Cat’s Cradling:
APEX Forums on Wicked Problems

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“No damn cat, and no damn cradle”
Kurt Vonnegut jr

Introduction

‘Cat’s cradle’ is the name of a children’s string game – producing endless designs using fingers and a loop of string. It has been played around the world for hundreds of years, but, in modern times, the expression has been used to connote intricacy and complexity.

This paper is a report on twelve sessions of cat’s cradling discussions with some 50 federal government executives on eight different topics. These sessions took place in the Fall of 2006 and the Winter of 2007, under the auspices of APEX.

APEX’s main responsibility has been to provide a safe space where EXs could engage in serious conversations on some of the difficult problems that they face. This was an example of what Michael Shrage (2000) would call “serious play” with promising prototypes or intriguing hypotheses. The authors of this note were responsible for the choice of the topics, the conduct of the sessions, the development of the hypotheses and prototypes, and the preparation of the synthesis of these discussions.

We are grateful to APEX for allowing us to conduct these sessions under its sponsorship.

State of affairs

These conversations did not occur in a vacuum.

Canada’s socio-economic system, like the socio-economy of so many developed countries, is going through a major transition. The institutional order is slowly evolving from a dominance of big G (Government) towards a dominance of small g (governance). This profound change poses significant challenges for senior public servants in the trenches, as the ground on which they operate would appear to be in motion (Hubbard and Paquet 2007).

This transition entails (1) a diminishing capacity of governments to protect their citizens in a globalized world subject to accelerated technical and social change; (2) a need for governments to continually innovate in order to be able to continue to provide the citizens with the key services that citizens depend on in an effective manner; (3) a major change in the way public policy and regulation are developed, as it is not sufficient any longer to find a policy response that is technically feasible – the response must be socially acceptable, readily implementable, and politically not too destabilizing for the citizenry to put up with it; and (4) a requirement to reform the public service accordingly.
Such public service reforms entail a significant change in both the ‘what’ and the ‘how’ of public service work. As a result, they rattle the very foundations of the shared belief system that the state is best placed to know and express the common will across a broad range of domains. This raises questions that are bound to make senior public servants (who have a significant investment in this belief system) quite uncomfortable.

The significant change that is called for must take place in a world plagued with complexity and dilemmas, mixed messages about risk management (manage risks but error is not allowed), and tensions between the still highly centralized and top down governing apparatus and the emerging decentralized and bottom up governance.

It is against this backdrop that the safe spaces sessions were carried out.

The framework

The idea for such a series of discussions emerged from earlier exchanges with a number of EXs. They expressed a degree of frustration about the fact that new and challenging issues were emerging – that posed ill-structured, wicked problems – and that confronting such problems required serious discussions, and the development of new skills if they were to be handled well. Yet, there seemed to be few safe spaces where such discussions could be carried out, the required new skills honed, and social learning generated.

Ill-structured wicked policy problems have two major characteristics most of the time: the goals are not known or are very ambiguous, and the means-ends relationships are highly uncertain and poorly understood (Rittel and Webber 1973).

To deal with such problems effectively, senior public servants must learn the configuration of both facts and values on the job: learning by doing, learning by deliberating. They must learn from the stakeholders as well as from the many peripheral groups who are in possession of important local knowledge, and from colleagues and experts. Without the help and participation of this whole range of “partners”, no meaningful solution can be usefully elicited and implemented (Lave and Wenger 1991; Paquet 1999: 45).

To deal with such problems, one requires four types of new competencies: contextual competencies (acknowledging uncertainty, embracing error, building bridges and strengthening links, reframing problems to explore new solutions); interpersonal and enactment skills (consultation, negotiation, facilitation, conflict resolution, capacity to adopt new roles and attitudes); a capacity to create an effective corporate culture (one of productivity, responsiveness, creativity and learning); and a will to invent new ways (abandoning a focus on rights and autonomy when the actual circumstances of life make imperative the acceptance of obligations and interdependence, experimenting with new tools) (Michael 1980; Paquet 1999: 37-38).

To tackle these challenges head on, we selected two topics in each of these four different areas: contextual issues (diversity and security), interpersonal skills (ethics and
disloyalty), organizational culture (corporate culture and the Gomery world), and new governance tools (private-public partnerships and a new partitioning of the public service).

In each case, the group was faced with a wicked problem: there was no panacea, quick fix or “solution”. A good deal of discussion was required to clarify the issues at stake. Even though there was no hope that the issue would be entirely resolved at the end of the two-hour session, and tackling it would very much remain a ‘work in progress’, it was hoped that the deliberations would produce some learning, hone some skills, and generate “practical knowledge” (Gilles and Paquet 1989).

The method

On each of the topics, some preliminary reading material was circulated in advance to provide some basic information (see the list in the Annex).

One of the authors acted as animateur and set the stage for the discussion by a short talk (15-20 minutes). A general discussion followed around the one or two hypotheses that had been proposed, but there was no effort to restrict the conversation to these hypotheses. The multilateral conversation often took a turn that was not entirely predictable. As became clear when the same topic was debated in different groups, each session evolved its own discourse and narrative yielding somewhat different yet convergent outcomes.

A syncretic view on each topic area

This section provides a succinct statement of the introductory statement on each topic and a summary view of the general substance of the conversations that followed.

(a) Contextual issues

(i) diversity (October 4 & 19, 2006)

Great population movements are re-arranging the demographic face of the world. Not only is diversity (linguistic, cultural, ethnic, etc.) growing in most countries, but it is also becoming deep diversity, i.e., translating into deep cleavages. Are there limits to diversity? How much of this process should be allowed to proceed unregulated? What does that mean for the public service both on the policy front and for its own fabric and practices?

The notion of diversity is quite complex. It connotes a range of things from a basic demographic fact, to an ideology about what is desirable, to a plea for ‘fraternity lite’. For all sorts of reasons, Canada has been drifting from being a de facto poly-ethnic society to choosing to become a multicultural one as a matter of policy. This has generated tensions. In Canada, for the time being, two broad approaches are in good currency: interculturalism in Quebec and multiculturalism in the rest of Canada. The key difference
between the two is that, in the former case, some things would appear not to be negotiable while in the latter case, everything would appear to be negotiable under the rubric of ‘reasonable accommodation’.

Two key questions were discussed: are there limits to diversity? can we negotiate moral contracts among groups as part of citizenship building?

There was a clear consensus that some things are not negotiable: acceptance of Canada’s legal framework (the Criminal Code and the Charter of Rights and Freedoms) was seen as a minimum. Beyond this, participants generally agreed that there may be additional non-negotiable items that could only be arrived at through conversation and multilogue.

Paradoxically, while there was a sense that conversations about such issues were necessary, at the same time, there was some unease about such discussions. The basic reason was that, while they were clearly seen, from a Cartesian point of view, as essential if the mutual expectations of the different groups were to be clarified and understood, there was concern that these conversations might lead to ‘either-or’ confrontations rather than compromises of the ‘more-or-less’ variety. The sense was that, at times, political correctness and intimidating fundamentalism might make it difficult not to be led to unreasonable accommodations that participants would reluctantly accept at a superficial level but would profoundly resent in their heart of hearts. Tensions would ensue.

This makes the emergence and negotiation of ‘moral contracts’ (i.e., agreement about mutual expectations) very difficult, and explains the tendency for many to prefer a willed laissez-faire based on the optimistic faith that peaceful coexistence will somehow emerge.

On the other hand, it was readily agreed that moral contracts are negotiated and renegotiated informally every day through the land. While this was agreed to, the very notion of “moral contract” generated some concern because of it sounding like “rules”. So it may be that the best strategy is “engaging in moral contracting” through extensive conversations but not talking about it as contracting.

Three points on which there was a strong consensus were: (1) that diversity should not be used to obtain a special status or privileges; (2) that many more mechanisms should be put in place to promote dialogue and to clarify mutual expectations; and (3) that priority should be given to eliminating minor irritants, and that these minor successes should be used as a way to make easier discussion about more problematic issues that would require more difficult negotiations and more arduous reasonable accommodation.

(ii) security (December 13 & 14, 2006)

Most of our daily life is orchestrated by rules (e.g. speed limits on the road, etc.) that have a well-defined probable mortality rate attached to them: they represent a trade-off between willed security and the fact that some costs may prove unbearable.
Citizens are attracted by the precautionary principle: in its weak form, it requires taking preventive measure in advance ‘just in case’; in its strong version, it claims entitlement to 100% protection.

The radically strong version of the precautionary principle asserts that 100% security must be provided by the state and by public servants acting on its behalf, and insists that public servants be clairvoyant: “you should have known” is the response to an unfortunate event (tainted blood, collapsing bridge, etc.) and “since you did not protect me at the 100% level, I will sue”.

The balancing between Type I error (rejecting as false what is in fact true) and Type II error (accepting as true what is in fact false) is the challenge.

The responsible citizens agonize over the terrible ordeal of those suffering from Type II error (e.g. Arar’s deportation and subsequent imprisonment in Syria) but would certainly never forgive the authorities for not having stopped a home-grown terrorist from perpetrating his/her deed if it were known afterward that there was reasonable suspicion that it might happen (Type I error). We want a balance between these possibilities, but we are hesitant to confront these issues openly, to talk about the trade-offs that we can and cannot live with.

Two questions were posed.

What if the best we can do is to correct both types of errors as quickly as possible, since we are bound to make both types of mistakes? Is Canada too complacent about security and therefore more vulnerable to Type I error than it should be, as some suggest?

There was a general agreement that Canada was too complacent, and too reluctant to discuss the Type I/Type II error trade-offs explicitly and openly.

Technically, risk depends on the nature of the threat (intent + capacity) and preventive action depends on the level of risk + the nature of the consequences + the resources available. But from the point of view of the authorities, risk is not only a technical matter: it raises questions about our confidence in the basic institutions.

So debates on these issues often occur behind closed doors, and the discussions may become distorted because they are permeated by both the fear of creating a panic and of contributing to basic institutions losing their credibility.

The result is that security issues are not discussed as much and as openly as they should, and that the authorities are much more willing to allow terrorists and criminals to remain free (Type I error) than to take the chance of having an innocent person incarcerated (Type II error).

The cost of this structural imbalance may be high.
People have a very vague notion of ethics. Usually it connotes nothing more than doing the right thing. But what does this mean? Public servants are constantly faced with ethical dilemmas, and there is a whole industry trying to persuade them that there are codes and rules that may hold the key to “ethical behavior”. These devices, like 16th century maps, are usually elegant but not very useful to navigation.

Learning to navigate the moral corridor – combining (1) the facts of the situation being faced, (2) with a appreciation of the room to manoeuvre permissible in the organization (its culture), and (3) with a few fundamental principles one may hold dear – can only happen through discussing a great number of cases (real or imaginary).

But it has to be recognized from the very beginning that no measuring rod can be devised that can reduce ethical dilemmas to technical problems, and make them mechanically ‘solvable’ (despite vain attempts by philosophers and others to suggest it can be done).

A useful vocabulary has been proposed by Kolhberg (1981) to help the thinking about moral development. He suggests that there are six stages of increasing moral development: the right action is taken (1) to avoid punishment, (2) to serve one’s own needs, (3) so others will view you as a good person, (4) to abide by law and authority (5) to abide by moral contracts, and (6) as a recognition of principles of justice, fairness and universal rights.

The burden of office of senior public servants requires more in the way of duties and responsibilities than is expected of citizens-at-large or business people (i.e., he or she might be required to operate at Kohlberg’s level (5) while for others it may be permissible or tolerable to operate at lower levels).

Moreover in today’s small g (governance) world – where power, resources and information are distributed among many partners, and collaboration is an imperative) – doing the right thing does not only mean meeting the expectations from higher ups (as was the case in the Big G world) but also meeting the expectations of a vast circle of stakeholders and partners (i.e., a kind of 360º degree circle of expectations).

Nowadays moral contracts exist between senior public servants and many other groups – citizens, taxpayers, colleagues, partners in service delivery etc. – that may tug them in different directions. And these expectations may neither be compatible nor commensurable one with the other.

This means that senior public servants must find creative ways to ‘square this circle’ and navigate the moral corridor safely if they are to fulfill their burden of office.
Two questions were discussed: first, is there a decline in the ethics of public servants (i.e., is the senior public service failing more often than before in meeting level (5) standards – abiding by the moral contracts they have agreed to)?; and second, are there things that can be done to strengthen the capability of senior public servants to meet this standard, and tools that they can use to enable them to do so?

The ensuing discussion made reference to a variety of pressures on senior public servants that may drive them to stay at Level (4) – abiding by law and authority. The multiplication of rules, the lack of safe spaces for dialogue, and the relative lack of supportive leadership on this front have caused a chill, and a good deal of risk aversion. There was a sense that the flexibility to do the right thing within the spirit of the law needed to be regained.

It was also strongly felt that the great amount of talk about ethics these days might only mask the reduction of trust. If there is no trust, learning is not easy, working in partnerships becomes more difficult and takes more time, and it is harder to have the discussions necessary to help public servants develop the tools they need to get better at navigating the moral corridor safely and living up to their burden of office.

Nevertheless, several ideas emerged as potential avenues that could be pursued: (1) taking on more risk personally and for the team (“I will back you having a bit more room to manoeuvre”), (2) accepting mistakes as necessary for learning (even rewarding well executed failures), (3) talking things through with the team and others both beforehand and afterwards, (4) asking and accepting “what is reasonable in the circumstances?” i.e. “operating within the spirit as well as the letter of the law”, (5) stopping the cycle of mistrust (e.g., opening the ‘books’ of an operation to a partner who is mistrustful and not expecting reciprocal action until some trust has been built up), (6) giving people the opportunity to speak up about their frustrations, and (7) using one’s influence to try to push the envelope a little with bosses or the system.

To enable public servants to navigate the moral corridor safely in today’s difficult climate, it was felt that it had to be framed as using moral imagination to live up to the expectations of the different moral contracts of stakeholders; and second, learning from individual cases had to be made possible by senior managers acting as connectors and enablers.

(ii) disloyalty (February 28, 2007)

Disloyalty was a most difficult topic to discuss because it involved – of necessity – emotions and a sense of self-incrimination. Every public servant feels “loyal” and is quite good at rationalizing this conviction. Yet, in reality, the burden of office of public servants is built on many unwritten, even un-stated, clauses defining the understandings and expectations of others – bosses, peers, co-workers, clients, possibly subordinates and/or partners – with whom they collaborate. And these may also be incompatible one with another.
Disloyalty is breaking any such moral contract deliberately and knowingly.

A particularly difficult series of problems arises for public servants’ burden of office when they are expected to shift their loyalty to the agenda and policies of a new government. When one party has held power for 10 or 15 years, it would be surprising if the old ways had not come to be regarded as ‘normal and preferred’.

Faced with having to forge new direct and indirect relationships that will call for the acceptance of very different perspectives with which they may not be in accord, public servants have two choices – leaving (‘exiting’ physically or hibernating by leaving their souls at home) or trying to propose modifications (‘voice’ alternative views).

Whichever road is travelled, some have suggested that a measure of loyalty to the organization / institution may be how long one uses ‘voice’ before ‘exiting’. This is a bit simplistic. Openly disagreeing or dissenting is not necessarily a form disloyalty. On the other hand, passive deceit (e.g. silence, reluctance to raise questions, tardiness in questioning when questioning is warranted) might be clearly disloyal.

The questions raised were: What is disloyalty for senior public servants? Is disloyalty increasing? What concrete actions are called for if any?

There was much unease among the participants at the very idea of admitting that there is such thing as disloyalty in the upper ranks of the federal public service. This unease was attenuated somewhat as the conversation progressed, but never disappeared. Indeed, a fundamental denial that any such thing really exists kept popping up.

It was, in part, a manifestation of the classic tension felt by public officials between duty to the public (as they define it) and duty to the higher ups in the particular hierarchy in which they operate. What was squarely put at the center of the discussion is the question “who should define the public interest”: the elected government or the unelected public servants who believe that they ‘know’ more and also what is best?

Examples were cited involving the highest levels of the bureaucracy: the behaviour of one deputy minister who chose to leave because he was unable/unwilling to support the new government’s approach, while another chose, instead, to “put words in the mouth of his unsuspecting minister”. Participants agreed that the first was acting with integrity, while the second was being disloyal.

There was some reluctant agreement that disloyalty had increased in the last decade or two. It was seen, in part, as a consequence of the increased complexity of the policy issues. Complex issues lend themselves to a multiplicity of interpretations, and feed a greater possibility of loss of objectivity. For example, blaming an evaluator for not speaking up ‘enough’ or scientists for not being ‘clairvoyant enough’ about future problems may be unreasonable, and may be wrongly associated with disloyalty.
Several participants observed that restoring professional pride might play an important part in restoring loyalty. This might entail taking a leaf from the book of professional associations, which instil pride (e.g. taking an oath of office, training, accreditation) and monitor quality (e.g. disciplinary committees). The new requirements to publish information about wrongdoing were also seen as potentially helpful.

Yet, despite individual dedication and effort, it was reluctantly felt that there seems to be a growing culture of disloyalty enveloping the public service today. It would appear however that it is more a passive disloyalty (e.g., responding to the narrowest interpretation of what is expected and required, and, as result, reducing the notion of burden of office to something much less than it should be) rather than active disloyalty (e.g., deliberately undermining the work of superiors and/or betraying the trust of partners and citizens).

(c) Organizational culture

(i) corporate culture (November 8 & 10, 2006)

The concept of culture connotes the ideas, customs and skills of a people or a group that are passed along from one generation to the next in some fashion, as well as shared beliefs, behaviors, and systems of meanings. In general, the culture of any organization is an appreciative system that is both enabling and limiting: it echoes a set of readinesses and capacities, as well as a set of constraints under which the organization labors whenever it faces unforeseen challenges. Corporate culture makes sense of what is, of what actually exists, and of what is important. It helps to create names, interpretations, and commitments – it creates a framework for interpretation and understanding.

In fact, the contrasts among corporate cultures become more visible when organizations face an unforeseen crisis for which there is no routine response, and for which the organizations are technically ill prepared. In these circumstances, the “soul” and “instinctive dimensions” of the organization take charge of problem-definition, and shape the response. These responses reveal the dominant features and logic of the underlying culture.

Many schemes have been proposed to X-ray corporate culture. One interesting one (for comparative purposes) has been proposed and kept up-to-date by Geert Hofstede (www.geert-hofstede.com). It focuses on indices of power inequality, individualism, risk aversion, and long-term orientation (among other things). On the Hofstede scale, Canada, like some Latin American countries, is much more risk-averse than the USA, and less likely to accept change readily.

This has had an impact on the corporate culture of Canadian organizations in all sectors.

As Wahl (2005) reported, we know that only about 36% of Canadian executives regard their companies as having strong adaptive cultures; some 55% define their corporate culture as weak (i.e., plagued with top-down managerial arrogance, fear of risk-taking,
inward focus, and bureaucracy); 64% say that corporate culture is important, and 72% that their organization’s culture is not what they desire for the future. But nobody appears to know what could be done about it and how.

The questions posed were: Should we be worried about corporate culture? What can we do to influence it?

Participants felt there were good reasons to worry. Most agreed that the current environment for the public service is one of ‘zero tolerance for error + no risk allowed + political expectations must be met’, with a drift towards a culture of blaming rather than accepting that making mistakes is a part of learning. Public sector culture is embedded in a societal culture that is risk averse, so the public service has become risk averse.

Many participants thought that any improvement had to start from above: the fish rots from the head. The deputy ministers should be willing to say ‘take a risk and we will back you up’. Culture would be affected significantly if the Clerk of Privy Council sent the right signals through his actions: e.g., promoting to the rank of deputy minister people who are courageous. But others believed that this is asking too much and that the focus should be put instead on asking ‘what can we do ourselves?’

So at the end of the day, it was felt that a more promising strategy would be bottom up: better to help young managers learn how to confront squarely and explicitly such problems of risk-taking – rather than avoiding taking risks at all costs as they are often tempted to do. Over time, these bottom-up efforts are likely to change the culture.

(ii) the Gomery world (February 14, 2007)

The 1995 referendum on Quebec separation from Canada was held as a result of a malaise among a plurality of Quebeckers about the existing institutional order and about the ways in which the federation was run. On the occasion of the referendum, a substantial number of Quebeckers expressed dissatisfaction with an overly centralized federal system that did not allow Quebec to exercise the full range of public powers needed to ensure its maintenance and progress as a distinct society.

The Gomery inquiry was triggered by a report from the Office of the Auditor General of Canada about irregularities in the administration of federal sponsorship activities in Quebec between 1996 and 1999. These activities had blossomed in Quebec following the narrow victory of the federalist forces in the 1995 referendum on Quebec secession. Sponsorship activities were intended to increase the visibility and support of the federal government in Quebec, thereby celebrating the benefits of federalism.

Justice John H. Gomery was given a broad mandate: “to investigate and report on questions raised directly and indirectly by the audit”.

The Gomery mandate was quite broad. So, one might reasonably have expected that this inquiry would not focus narrowly on possible administrative misappropriation of some
federal funds for sponsoring publicity events, but would also examine the *sources* of the unease that had forced the Canadian federal government to use these kinds of social marketing activities. The perceived inadequacies of the existing federal system were obviously questions raised *indirectly* but sharply by the sponsorship affair.

The inquiry resulted in the publication of two reports — one in the fall of 2005 and the other in the winter of 2006. The reports chose to focus exclusively on the dirty tricks of money laundering, and on how to prevent such incidents in the future by adding many new sets of administrative controls. They paid no attention to the deeper causes and sources of the problem: the dysfunctions of an existing centralized governing apparatus that is tearing the fabric of the country apart; and the collusion of centralizing groups to defend the status quo.

Two questions were tabled: Is the system of Canadian federalism unduly centralized? Is the existing model of Canadian public administration in place today as good as is claimed?

Participants generally felt that the current systems of federalism and of public administration were far from perfect, especially in light of the drift underway from Big G (government) toward a small g world in which no one is ‘in charge’ anymore.

On the issue of federalism and the federal role, participants noted that the federal government was downloading responsibilities and cutting (or increasing) transfers to the provinces in a whimsical way. It was felt that there was a need for some overhauling of fiscal federalism to deal with the current vertical fiscal imbalance (federal / provincial / municipal).

On the issue of public administration: some suggested that the problems were mainly ascribable to “political” interference, while others felt that “some public servants may be too anxious to please and thus end up becoming too attached to the government of the day”. There was some mention of the fact that deputy heads are moved around so quickly that departments / agencies are often left rudderless for quite some time.

This provoked a conversation about the vulnerability of a system that is built around specific ‘leaders’ when what Canadians assume is needed (and what is required) is ‘system trust’: trust that, despite individual failings, the entire system catches mistakes or missteps very quickly and corrects them fast. This is regarded as the basis of effective governance.

Most participants concluded that experimentalism and ‘open source federalism’ might well provide an avenue for greater effectiveness, with the federal government acting more as ‘coach’ than a player itself.

With respect to the second question – is the Canadian public administration model as good as claimed? – a good deal of defensiveness was evident. Whether this arose as a result of sheer corporatism or a lack of interest in and/or appreciation of the broader
contours of the “public administration machine” was not clear. Participants seemed quite keenly aware of the complex arrangements in their own issue domain, but the contours of the broader administrative apparatus appeared to remain rather opaque and not fully understood by many of them. This was somewhat surprising for executive level public servants.

It is not unfair to add that the conversations revealed a profound attachment to state-centricity and an equally strong commitment to the “need” for a strong federal government (and consequently a powerful and influential senior federal public service). References were made to the need for strengthening the role of government, to government being essential to articulate the public interest, and to the state, in our complex world, being the cognitive power and muscle necessary to identify the public good and effectively pursue it.

As a result, participants were quite reluctant to chastise the federal government for its centralized mindset or its state centricity. Indeed, it was felt that its final role as arbiter in most files was essential. This should not be surprising from executive-level career federal public servants.

So while experimentalism and open-source federalism as general ideas were received favourably, when it came to making these ideas operational through a robust departure de facto from state centricity and from hegemonic overall federal controls, the support for these bold ideas almost disappeared.

Consequently, one had a sense that, despite conceding that the Canadian model of public administration was far from perfect, the participants were at best willing to entertain some redecoration of the public household but not any major architectural repairs.

This state of mind would appear to echo the substance of a recent lecture of Jocelyne Bourgon (2007): (1) a recognition, as a result of some factual evidence, but at the most general discursive level, that public administration is a work in progress and requires serious overhauling in Canada and elsewhere; but (2) an equally strong feeling that there is no need to question the fundamental underlying assumptions on which the traditional model is based. This allows to escape from the old Hegelian mental prison that makes the state the sole source of the “common will” (an assumption that is now openly challenged), but also to re-invent the state (in this case with the federal government in the lead) in the form of a quasi-Hegelian intermediary institution that can do almost the same thing in the name of effective provision of public services to the citizenry because it has the unique capacity to read the collective mind appropriately and to serve the citizens well.
(d) New management and governance tools

(i) public-private partnerships (March 19, 2007)

Everyone agrees that there are things that one sector (private, voluntary or public) does better than the others. Equally, there are some things done best by combining forces across sectors.

In recent decades, public-private partnerships (PPPs or P3s) have become popular with reform-minded (and cash-strapped) governments – reducing administrative and operating costs by some 20% - 50% in some areas. Yet there have been also some spectacular P3 failures because the “winning conditions” were not in place. Moreover, a strong ideological opposition to P3s that still prevails is epitomized by Jane Jacobs (1992) who argued that such things could only produce ‘monstrous hybrids’.

There is a poor understanding of the whole panoply of “winning conditions” necessary for P3s to succeed: engaging the mega-community effectively and continually, ensuring that there is value adding and a fair sharing of the benefits and risks among partners, well designed contractual arrangements and procedures, and social learning that ensures that the arrangements can be adapted continually to new circumstances.

The questions posed were: Has the case for P3s been made persuasively? What are the winning conditions for successful P3s?

Participants quickly agreed that the case for P3s had been easily made in the case of physical assets (e.g. bridge, road or building construction) – i.e. where a clear contract could be written and where there is a strong element of predictability about the outcome. But they pointed out that the case has not yet been made persuasively about the use of P3s in the delivery of social services.

Participants felt that using small steps and proceeding gradually would be the best approach to successful implementation of P3s. A number of successful experiments seem to have been conducted piecemeal, slowly, experimentally, and “under the radar screen”. Experiments have the advantage that, when they are shown to be successful, they can be generalized more readily and will gain popular support.

It was also suggested that the focus at the beginning might usefully be on experiments outside ‘core areas’ – for example, in health care, to use P3s where people are in significant pain or discomfort but where the problem is not life threatening (e.g. joint replacements and cataracts).

Much was made of the need for the public sector to develop the required competencies to negotiate and govern P3s effectively. Such competencies are scattered around many departments and may not be easily mobilized by a single agency. This may be the Achilles’ heel of the P3 process.
Possibly more important and often unnoticed is a major ideological blockage about P3s: P3s might not ensure equal access for the very poor or disadvantaged as a pure public agency would.

A discussion followed about the dark side of egalitarianism (‘if I can’t have it, then neither should you’ is making envy into a national virtue), and the emergence of the new norm of ‘equability’ (i.e., a willingness to eliminate unacceptable inequities only) to replace the old norm of radical egalitarianism (Kekes 2003).

The three main challenges would appear to be (1) a great distrust of the private sector; (2) a difficulty for the public sector to mobilize the high-level competencies needed to govern the P3 process effectively; and (3) some deep-rooted commitment to egalitarianism in the Canadian psyche. These stand in the way of a greater use of PPPs. Nevertheless, P3s are here to stay and their use and scope will continue to expand, although low-key approaches are probably more likely to succeed than “frontal attacks”.

(ii) a new partitioning of the federal public service (March 28, 2007)

An important myth in good currency suggests that one of the reasons why state employment cannot be reduced without generating an impoverishment of governance is that all work done in the public sector is, by definition, both (1) homogeneous and (2) of a different kind – of a ‘higher order’ than other work – (i.e., there can be no substitution of “lower order work” (private or social sector types) for “higher order” public sector employment).

In a world that puts a premium on flexibility and innovation, such rigidity cannot easily be defended. A case can be made that public sector employment is neither as different in kind nor as homogeneous as has been presumed. Recognizing these facts leads to the suggestion that partitioning public service employment in line with their differential burden of office – with quite different HR regimes for each grouping - would tend to increase flexibility, effectiveness and efficiency.

Federal public servants could be partitioned in the following way:

<table>
<thead>
<tr>
<th>I Super-bureaucrats (e.g. AG, DMs)</th>
<th>III Professionals (e.g. scientists, lawyers)</th>
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</thead>
<tbody>
<tr>
<td>Burden of Office:</td>
<td>Main challenge:</td>
</tr>
<tr>
<td>Safeguard fabric of society</td>
<td>Balance professional &amp; political</td>
</tr>
<tr>
<td>Main job:</td>
<td>Main job:</td>
</tr>
<tr>
<td>Co-governing &amp; enabling</td>
<td>Ideas, innovation &amp; horizontality</td>
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<tr>
<td>HR Goal:</td>
<td>HR Goal:</td>
</tr>
<tr>
<td>Commitment ( &lt; 500)</td>
<td>Learning (40,000)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>II Guardians (e.g. EXs)</th>
<th>IV Employees (e.g. most PMs &amp; ASs)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Burden of office</td>
<td>Main challenge:</td>
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<tr>
<td>Loyalty</td>
<td>Main challenge:</td>
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<td>Main job:</td>
<td>Reliability &amp; fairness</td>
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<tr>
<td>Leadership &amp; management</td>
<td>Main job:</td>
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<tr>
<td>HR goal:</td>
<td>Productivity</td>
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<tr>
<td>Productivity ( &lt;10,000)</td>
<td>HR Goal:</td>
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<td></td>
<td>Responsiveness (185,000)</td>
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The questions raised with the participants were: Is the ‘one lump of labour’ myth still alive? What sort of partitioning of public employment might be workable?

Participants generally felt that, despite the existence of different unions (e.g. PSAC and PIPSC) with different approaches, the notion of ‘one lump of labour’ is still in place and it is an important impediment to getting work done in an environment in which there is a need for a great variety of organizational arrangements.

Tackling the professional grouping (i.e. III) first seemed an attractive idea for there is a sense of community there. But starting with grouping II (primarily EXs) might be easier. Another way to approach the problem might be to introduce the partitioning in one small organization as an experiment. The concept, if successful, might then be generalized. Unions might be prepared to tradeoff some things (e.g. higher barriers to entry and exit in group IV) in return for being able to bargain new elements (e.g. classification and promotion). Regional rates of pay were also felt to be important, but a strategy for introducing them would have to be carefully crafted. For any such re-partitioning to be successful, it would be crucial to demonstrate that different HR regimes provide better results both for the organization of work and for the welfare of the workers.

One would also need to initiate discussion with a view to modifying not only the HR regimes but also the underlying frame of reference – from the current one that emphasizes accountability almost exclusively (doing only what one has been mandated to do), to one that put the focus back on the organizational goals of efficiency and effectiveness, and explicitly link the HR regimes to these broad organizational goals (doing anything one is not prevented from doing to pursue the organizational goals).

**A personal distillation of what we learned**

The intent of this section is neither to second guess or review anew the perspectives of the public sector executives we conversed with nor to psychoanalyze them on the basis of these few conversations. Rather our intent is to draw some more general conclusions about the challenges facing the Canadian public sector on the basis of what these conversations have revealed to us.

a. the decline of open critical thinking

First, it has become clear, over the period of these conversations, that there is a lack of safe spaces where executives are allowed and/or enabled to explore these thorny issues (and many others that were evoked during our discussions). For these sorts of issues - where there is no precise or definitive solution but only responses with varying degrees of usefulness – safe space discussions automatically generate a degree of critical thinking, some recognition that organizations have failed, and an appreciation of what might have been done better. But there is a sense that this kind of forum might not be universally welcomed precisely because it generates critical thinking. The shadow of yesteryears when criticism was considered as a light form of treason is still present.
While the taste and the need for such safe spaces was felt very strongly by the executives we met, and the usefulness of such exercises in critical thinking was much appreciated, it was clear that a great majority of executives have chosen to avoid them completely. A certain demoralization of a large segment of the executive group has led many to withdraw into the “technical” aspects of their work, to “hibernate” as some called it – seeing no merit in engaging in discussions that can only get them into trouble.

The general quality of intra public service conversations seems to have declined, in part also as a result of a very high degree of political correctness that has come to prevail over the years. The “real” conversations are more likely to be carried out in the washroom than in the boardroom. Indeed, many participants remarked on the higher degree of self-censorship that has led to a much less effective degree of social learning than is desirable.

b. some paradoxes and some differences in our difficult conversations

There was a paradoxical reactions to the discussions about certain topics pertaining to the “organization” of the public sector – corporate culture, the Gomery world, disloyalty. While most participants agreed that these ‘realities’ were an important source of the malaise, there was also, at the same time, even in our “safe space”, a reluctance to engage fully in such discussions. For instance, there was a somewhat hostile reaction to the results of an exercise (suggested by Kets de Vries 2001) designed to identify the dominant type of neuroses present in the federal public sector organizations. The very word “neurosis” was clearly a term that was seen as loaded (implying some kind of disease or unhealthiness) and as a result provoked strong reaction and some sharp denial.

A similar denial syndrome plagued the discussion about the Gomery world: acceptance of a need to change in general (given the difficulties encountered by the federal state) but unwillingness to accept that there cannot be change without changing some of the basic assumptions on which Big G (Government) is built. There would appear to be a profound unease about questioning the fundamental assumptions of state centricity and centralization.

The same sort of difficulties arose in the session on disloyalty. Participants volunteered numerous examples of blatant disloyalty but were in denial generally about the existence of a culture of disloyalty. There were a number of instances when reference to behavior that might be construed as “disloyal” was explained as loyalty to the higher purpose of the public interest.

In each of these cases, there seemed to be a visceral need to defend questionable practices on the basis of stronger motivation – which is not unusual (Brewer et al 2000) and a better appreciation of the “Canadian values” on the part of federal public servants. In this latter case, it would appear that the “myth of Canadian values” as viatique (the sort of travel money members of religious orders were given to travel from place to place) and as the basis for federal paramouncy is still alive and well in the higher echelons of the Canadian federal public service despite it being quite problematic (Heath 2003).
The concern with ethics and moral contracts generated an extremely high level of interest. These issues are of very personal (as opposed to organizational or institutional) interest and participants felt freer to express their sense of frustration as individuals. The use of the notion of moral corridor to provide a framework for talking about ethical issues and the use of moral contracts as instruments to frame moral choices were embraced. It is as if one could openly talk about personal dilemmas but one could not entertain as permissible to indict the organization (culture, disloyalty).

The discussions about diversity and security, although difficult and permeated with a lot of guarded language, revealed that it was much easier to deal with tough contextual features than with matters of internal organizational culture.

It was also clear that those issues could be discussed a lot more freely in our safe space than in public meetings. Indeed participants noted that the need to be politically correct had kept them from expressing themselves as fully as they would have liked on the issue of diversity at the last APEX symposium.

On issues of a more instrumental nature (PPP and public service partitioning) the safe space may not have been necessary. Those topics were discussed openly and clinically. They were regarded as managerial issues that lent themselves to critical analysis. Interestingly, the undertones of ideology (à la Jane Jacobs) that were felt constantly during the discussion did not seem to be sufficient to prevent hard-nosed debates and useful conclusions on which most participants agreed.

Conclusion

It is far from certain that observations derived from a few conversations with some 50 federal public sector executives are generalizeable beyond our sample group. So our intent is not to pretend to do so.

Today’s world puts a premium on innovation in a climate of significant, on-going, permanent change. It demands a great deal of exploratory work with new tools and perspectives, rapid prototyping and serious play as vehicle for innovation in all sorts of domains, and social learning as a new imperative.

This experience with conversations on wicked problems (and the follow-up conversations we have had with some participants) has reinforced some of our presumptions: safe space discussions foster more rapid and better prototyping and enhance learning about the ‘what’ and the ‘how’ of changing public service work. They break old molds and open new vistas. But most importantly, such conversations perform many cleansing functions: (1) they reveal assumptions people are not aware they are making and challenge them; (2) they kill bad ideas; and (3) they create a taste for more experimentation and adaptation, for exploration, for more prototyping and more serious play.

But critical thinking generated by intelligent conversations also feeds speculations and explorations about the sorts of institutional repairs that are needed for the governance
process to meet the new challenges. Critical thinking reveals the weaknesses of the existing institutional order: what information, what forums and what permissions are missing so that the requisite amount of consultation, negotiation, collaboration and experimentation are allowed to emerge?

A supply of new ideas ensues.

While supply does not create its own demand, it has quite a subversive impact on subsequent conversations. It allows participants in such further discussion to hold a trump card: a subversive question – why do you say that such an additional fixture is not necessary? why do you say it cannot be done?

But it cannot be denied that there is much reluctance for a large number of EXs to enter this danger zone of critical thinking: it would appear to be a terrain that they are not anxious to explore. It is not surprising. Groups are prone to suppress evidence that runs counter to their basic premises, and holding the same set of pre-suppositions allows individuals to confirm each other’s interpretation of evidence (O’Toole 1996:168). Critical deliberation may bring down these defense mechanisms.

It is possible that the fundamental calling into question of such a fundamental belief system caused by the drift from Big G (Government) to small g (governance) demands too much of a reframing to be accepted lightly. This might explain the differences in the nature of the conversations when it dealt with technical and somewhat peripheral management issues as opposed to when it dealt with issues that raised fundamental questions about governance – where paradoxes and denials served to immunize the hard core of assumptions one is not allowed to challenge.
References

Annex : Basic documentation for each session

Diversity


Security

WIKIPEDIA : Security, Precautionary principle, Type I and Type II Errors

Ethics


Disloyalty

Google : exit + voice + loyalty for examples of the use of this framework

Corporate culture


The Gomery world

Public-private partnerships


Partitioning anew the federal public service