

Strategy Stewardship Matters: Utilising the Government Department Strategies Index

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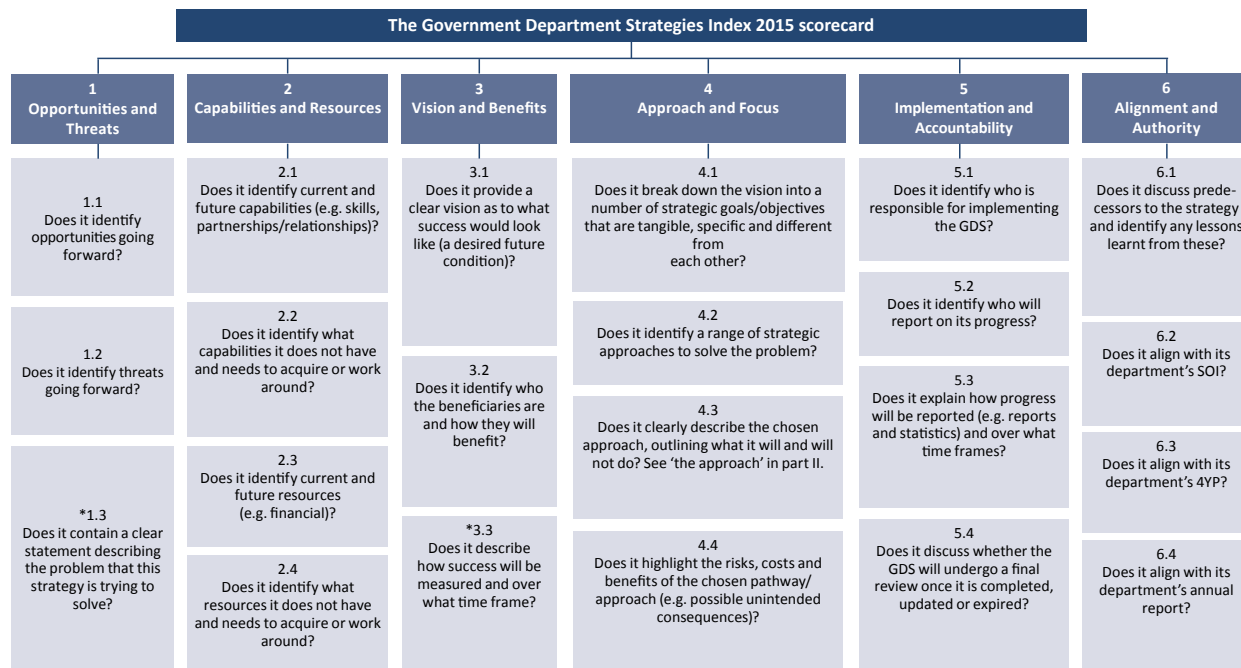


Figure 1: The six elements and twenty-two sub-elements of the scorecard used to assess each GDS. Each sub-element held a possible score out of four, except for elements 1.3 and 3.3, which were given scores out of eight to represent their importance. To learn more about how the scorecard works, please see page 6 of the *Methodology*, which can be downloaded from *The GDS Index* website: www.gdsindexnz.org.

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A coordinated and long-term approach to strategic thinking is essential for managing New Zealand's health and prosperity over the long term.

The *Government Department Strategies Index 2015* is the latest initiative in the *StrategyNZ* work programme, which seeks to examine the current approach to strategy development in central government and looks at ways to improve momentum and build consensus about the way forward. Government department strategies (GDSs), once published, remain relatively forgotten in the public policy landscape. Are we missing an opportunity to sharpen what have become relatively blunt instruments? This think piece explains the purpose of the *Index* and how it can be used to bring strategies to the forefront of public policy.

In 2014, under the Official Information Act 1982, the Institute collected a list of 136 GDSs in operation (see definition overleaf). From reading these strategies it was apparent that many did not provide all the information one would expect in a good strategy document. Currently there are no national guidelines to help policy analysts prepare a good strategy document, which possibly explains the disparity.

The GDS scorecard was developed late last year after a number of discussions. The key question driving the content of the scorecard was what makes a 'good' strategy document good (see Figure 1).

Importantly, the scorecard was designed to examine the content of the strategy document. Therefore, no judgement is made in regards to the quality of the problem definition (i.e. whether the strategy is appropriate given the current policy landscape), the strategic approach or the method of implementation.

Once the assessment was completed, it was then possible to not only rank each strategy by the 22 sub-elements from highest performing to lowest but also to rank each department and sector. These scores were presented visually for each strategy in a radar chart (see Figures 2 and 3 overleaf) and each department in a line graph (see Figure 4).

The results of this process are published on *The Government Department Strategies Index 2015* website – www.gdsindexnz.org. We believe it is a world first in assessing the content of all GDSs for a nation state – a testament to the opportunities that a small country provides.

SEVEN KEY OBSERVATIONS

Analysing all 136 GDSs against the scorecard identified a number of patterns, similarities and variations across GDSs, sectors and departments. The scoring of each GDS enabled us to uncover the more complex relationships underlying the strategy creation and documentation process. These observations are summarised below. For those interested in more detail and examples of good practice, please see the *Index* website (under *Observations*).

1. GDSs tended to describe external environments more critically than their own internal realities.
2. GDSs often failed to document lessons learned from past strategies or from the wider public service.
3. Assumptions were not well-articulated.
4. Good structure sometimes masked bad strategy content.
5. GDSs that were considered useful to the public sector were also considered useful for the general public.
6. A number of GDSs read as though they reflected a decision and then back-filled.
7. GDSs often failed to articulate who wins (and who might lose) from implementing the strategy.

There is an opportunity to improve strategy stewardship by focusing on improving the content of strategy documents and ensuring these documents are both accessible to the public and able to be evaluated by independent parties. This research indicates that departments need to work harder to make strategy documents more integrated and better understood across the public service.

HOW TO USE THE INDEX

Strategy concerns choice. What we choose to focus on, as individuals, communities and a nation, indicates the direction we are likely to travel. Depending on the intensity of our focus and the quality of our strategic instruments, we might drift slowly on a fixed trajectory, only changing direction in response to a disruptive event, or we may move rapidly and purposively, working hard to be proactive, agile and open to emerging opportunities and challenges.

The *Index* can contribute better stewardship in terms of publishing better strategy documents, improving transparency, delivering better public engagement and critical assessment, and developing a deeper understanding of trade-offs and the way forward.

TO SUMMARISE

Using the scorecard and reading the examples of good practice are two ways institutions can improve the content of strategy documents. See *Methodology* and *Observations* on the *Index* website.

- Local government can use the *Index* to crosscheck their long-term plans against GDSs and build on national initiatives.
- Central government can use strategy wheels to better illustrate the relationships between instruments and institutions, especially when developing further long-term strategic thinking. See *Strategy wheels* on the *Index* website.
- The *Index* can increase the transparency of strategy ownership and improve accountability for strategy implementation. The public needs strong strategy stewardship. The *Index* is a tool designed to empower institutions and individuals alike, building a narrative based on hindsight, insight and foresight – the three different perspectives that underlie effective strategy design and efficient strategy implementation.

For the purposes of the *StrategyNZ* project, the following definitions apply:

A strategy: A strategy is about maintaining a balance between ends, ways and means. Professor Lawrence Freedman, in his book *Strategy: A history* suggested it is 'about identifying objectives; and about the resources and methods available for meeting such objectives. This balance requires not only finding out how to achieve desired ends but also adjusting ends so that realistic ways can be found to meet them by available means'.

A Government Department Strategy (GDS): A 'government department strategy' must:

- (i) be a publicly available statement or report;
- (ii) be generated by government departments with a national rather than a local focus;
- (iii) contain long-term thinking, in such a way that the strategy links to a long-term vision or aim, and ideally provide clarity over the factors that may impinge on the attainment of that vision or aim; and
- (iv) guide the department's thinking and operations over the long term (i.e. contain a work programme to achieve change over two years or more).

A plan: A plan is operational in nature; it focuses on who will do what and when. It does not explore the tensions/trade-offs in the external environment or the strategic ways/options in any detail.

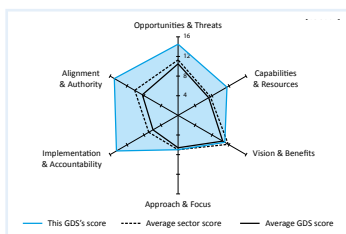


Figure 2: CERAs Recovery Strategy for Greater Christchurch Mahere Haumanutanga o Waitaha radar chart

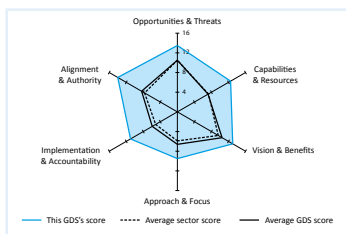


Figure 3: MOH's Rising to the Challenge: The Mental Health and Addiction Service Development Plan 2012-2017 radar chart

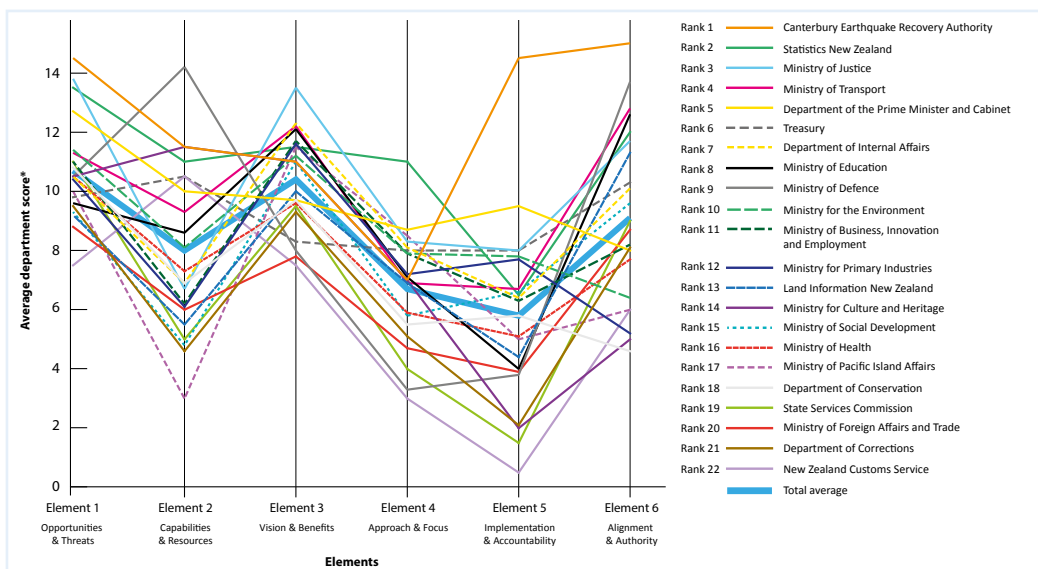


Figure 4: Comparison of average department performance against the six elements of the GDS scorecard
*Note: The following seven departments did not publish any GDSs between 1 July 1994 and 30 June 2014 that were still operational as at 30 June 2014: Crown Law Office, Education Review Office, Government Communications Security Bureau, Inland Revenue Department, Te Puni Kokiri - The Ministry of Māori Development, Ministry of Women's Affairs and the Serious Fraud Office.

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The McGuinness Institute is a non-partisan think tank working towards a sustainable future, contributing strategic foresight through evidence-based research and policy analysis.
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