evolutionarily guided towards immediate, short-term happiness and away from worrying about the long term. Instead, we should be thinking about how people can do the right things to lead worthwhile, satisfying lives over the long run.

Doing this would also reduce demands on the public sector. For instance, if we improve people's diets, get them exercising, stop them smoking and so on, we keep people healthy, give them a better quality of life, and also reduce pressure on healthcare resources. This would also feed back into people being more productive, which improves the tax base with more resources to meet other needs.

How can governments better appreciate and harness the public value generated by other sectors?

A lot of the conversations we have are about whether something should be done by the government or the private sector, and we leave out the social sector completely. I think it would be much better if we think about these three sectors, and consider: what are their comparative advantages?

The social sector has value that is distinct from public services. A government can generally only make standardised, broad provisions. But for many issues, you have to be very local—you have to think about a community's or an individual's unique needs. You need people who know the ground: who really needs help and who doesn't. It's not about legislation but local knowledge, and that's a comparative advantage of the social sector.

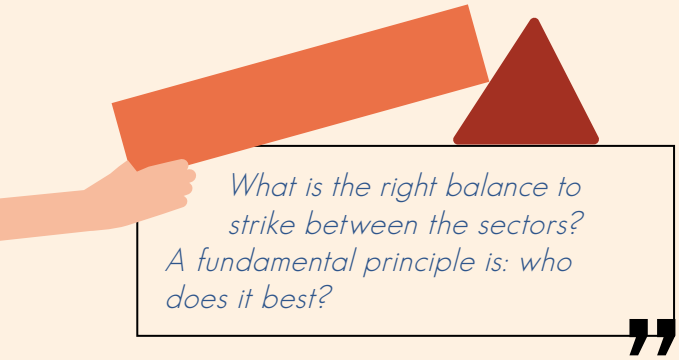
A lot of the conversations we have are about whether something should be done by the government or the private sector, and we leave out the social sector completely.

The government should be asking: what are the areas the social sector does best? How can government and the private sector support the social sector so that everyone is working towards their comparative advantages?

Now, what is the right balance to strike between the sectors? This will depend on the societal context. It will be place specific. An appropriate balance for Singapore might be different from one for a bigger country like the UK, and the US will be different again.

In a place where people are very compliant with rules, a large public sector may make sense and there's less of a need for a social sector. In the US, there could be greater acceptance of a larger role for the private or social sectors. A place that functions well with a relatively high tax rate, such as Scandinavia, could operate with a large public sector because there is cultural acceptance, whereas you could not get away with that in the US. So that's going to have an impact on the size of the different sectors.

It will also depend on the local culture and people's preferences: whether, for instance, there is a stigma associated with services provided by the social sector, or by government, or whether there is a culture of philanthropy with very high net worth individuals finding ways to do things the state cannot do.



What is the right balance to strike between the sectors? A fundamental principle is: who does it best?

So, you'll need to calibrate differently in different places. To my mind, a fundamental principle is: who does it best?

Part of the problem is that there's not enough measurement of the impact of the social sector. I chair a commission called the Law Family Commission on Civil Society, which has to do with the social sector. Together with Andy Haldane, Chief Economist of the Bank of England and one of our trustees, we have been working on ways to measure the output of the social sector, and it turns out that their contribution is being underestimated possibly by a factor of up to ten.[1]

The social sector can be relatively inefficient, partly because they are not held to account in quite the same way as the private or public sectors. People go into charities because they are passionate about, say, curing a disease; they are not passionate about spreadsheets and surveys. It's good for them to say, well we're helping all these people. They are doing this out of the goodness of their heart. The fact that they could do it much more efficiently is neither here nor there to them.

We also find charities spending huge amounts of their money on just applying for grants, in a way that's very inefficient. This is why at Pro Bono Economics, we have been trying to think about general ways of prompting the social sector to become more productive; to unleash their potential.[2]

We provide charities with ways to measure their impact, doing simple things such as cost-benefit analyses.

What is needed to nurture a more productive relationship between the sectors?

For government, there is first a real need to understand the different sectors. Singapore is very good at getting civil servants to understand the private sector and getting the private and public sectors to work together. The UK is not as good: we have massive pay gaps, and a culture where we keep the private sector at arm's length because of potential conflicts of interest.

But there should be few such conflicts between the public and social sectors. We could have internships and secondments, to provide pathways for those in public or private sector careers to work in a charity.

Now, anyone who has worked in the public sector would tell you that working across departmental boundaries is the hardest thing. This is unlike the private sector where it's unimaginable for the CEO to sit alone as the decision maker while some other committee does the work for him, to come along and just say yes or no. They would do it together.

Governments should be thinking much more about cross-departmental teams that break down functional barriers, with all the key people at the table. For example, civil servants might analyse what is going on, give the best facts, saying what we can do to help and what our constraints are, so that the politicians can have a good evidence base. The political leadership can then talk about the kind of solutions they have in mind, and the officials could then respond in turn to what could or could not work. But that's just step one.

Step two is realising that perhaps the government cannot solve this problem entirely on its own, and you need to have a meeting where you bring in the other sectors to help address the problem. And then you get the three sectors together to come up with an answer where there is mutual advantage. If you put all three sectors in a room to solve issues together, you might come up with new and very different answers which have everybody contributing, as opposed to it just being a government problem.

If you put all three sectors in a room to solve issues together, you might come up with new and very different answers which have everybody contributing, as opposed to it just being a government problem.

One other advantage is that the other sectors get to understand why government regulates in the way they regulate. They can then learn how best to work with policy as opposed to fighting it—while at times pointing out that policy objectives aren't quite right and trying to get them changed. Then we start to work together to get better societal outcomes as opposed to regarding it as a game of getting around the rules to maximise profits.

So, what we need to look for are people who can get collaboration across sectors. It could be someone who has diverse experience in actually working in one or more of these sectors, who will understand the cultures of

these sectors and how to make them appreciate each other.

You want collaborators, and you also want innovators—because we're not going to solve these problems without some innovation. For really difficult problems, you need to experiment more, and try different things, and some of them might work along the way.

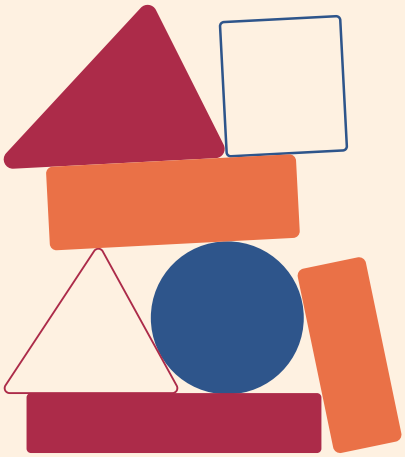
In the social sector there is great nervousness about having something which seems to fail. We need to have the capacity to understand that it's not a problem if a social sector organisation spends some money on trying some things which turn out not to work. So you could bring in some private sector people who understand about innovation, about risk-taking, about not being scared to fail. But this can be difficult in the social sector. In the beginning, time might be better spent just helping charities put in competent record management systems and spreadsheets, or other kinds of administrative infrastructure that we take for granted in the public and private sectors.

One of the issues I am worried about is what I call stranded skills. A lot of people with a set of skills which they thought would keep them in good employment for a long time could end up being stranded by developments in artificial intelligence (AI). We will need to think carefully about how to get to the kind of world where we are all going to be living longer, and how we all need to retrain at different times.

This could fit in with my idea of spending some time in different sectors, doing different things, and coming back as someone who understands the interaction between sectors. Indeed, we are already starting to see innovation being the consequence of being multidisciplinary, from economics to psychology and so on, in ways which will be crucial to the public sector. The point is also about trying to see people's activities as things that bring them increases in wellbeing, as opposed to just work. ■

Notes

1. See "Unleashing the Power of Civil Society", January 2023, accessed March 1, 2023, https://civilsocietycommission.org/publication unleashing-the-power-of-civil-society/.
2. Ibid.



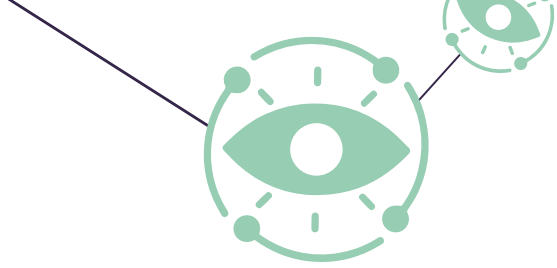
Making Outcome-Based Approaches Work:

Insights from the UK's Government Outcomes Lab

by **Mara Airoldi**

Effective social impact arrangements are purpose-driven, motivate relationship-building and centre learning in exploring new ways to deliver public value.

Mara Airoldi is the inaugural Academic Director of the Government Outcomes Lab at the Blavatnik School of Government. She is an Economist and Decision Analyst by background and holds degrees from Bocconi University in Milan and the London School of Economics and Political Science. Her research is motivated by a desire to improve decision making in government, with a special interest and extensive expertise in the field of healthcare.



Introduction

The Government Outcomes Lab is a research programme based at Oxford's Blavatnik School of Government.[1] It started in 2016 as a partnership between the UK Government and the University of Oxford, to look at ways to tackle complex social and environmental issues by working collaboratively across sectors. In today's hybrid environment, public services are no longer just delivered by the public sector. Instead, we now see a multiplicity of actors, including the private sector, impact investors, non-profit organisations, voluntary groups and social enterprises. This is enriching, but also challenging: how do you bring them together to work effectively towards shared goals?

When the GO Lab was set up, the UK Government was about to launch a very large programme called the Life Chances Fund. This was aimed at exploring how a particular instrument—social impact bonds—could contribute to the portfolio of what government was doing. At the time, the evidence about the effectiveness of such instruments was still very weak. Since then, we have been working alongside government to investigate this, gathering evidence from all over the world on these instruments and how they work.

In the beginning, the government wanted to know if social impact bonds "work". Over time, we unpacked this question—a social impact bond may or may not work, in the same way a simple grant may or may not work. So the question is more about the circumstances under which instruments like social impact bonds are more likely to be effective. We have found that there is no one model: the term "social impact bond" or "social impact partnership" is in fact an umbrella term that includes very many practices and types of agreements between the public sector and other sectors, including impact investors and those from the non-profit world.

The core idea is what we call an **outcome-based approach**: we come to an agreement for the provision of a particular activity or service, but we will pay only when a certain level of predefined outcomes has been achieved. A social impact bond is thus a kind of outcome-based financing model based on the presence of an impact investor who is willing to provide the upfront capital to provide the service, which will only be paid ex-post, and only if outcomes have been delivered.

> *Outcome-based approaches are most successfully deployed as part of attempts to do things differently because the status quo has not been satisfactory.*

The idea is that the impact investor will bear the risk in case the pre-agreed outcomes have not been achieved. Given the resource constraints of the public sector, outcome-based contracting is hence, potentially, a good way to make more efficient use of resources, because the government only has to pay when it works. If a programme is successful, and governments pay for the achieved outcomes, the originally invested capital could even be reinvested in the same or other programmes.

In my view, having looked at these approaches for several years, outcome-based approaches are most successfully deployed as part of attempts to do things differently because the status quo has not been satisfactory. However, it can be tricky to distinguish between whether a programme has worked because of a particular intervention, or the governance arrangement (i.e., the outcome-based approach) under which it was implemented. Sometimes, what works is the combination and interaction of the two.

Nevertheless, in our research, we have found that outcome-based contracts tend to be most effective when designed and used intentionally to improve collaboration, prevention or innovation.

Three Logics of Outcome-Based Contracting

Logic of Collaboration 1

With complex social issues, there is often fragmentation: a person who is homeless, for instance, requires support from several different services. They may have a problem with finding a job, with the housing they have, alongside problems of substance abuse and mental health or family issues.

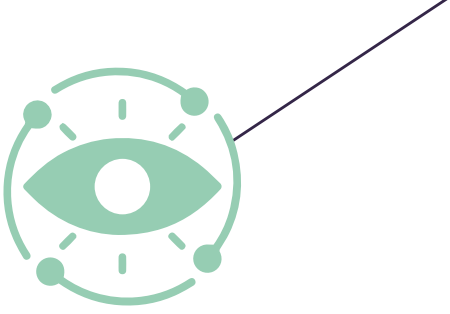
No single agency can offer support in all these dimensions. Typically, what happens is that there are separate contracts: one to support housing, a separate one to support employment, and yet another to support mental health. And the person who needs these has to report to separate agencies and retell their story; the respective service providers don't collaborate.

Here, an outcome-based approach seems to be promising because it is not premised on who delivers what service or how it is organised: what you want to see is the outcome, which is a person finding their way out of an unsustainable situation. Usually, an organisation emerges as the main contractual counterpart who works with a portfolio of other organisations offering different services. Often, a link worker, who knows the individual client's situation and needs, then offers wraparound care, guiding them through the different services, making the connections and offering a holistic package that makes sense for the person needing help.

An outcome-based contract makes this arrangement easier to operate, because you have one coordinating organisation responsible for the overall outcome, with the freedom to organise personalised packages of different services to make an overall difference.

Logic of Prevention 2

The public sector is often firefighting and having to intervene in one crisis after another. With greater demand for public services and increasingly constrained resources, the pressure is to cut provision in some areas. The investments that bring benefits only in the longer term, such as preventative services, are often the ones that get dropped first.



This is where an outcome-based approach with a logic of prevention has been promising. A programme might have access to funds to help reduce the number of fires that need to be fought in future—and this pays back the investment that is made at the beginning, through cost savings. Outcomes to prevent long-term unemployment reduce demand for support services down the road.

In such projects, you can have a case history and track record to see where trends are going, allowing you to make an informed guess on whether the intervention has made a difference in changing the trend and reducing the cost of the service. The cost savings can then be shared between the public sector and those who have made it happen.

Logic of Innovation 3

The public sector is often considered conservative, risk averse, and not particularly innovative. We tend to see interventions being delivered over and over, without checking if they actually work. Doing the same thing avoids blame, compared to trying something courageous and new where something might go wrong.

An outcome-based approach with a view to trying things out could help break through this risk-averse culture, by allowing discretionary space for organisations to try something new that hasn't been done before, particularly when the status quo is not working.

Even if the logics are clear and in place, there are many different ways to carry out outcome-based contracts. Outcome-based approaches are complex instruments. Not all projects will succeed. Transaction costs can be high, and without clarity of intention and commitment, people can lose patience and then little benefit is gained afterwards. We see that these instruments have been most effective when they are used to adapt, change and build relationships in the field, in order to create a working ecosystem and a learning culture.

> *Outcome-based approaches are complex instruments. Not all projects will succeed.*

Giving Outcome-Based Approaches the Best Chance to Work

Clarify Intentions and End Goals

It is important to clarify what one is trying to achieve through the outcome-based intervention, so that it can be carried out more intentionally, and evaluated appropriately. An important priority is thinking about the exit strategy: what happens at the end of the project. We have found this to be a revealing and provocative question in practice.

Do you want to trial an intervention to deploy elsewhere once if the project ends, even outside an outcome-based programme? Or do you want to explore ways to better collaborate with partners? Or your goal might be prevention, in which case you might want to keep issuing similar contracts if they work by continuing to access patient capital. Once you know what you are really after, you can work backwards to set up an appropriate way to design and also evaluate the programme.

Asking people to look forward to the future also obliges them to think about why they are embarking on this project. It prompts them to be more mission- and purpose-driven, and helps bring out the motivation of why people started on this work in the first place.

Active Performance Management

Much goes on during the delivery of a service that can make a difference to whether an intervention works. In typical public sector procurement, most attention is paid to a contract before it is issued, but afterwards little is paid to the job until the contract is due to be renewed. However, when an impact investor is involved in an outcome-based contract, they have a stake in making sure the project succeeds: otherwise, they lose their capital.

A good investor, typically in close collaboration with the other stakeholders involved in the programme, will practise active performance management: they will come to the table to check that things are on track, and that the outcomes are being delivered as intended. While there are transaction costs to meetings and handholding, there could be benefits from this hands-on approach that outweigh the additional cost as delivery problems can be tackled promptly.

> *Organisations that are willing to work in a relational fashion seem to make the best use of flexible contractual arrangements.*

Evaluate Outcomes Thoughtfully

How impact is measured in outcome-based contracts is crucial. Metrics and performance indicators are meant to be proxies for what the outcomes are, but they exist on a continuum and not all of them will be directly indicative of the outcome. While it is rare for payment in outcome-based contracts to be 100% based on purely outcome-driven indicators, *how* these proxy measures are used seems to make a difference to the success of a project. They shape the motivation and focus of the contracted organisation.

In one example we have seen, two organisations were given the same contract to tackle homelessness in the UK. One used the outcome-based approach to motivate staff to do things differently, and to redefine what good looked like. The other organisation, which was smaller and more dependent on the contract's paid value, put emphasis on meeting targets. The metrics were the same, but the way they were used to manage staff was different. In one organisation, the emphasis was on learning how to achieve outcomes. In the other, staff seemed more pressured to deliver on targets and demotivated. The same contract was deployed by one organisation to build a culture of learning and to focus on the long term, while the other used it transactionally. This experience teaches us that contractual clauses and technical features of these instruments are only half of the story.

Relationships of Trust

Organisations that are purpose-driven and that are willing to work in a relational fashion seem to make the best use of flexible contractual arrangements.

The basic theory of transaction cost economics suggests that if you can specify everything in a task, you can contract it out, but if it is too complex and you cannot, you need to do it in-house. But the world is not so black-and-white. What do you do with elements you cannot specify in a contract? If the counterpart is someone you can trust, the contract works better—but how then do you select a trustworthy partner?

In places like Japan, there are traditional long-term relationships between organisations and between the public

and private sectors that liberal economic ideology might traditionally have considered suboptimal. But new forms of relational contracting are now becoming more common, because finding a good supplier is very costly. Private sector firms are now attempting to nurture a meaningful, open long-term relationship with counterparts, and not only stop at a reductionist interpretation of contractual clauses.

There is value in establishing an environment of trust, where you allow variation in contracts within a range without needing to issue contractual amendments each time. However, we also want to avoid being captured by a supplier who can dictate terms unduly and become complacent.

One of the success factors in outcome-based contracts is finding an area where you can build trust between stakeholders and different sectors, without being naïve about it. Finding and codifying this balance, such as through legal mechanisms, allows trust to become an instrument for improvement.

The key lesson here is that we cannot rely on a legal contract to do all the work, so civil servants will still need to continually

INDIGO

International Network on Data Impacting Government Outcomes

INDIGO is a collaborative initiative of the Government Outcomes Lab. It gathers data—made available either publicly or through our stakeholders—related to impact bonds and outcome-based contracts from all over the world into an online database for like-minded individuals to learn from how these approaches have been used in the past.

For example, anyone who wants to launch a contract in education can go to INDIGO and find similar contracts or data on related projects. They can look up or compare projects in a particular sector or region and reach out to people that were involved in past projects.

INDIGO seeks to digitise and make accessible all empirical evidence on outcome-based contracts, as well as papers, reports and evaluations that provide credible empirical insights on how the outcome-based approach works. The aim is to bring evidence to bear in public sector decision-making, as well as to capture and promote institutional learning about this approach globally.

For more information, see:
https://golab.bsg.ox.ac.uk/knowledge-bank/indigo/

> *We need to invest in creating a professional norm that emphasises learning and being open to sharing the insights from both what has worked well and what has not.*

educate themselves, stay abreast of what is happening, and exercise judgement.

A Culture of Learning

For the civil servant looking to implement good outcome-based approaches, we have found that it is important to have a mindset of wanting to learn and being open to being wrong. In public sector work, the narrative is often about success and failure. That is the wrong narrative. Whether or not a programme delivers what is expected, we should ask: why did it or why did it not do so?

This also implies that when government agencies contract out for a service, they should also always acquire the resultant data. This is where the real insights are, but all too often these stay with the organisations providing the service. When we buy a service, we should also buy the learning, and that learning should be shared.

We need to bring back learning as a key objective, because the world is not static, and neither are societal problems. We need to have an incurably curious mind that continually asks: If this intervention works, I wonder how long it will work for? And if it doesn't, why not? Centring learning also allows us to open up and say: Something that has worked elsewhere or worked in the past didn't work in this situation—why is that?

So often in the public sector there is a culture of blame, and of flying low. We need to invest in creating a professional norm that emphasises learning and being open to sharing the insights from both what has worked well and what has not. We could begin by anonymising the case examples, while emphasising the ethical need to share the learning.

In making space for discretionary experimentation and cultivating this appetite for learning, we can begin to create trust across an organisation. The alternative is a transactionally oriented culture which tends to promote a race to doing the minimum and hiding mistakes, rather than innovating and growing. We should rise up to the level of our best peers. In the public sector, this is countercultural, but it is fundamental. ■

Note

1. Government Outcomes Lab, accessed February 23, 2023, https://golab.bsg.ox.ac.uk/.

ROUNDTABLE

THE WAKE-UP CALL: Rethinking Growth and Government in a Crisis-Constrained World

by **Samheng Bora, Mohibul Hasan Chowdhoury, and Aruna Devi Narain**

In this ETHOS Roundtable, three distinguished participants of the 14th Leaders in Governance Programme discuss how global challenges have reshaped thinking on national resourcing and the core work of the public sector.

Samheng Bora is Undersecretary of State, Ministry of Commerce, Cambodia.

Mohibul Hasan Chowdhoury is Deputy Minister of Education, Ministry of Education, People's Republic of Bangladesh.

Aruna Devi Narain is Judge, Supreme Court of the Republic of Mauritius, and former Vice Chairperson and Rapporteur of the UN Committee on the Elimination of Discrimination against Women (CEDAW Committee).

In the wake of COVID-19, geopolitical conflict, economic volatility and climate concerns, what in your view are the most pressing challenges facing the public sector today?

CHOWDHOURY: The foremost challenge is public trust and reliance. In the face of so many constraints in terms of resources and new pressures, the people need to trust the public sector to deliver and be able to rely on the public sector to ensure that their rights and services are secure, that their daily needs will be met.

Politically, the challenge then is that when you are in power, you must respond to immediate demands, even if it may compromise sustainability in the long run.

> We cannot just deliver public goods in a manner that would exhaust everything, leaving nothing for future generations.

NARAIN: Indeed, the challenge for the public sector is not only to deliver in the short term, but also in a sustainable manner. We cannot just deliver public goods in a manner that would exhaust everything, leaving nothing for future generations. We cannot act only for the current political mandate; we have to be able to feed people not only today, but also for generations to come.

BORA: Be it geopolitical conflict, climate change, or the economic value chain, the global view has now changed. During the COVID crisis, I was in Cambodia trying to get food to our people. The experience made us realise how vulnerable it is to always rely on global resources for our own needs and wellbeing. Having headed the coordination of one of the major side events for the Asia–Europe Meeting (ASEM) Summit, I see that in a volatile global economy, many countries believe that there needs to be a greater push for regional onshoring of certain trades. You must make sure that you have access to the resources—either within or close to your borders, to produce enough for yourself, be it food or other needs—rather than depend on countries far away.

So, while there is still a push for multilateralism, there is also the challenge of making sure a country is self-reliant to some extent. While this may be more difficult for a country like Singapore, we also see it taking this approach, for instance in its water desalination efforts.

CHOWDHOURY: For Bangladesh, the constraint is that even if we can meet the basic food needs of our 170 million

people domestically, we cannot make up for it in terms of nutritional value: we can produce all the rice we want, but we still need to find sources of protein and other nutrients from elsewhere. As societies develop more complex consumer bases, they also begin to demand more complex ingredients, such as cooking oils which they can't always produce themselves.

So as much as we should consider a certain degree of self-reliance, we also need to accept and carefully manage the risks of trade. When it comes to multilateral trade, we see that relationships can change, and then where do you go? You need to have several options open, rather than be reliant on only one source, say of your energy or food supply.

What lessons have you drawn from the COVID-19 pandemic on supporting innovation and growth while promoting the prudent use of limited resources?

NARAIN: The COVID pandemic opened our eyes, but sadly it seems we may have closed them again. During the pandemic, everyone was encouraged to plant vegetables at home, which was a good thing. But once things returned to normal, we stopped doing it and we went back to consuming imported food.

The same applies to working from home, which reduced pollution and use of petrol. It would have been good to integrate these practices into our development processes and daily habits, to help our people make better use of resources.

> Some pandemic-era practices can help us better manage our resources, our time and our health.

Some of these pandemic-era practices can help us better manage our resources, our time, and our health—even when we are not living in pandemic mode.

CHOWDHOURY: There are lessons from COVID that can be integrated in the post-COVID world. In resource-poor Bangladesh, even running schools is a major challenge: even under normal circumstances, we don't have enough Science and Math teachers to attend to our millions of students. What COVID has taught us are new ways of educating students, using technologies such as free-to-air broadcasting, or online teaching and learning.

In the past, we had the infrastructure to do this, but not the mindset to adopt these methods. Now we are developing a blended education policy to formalise some of these approaches. They will help us bridge

the last mile in education—I cannot send specialised teachers to every village in the outskirts, but I can provide these audio-visual resources, with local teachers as a guide, and still improve learning outcomes for more students.

BORA: The pandemic was a wake-up call for Cambodia. Our thriving garment export industry, which we relied on economically, dried up when the global value chain was disrupted. At the same time, the agricultural sector blossomed. We realised not only did we need domestic produce to feed our people, but that we had the entire food chain and nutrient mix within our own country.

So there has been a renewed effort to push our agriculture industry forward. We already produce foods, such as rice, which are exported to other countries to be repackaged as their products. If we improve our own processing and packaging capabilities to meet international standards, we can make them our own products to export.

Without a crisis like the pandemic, we would still be looking to manufacturing industries and attracting foreign investments to those sectors to create jobs. But now we are pushing our own private sector to play a larger role in creating jobs for their fellow Cambodians. Of course, we are still going to have manufacturing, but now, apart from having international firms come to produce goods that are sold under their own brands, we also want to produce Cambodian products for the world.

> **The mindset change is to shift from ruling to serving–not to run everything from the centre.**

CHOWDHOURY: Self-sufficiency is the agenda in many governments. The public sector can frame policy or set the goals, say to produce our own goods, but in our experience, that alone has not worked. In Bangladesh, we needed the dynamism of the private sector—the sectors that grew our economy were not on our public sector's policy agenda.

Now, once the private sector takes up these growth sectors, the public sector can catch up with it, and resolve issues as they come along, such as reducing red tape. What we in the public sector need to understand is that innovation and enterprise are going to come from private initiatives, and we must try to assist them rather than try and do it by ourselves. Instead, we should focus on key areas of national importance, such as food security, and leave value-adding to private enterprise.

Having come from the private sector into the public sector, I see an enormous disconnect. The public sector mentality

is that we know, we will fix, we will do. Whereas the private sector thinks: you don't know very much, you are only catching up.

So, I see the public sector's role as assisting, not taking on, the job of growth. The mindset change is to shift from ruling to serving—not to run everything from the centre up to the last mile, which was the mindset of the colonial government in South Asia.

NARAIN: I agree, but we also need State regulation—in a benevolent manner to ensure fair play, not for the sake of imposing obstacles.

We need to ensure that regulation by the State is conducted in a dispassionate, objective manner, as it is in Singapore, according to set prescribed criteria. The public sector has to allow the private sector to provide services subject to appropriate regulation, and transparent and prescribed criteria.

> Public policy can bring attention to a sector that warrants it. The private sector also needs a wake-up call because they can get too comfortable.

BORA: Whether to regulate or let things happen is an ongoing debate, and it is not a clear-cut issue. Some things are just going to come whether or not we chase after it, such as blockchain or e-commerce. But in other cases, such as agriculture, public policy can bring attention to a sector that warrants it. The private sector may also need a wake-up call because they can get too comfortable with making money in a conventional way, and not innovate or diversify. Sometimes it is just to remind them that there are things going on outside of their routine. I do believe the public sector needs to have a certain amount of forward thinking or foresight in its policies and regulation to do this well.

From your time at the Leaders in Governance Programme (LGP), is there anything else that you have observed to be useful or interesting? What would you like your counterparts in the Singapore public sector to consider for the future?

BORA: The leaders we met in our time in Singapore were all very personable—there seems to be a shift in leadership style and approach to policymaking away from the top-down mentality, and it bodes well for the future.

When I heard that Singapore is putting more efforts into scholarships and grooming as part of its succession planning and public sector development,

it affected me, as a late bloomer myself. I grew up bullied in school, which made it difficult for me to perform. Luckily, I had a chance to get more opportunities to demonstrate my leadership skills and to shine later in life.

I feel there could be initiatives to support those who may be struggling in school because they are shy or not as social, and so may take more time to bloom. People learn in different ways and respond to different kinds of teaching. They should not be overlooked or left behind.

I believe this would also help the government better relate to young people.

NARAIN: Constant monitoring, assessment and streamlining are all very good for efficiency, but I wonder what effects this can have on, for example, mental health. In Singapore, we have always been meeting leaders who are high-performing—who went to Stanford and got First Class at Cambridge and so on. What about those who are mid-range, not even lowest of the class? Those who are striving to keep up with the pack?

In my work with the CEDAW (UN Convention on the Elimination of Discrimination against Women) Committee, we have reviewed so-called developed countries which are often much vaunted internationally, and score highly on happiness indices and so on, but when we review the data, we find that some of their policies can have an adverse impact on citizens' mental health. Because everyone has to conform to this model of being good, healthy, and perfect, those who are not as good may have mental health issues, and this is an aspect which many of us do not see and to which I would respectfully draw the attention of my Singaporean counterparts.

CHOWDHOURY: Quantification is a tough challenge. Traditionally, we understand economics in terms of consumption and production and therefore there is a financial quantification of what is growth, what is wellbeing. But what about defining, redefining welfare, or happiness in non-financial terms? For instance, might we learn to be happy without being a conformist individual chasing after material aspirations and being in an elite talent pool?

I see that there is a tendency to celebrate consumerism, which is contributing to a lot of issues, from mental health to environmental degradation. It is not sustainable.

> **What could Singapore do as a more enlightened society to contribute to humanism rather than to hyper-consumerism?**

Could governments make an effort to sensitise their population on humanism, on charity, on volunteerism? For instance, every citizen in Singapore has wealth and skills that could be shared with the region and with the rest of the world. In this age of the shared economy, instead of having a mentality of always wanting to be the best or having the most, this could broaden the appeal of Singapore beyond being just a place of wealth. What could Singapore do as a more enlightened society to contribute to humanism rather than to hyper-consumerism?

And what about doing something completely different to increase the welfare, mental health, happiness, or aesthetic values of individuals? These questions do not show up in policy discussions at all, or at least not until the pandemic. We should continue to think about these issues. ■

Moving the Conversation

CULTIVATING PUBLIC PARTICIPATION AND GOODWILL IN A NEW ERA OF CHALLENGES

by **Catherine Fieschi**

The public sector should take steps to strengthen the muscles of civic discourse and decision-making, to face a future where our most pressing issues call for all in society to pull together.

Catherine Fieschi is the Founder and Executive Director of Counterpoint Global, the London-based research and advisory group, and a Visiting Fellow at Singapore's Civil Service College. Through her focus on contemporary forms of mobilisation, Catherine assesses new forms of risk and their effects on global markets and politics and advises business and political leaders around the world. As a political scientist, Catherine believes that rigorous social and cultural analyses can help leaders make better decisions, in both the public and private sectors.

A SHIFT IN PUBLIC DISCOURSE

Over the past few years, there has been a significant shift in the global public conversation. In Europe, this was the outcome of several crises: there was the COVID-19 pandemic and its shock to supply chains, but there were also massive floods, and massive heatwaves that have even caused a collapse in the electric grid in some large cities. There was COP26, that raised dire warnings about potential damage and loss from climate impacts. And then there was the Russian invasion of Ukraine and all its implications (including its energy implications), and a growing unease with relying on China.

There has been a change in the master frame, from a debate about balancing growth with sustainability, to a perspective in which every issue must be seen through the prism of a now tripartite trade-off between growth, sustainability and security.

It is not just that there is new awareness about the drivers of change, but also that the rate of change is accelerating. It turns out that climate change is speeding up, just like media and technology is, and along with it related challenges such as chronic disease, an ageing population and so on. In this new light, it is no longer enough to tweak policy and tinker at the edges to address issues. Increasingly, a whole-of-society approach is needed to address the challenges that confront us. It is not just good to have everyone on board now: it's a necessity.

This suggests that we will also need a different kind of language and vocabulary for public discourse. I was part of the UK think tank that came up with the concept of co-creation and co-production in the past, but that was from an old era of affluence and choice. We were inviting people to co-produce their own health outcomes or take ownership of their own diets and so on. There was

Increasingly, a whole-of-society approach is needed to address the challenges that confront us.

> **Now we are in a situation where we need to appeal explicitly to people's sense of responsibility, in an era that is more characterised by necessity and emergency.**

something empowering about this approach. But we are no longer in the same world. Now we are in a situation where we need to appeal explicitly to people's sense of responsibility, in an era that is more characterised by necessity and emergency. You wouldn't talk about 'co-creating' a war effort, for instance. This is about sacrifice in some ways. But I think people can rise to this challenge if they are asked to play a part for something bigger than themselves.

This could also be aspirational: in Singapore, it could be about reframing the story so that Singaporeans are called to contribute their particular expertise not just to the country but also to a changing world, to help solve humanity's challenges for the future.

STRENGTHENING PUBLIC PARTICIPATION

This is work that needs to be carried out across society. In this regard, the most important thing that governments can do is to share expertise—and in fact expertise can be co-created! Raising awareness is important, but it needs to be rooted in understanding, in facts, and so on. It is not enough for expertise to be held by governments or civil servants: and it is not enough for it to be shared out, so that public deliberation is well-informed. That's a first step. But it needs to go further: the public needs to be involved in creating and elaborating that expertise. This is what will make its use legitimate and less questioned.

Deliberation is going to be crucial, because people need to understand how things work when they are asked to make and also accept decisions: even minor or local ones. This is how we help bridge the gap and fight fake news: by not just sharing information, but also having discussions and involving people. Just like you don't learn how to drive a car only by reading the manual but by getting behind the wheel, so citizens need experience in being involved in civic issues and making decisions.

Public participation is a muscle. People need to be asked to exercise it regularly, and this needs to be a fact of life.

You see this in participatory budgeting, where people realise that even in the best case, you only get to play around with about 4% of the total national budget: the rest of it has already been allocated to education, health, housing and so on. And that's one of the first lessons: to realise how little leeway policymakers have to make these discretionary decisions. To learn how to take responsibility, citizens need to walk a little in decision-makers' shoes, both to feel empowered, but also to realise what the real constraints are. For instance, as pension reform triggers protests around France, it is striking how little people understand about the constraints on public spending in the future.

Beyond sharing information and more inclusive involvement, public deliberation also needs to be granted time to be effective and powerful. Peter Macleod, who runs a deliberation design studio called MASS LBP,[1] based in Toronto, argues that people should see civic deliberation, public consultation and public decision-making like jury duty or national service—something that they will be called upon a few times in life to do to play their part in their community. Public participation is a muscle. People need to be asked to exercise it regularly, and this needs to be a fact of life.

An important aspect of public participation is to move from what we have collectively thought of as a one-way street government engaging with citizens—to citizens engaging the other way as well. But just as crucial is to nurture and mediate citizen-to-citizen conversations. While it is important for institutions to open up and be more inclusive, what's also important is for people to talk to each other. This is necessary for people to think about what they want, to realise others have different priorities, and to be able to disagree and so on. Those conversations with each other (not just with those in power) are the basis of civic life.

This process also requires stewardship. The public sector needs to work with

civil society, but you also need to make sure that you create the spaces in which these conversations can take place, and that you have, for instance, an educational curriculum that cultivates this in the classroom. Instead of just shoving information into young people's heads, they also need to be able to use their time to talk to one another —and again, to learn to appreciate differences of opinion, of preferences, of perspectives. It is one of Canada's great achievements that it has managed to make diversity of views something that Canadians collectively value. This is the basic principle of an open society.

If we want public goodwill, then we have to have ways in which the public can actually develop itself as a public with goodwill. When it comes to collective decision-making, sometimes you win and sometimes you lose. All the research shows that people will tend to go along with decisions they may not agree with, but that they know have been arrived at in a fair way, especially if they have been part of the process, even if they disagree with the outcome. While some might be sore losers, most people accept that they may lose today but they might win tomorrow if they have another go. This is why it is so important that the government is involved in this and receptive to the method, because you have to make sure that people have lots of goes at it. And of course, that they are not always on the losing side.

FROM EXCLUSIVE COMPETENCE TO INCLUSIVE LEARNING

One of the hardest things for civil servants—particularly in places like Singapore where there has been a tradition of government competence—is being ready to admit that you don't have all the answers. And it is made particularly difficult in contemporary societies in which through forensic

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social media, one is easily judged as incompetent, thereby leading people to question your legitimacy. But this is also why it is important to involve people in decision-making, so that they learn that nobody, no matter who or where they are, has all the answers. Pretending that you do have all the answers is a much more dangerous game to play than admitting you don't—because you are going to be found out. There is no getting away from this, because of the complex problems we face and because of a 24-hour, sensationalist media that thrives on prurient headlines and clickbait.

The alternative to pretending that all the right processes are already in place and success is absolutely guaranteed, is to start talking from the standpoint that our reality has become fundamentally different. And that while public servants are highly trained to operate in this field, they are also grappling with the changes, and are going to need the help and the input of other people around them. And these are complex problems for which everyone is still learning.

As difficult as this sounds for the public sector to admit, I see no real alternative to this positioning. To remain in a place where you present yourselves as having all the answers would be catastrophic. People will not feel involved, and when you get it wrong, they will feel betrayed—that will be the worst possible reaction politically. You cannot engender public goodwill by pretending that everything is under control.

Instead, it is better to tell people things may not turn out well, but we are all trying to do this together. Someone who has warned you there may be disappointment is a person you can continue to trust. What has contributed to populism around the world is the promise of doing something that you know you can't do on your own. This is the fork in the road for the technocratic elites in public sectors around the world right now. But it will require a significant and difficult acknowledgement. It will be important to think about how this can be done, and by whom, in a way that is sobering but inspiring, and yet carry everyone with them.

Kate Raworth argues, through her metaphor of donut economics, that every public narrative has been about growth, taking off, soaring and so on—but that at some point, when a plane takes off, we must remember it cannot just keep going but must land somewhere. At some point, we have to know what we want to achieve.

In a sense, this is what the COVID-19 pandemic started to highlight. And in addressing the climate emergency and other challenges of our time, we know we will have to make difficult choices, which are either costly or less comfortable. Nevertheless, the point is we have to tell people where we want to land. We need to explain what we are asking them to make these efforts.

Ultimately, we want to become societies that look different from where we are now: we have no real choice, because they have been dysfunctional or unsustainable for a while now. Every society will have its own constraints. But we should encourage people to think about where they want to land and what that looks like.

This is why public deliberation and public stewardship are vital as we face our new world. ■

Note

1. See: MASS LBP, https://www.masslbp.com/.

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