

# From managers to visionaries:

How ministers can deliver greater change through innovative policymaking



By James Davies, J Rae Cho and Dilini Hevapathirana Berg

## The ministerial quagmire

Ministers face a dilemma. On the one hand, the citizens they serve – and the heads of state who appoint them – demand rapid, tangible progress in solving immediate challenges, from education and job creation to infrastructure and digitisation. On the other hand, the departments they lead can be vast, complex, slow-moving and resistant to change.

Against this backdrop of day-to-day executive responsibilities, ministers have little time to consider creative, forward-thinking public policy reform that defies traditional approaches. Surely, bold policy changes should be close to the top of a minister's priority list. However, that is not what we see when working with governments across the world. It rarely makes their list.

During our interview with a former minister from a Gulf Cooperation Council (GCC) country, he painted a stark picture of the situation:

"From the first day of my ministerial appointment, I felt I was treading water. The sheer volume of meetings, briefings and decisions left me feeling more like a project manager than a leader. I was constantly firefighting rather than shaping the future. I could not dedicate enough time – or sometimes any time – to fresh thinking on policy reform, and I did not have the right infrastructure around me to drive it forward."

The barriers this minister faced – and the frustration he felt – are widely shared by his peers. We asked current and former ministers¹ from the Middle East, the UK, Australia and Malaysia whether they had sufficient time and support to think creatively about public policy reform within their ministerial portfolios.

The findings are revealing. Most ministers said they lacked the time and staff to drive innovation and had too little opportunity to learn from international examples of policy reform (Figure 1).

FIGURE 1: Most ministers lack the time and support to drive policy innovation



said they had enough time to think creatively about public policy reform



said they had enough staff dedicated to innovative public policy ideation



said they regularly learnt from international examples of policy reform to inform their own creative policy ideation

These are problems that keep ministers awake at night, because policy innovation is crucial – not just for the tangible outcomes it can deliver but also for the credibility it brings to a minister's profile. Ministers who prioritise and champion innovative policies stand out as visionary leaders, with a richer and more dynamic base from which to communicate their ideas and achievements. This, in turn, enhances their ability to engage with the public, stakeholders and international peers, ultimately strengthening their influence and effectiveness.

<sup>1 12</sup> former and current ministers from MENA, the UK, Australia and Malaysia were interviewed by Consulum's staff for this article.



# How can policy innovation be placed at the heart of ministers' agendas?

To seize the opportunity of policy innovation – and overcome the inertia associated with traditional government departments – we recommend the establishment of policy innovation units within ministerial offices.

These units serve as dedicated think-tanks, staffed by experts in policy analysis, research and innovation. Their sole focus is to generate new ideas, conduct rigorous policy research including benchmarking best practices and propose innovative solutions to societies' challenges.

Perhaps the best-known policy innovation unit globally is the 10 Downing Street Policy Unit in the Prime Minister's office of the United Kingdom. This small, expert team of political advisers and civil servants provides policy advice directly to the prime minister. The unit has existed for more than 50 years, advising multiple prime ministers – who appreciate its ability to align creative policy thinking with their personal agendas. The unit formulates policy ideas that are often more radical than the current thinking in government departments, which are typically focused on the day-to-day running of the state.

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For example, one of the authors of this article was involved in establishing a policy innovation unit within Malaysia's Ministry of Finance. This unit was led by a respected senior civil service leader and supported by an external advisory team, which provided policy innovation tools, frameworks and access to a global network of domain experts. This combination enabled the unit to effectively support the Minister of Finance in designing and implementing creative and innovative

policy initiatives – such as a one-stop entrepreneurship hub, the Malaysia Global Innovation and Creativity Centre (MaGIC).

"In its first wave, MaGIC supported 7,000 entrepreneurs with business services, access to funding, networking, co-working spaces and collaboration opportunities with government."

The policy innovation unit designed MaGIC to address a key priority of the Minister of Finance: removing the obstacles facing entrepreneurs seeking to start and grow businesses and create jobs. The unit identified a lack of coordination between government departments and agencies as a major pain point for entrepreneurs – and developed MaGIC to put all the support they needed in one place, greatly simplifying the process of starting a business. In its first wave, MaGIC supported 7,000 entrepreneurs with business services, access to funding, networking, co-working spaces and collaboration opportunities with government.

Policy innovation units can be formed either by leveraging internal ministry expertise to develop innovative policy ideas or by partnering with external advisory firms to serve as an innovation unit. Our experience suggests that a hybrid approach – where an internal civil service team collaborates with a dedicated external team to co-create innovative policies and programmes, as in our example from Malaysia – yields the greatest impact for ministers and their ministries.



# Look before you leap: Innovation units must be grounded in a systematic approach

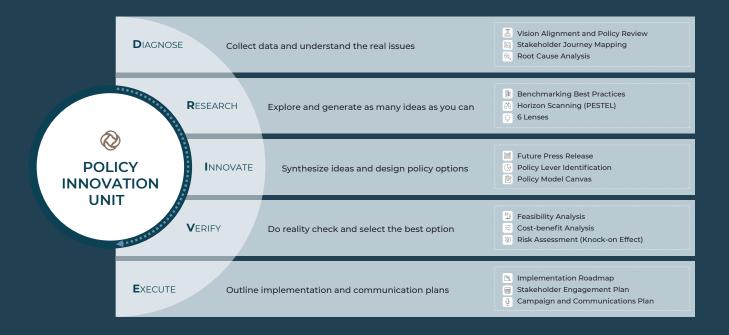
By establishing policy innovation units in their offices, ministers are empowered to move beyond the constraints of day-to-day management and engage in the kind of strategic thinking that leads to groundbreaking policies. But it's not easy to set up a policy innovation unit for success, and ensure it delivers impact. Many existing structures in the minister's department will regard the unit's ideas with scepticism – and there is also the risk that the unit itself fails to match its blue-sky thinking with practical steps to translate ideas into impact, such as listening carefully to the needs of citizens, and shaping robust implementation plans.

A rigorous, step-by-step approach is needed to make sure these policy innovation units source the best ideas for innovation and overcome the barriers to implementing them.

In our work with governments in many countries, we have found that only properly designed and resourced teams could break through old systems and ensure the delivery of meaningful improvements quickly and sustainably. When we at Consulum support governments in shaping such units, we apply our systematic, five-step DRIVE methodology – Diagnose, Research, Innovate, Verify and Execute (Figure 2):

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# FIGURE 2: Shaping a policy innovation unit with Consulum's DRIVE methodology





## Diagnose:

The first step in effective policy innovation is to diagnose the problem thoroughly or need that requires attention. This involves identifying the root causes, underlying issues and the broader context in which the problem exists. A comprehensive diagnostic process ensures that the policy response is both targeted and effective, addressing the core of the issue rather than just its symptoms. This diagnostic process can include careful mapping of stakeholder journeys, as we show in Case Study 1, on the transformation of public service delivery in Malaysia.

### Research:

Solutions to tough policy challenges often come from unexpected sources, so it's essential that policy innovation units cast the net wide when seeking ideas for innovation. Benchmarking global best practices is an important starting point, but this must be supplemented with a range of creative, ideageneration techniques. As we highlight in Case Study 2, on reducing air pollution in an Australian state, the government researched pollution management policy options used in other nations and conducted surveys of the affected stakeholders.

#### **Innovate:**

After exploring and generating a wide range of ideas, the next step is to synthesize these ideas to identify promising solutions. This process helps to refine and organise the ideas, allowing for the design of innovative policy options that are both practical and impactful. By deploying innovative tools like Future Press Release and Policy Model Canvas, policy innovation units can create solutions that are well-suited to quickly address the challenges at hand and drive the minister's strategic agenda.

## Verify:

Once innovative policy options have been developed, the next critical step is to conduct a reality check by evaluating their practicality – essential to avoid the pitfall of generating blue-sky thinking that ultimately fails to achieve impact. This step involves using feasibility and cost-benefit analyses to assess the most viable options, considering factors such as resources, potential impacts and implementation challenges.

#### **Execute:**

The final step is to outline detailed implementation and communication plans for the chosen policy idea. This involves specifying the necessary actions, timelines and resources required to effectively put the policy into practice. Additionally, developing a clear communication strategy ensures that key stakeholders are informed and engaged, facilitating smoother execution and broader support for the policy idea.



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Good government leaders can support a nation's needs; great government leaders can transform people's lives. That is the opportunity – and potential legacy – that bold policy innovation offers every minister.

By establishing effective policy innovation units in their offices, such ministers can tackle their societies' most pressing challenges, place citizens at the centre, enhance public trust in government and improve their governments' standing on the global stage.

#### Case Study 1:

# Transforming public service delivery in Malaysia with stakeholder journey mapping

One of our diagnostic tools, Stakeholder Journey Mapping, was used to identify the frustrations of citizens in Malaysia's public service delivery system - which relied heavily on administrative forms and procedures requiring many supporting documents, placing the burden on the public to gueue multiple times at different locations and counters. The diagnostic tool revealed significant pain points to be addressed across the entire citizen experience cycle. It found that citizen productivity and convenience could be greatly improved in almost all areas, while greater simplicity could be achieved by reducing the number of procedures. The Malaysian government used the insights garnered from this process to develop an innovative policy initiative, Urban Transformation Centres (UTCs), to enhance public service delivery. UTCs have achieved radical breakthroughs in convenience and speed - for example, reducing the time it takes to apply for a new passport from days to hours. They have proven very popular with the Malaysian public, and today process more than 15 million transactions per year.<sup>2</sup>

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#### Case Study 2:

# Innovative approach to reducing air pollution in New South Wales, Australia

The state of New South Wales in Australia faced challenges with air pollution from domestic wood and coal fires, particularly in densely populated urban areas - but existing regulations did not differentiate between cities and towns that experienced varying impacts of air pollution due to local climatic conditions, geography and socioeconomic issues. So the state government conducted extensive research into pollution management policy options used in other nations and conducted stakeholder surveys to determine the present issues and the most appropriate control options. This prompted a fundamental policy redesign, setting out six pollution-control options with differing enforcement requirements depending on the population density of a region. The result was cleaner air - without onesize-fits-all regulation.

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<sup>&</sup>lt;sup>2</sup> "Improving public sector performance through innovation and inter-agency coordination", World Bank Group, Global Knowledge & Research Hub in Malaysia, Nov 29, 2018. <u>131020-WP-P163620-WorldBankGlobalReport-PUBLIC.pdf</u>

### About the authors

James Davies is Managing Partner of Consulum. He has experience working across complex, multi-stakeholder government environments to formulate and implement integrated reform programmes. A government strategy and policy expert, he has worked across three continents helping government leaders to drive forward their agendas.

Prior to joining Consulum, James worked in the UK Civil Service in 10 Downing Street under prime ministers Gordon Brown and David Cameron. He was also a strategy and policy advisor and Head of Budget Policy at HM Treasury, where he led teams to deliver complex and often politically sensitive economic and fiscal reform projects.

J Rae Cho is Head of Policy at Consulum, providing innovative public policy solutions and transformational programmes to national leaders, ministries and agencies to drive positive change and deliver desired strategic objectives. He has worked at the highest levels of government in Southeast Asia and developed numerous strategic plans and policy recommendations for national innovation, entrepreneurship, public service delivery, rural development, youth employment and women's empowerment.

Rae also designed and delivered innovation and leadership development programmes for senior civil servants and senior management of state-owned enterprises.

**Dilini Hevapathirana Berg** is an Integrated Government Specialist with expertise in delivering high-impact, evidence-based policy initiatives, regulatory frameworks and implementation programmes to deliver government priorities and support leaders during decision-making processes.

Her work for Consulum is informed by over 18 years of experience delivering innovative policy solutions and strategic advice for governments in Australia and New Zealand. Dilini has led strategic cabinet advisory programmes, regional development initiatives, landmark pollution controls, climate adaptation actions and poverty reduction programmes, and supported two city-scale sustainable development frameworks. She also counselled government officials during crucial decision-making processes such as cabinet and joint-ministerial forums and has led teams to create enduring project partnerships.



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