



New Zealand's Better Public Services programme: an example of successful government modernisation

Among OECD countries, New Zealand (267,710 km²¹ and 4,789,141 inhabitants²) distinguishes itself by boasting a government budget surplus (0.7% of GDP³), low government debt (29.8% of GDP⁴) and growth which is set to reach 2.7% of GDP in 2017. Besides this economic prosperity, praise is being heaped on the New Zealand government for its wide-reaching public service reform programme called Better Public Services. This programme was initiated in 2012 and involves rollout of a detailed action plan providing for the achievement of 10 challenging results⁵. The success of the programme is the most recent manifestation of an approach that started with the Public Service Act in 1912 and included the introduction of New Public Management methods in the 1980s. New Zealand has long been seen as a “laboratory”⁶ for government modernisation⁷.

The 2012 wake-up call enabled customised targets to be set

New Public Management ideology has been hugely influential in New Zealand and has led to a deep-seated recasting of the public sector. The country, which now has a small State Sector (300 000 employees⁸), has introduced a highly-devolved organisational structure in the form of agencies (government-funded institutions) with central government retaining its sovereign prerogatives⁹. But, although the manner in which the agencies operate has undeniable advantages¹⁰, its limitations quickly came to light due to a lack of inter-agency coordination which hampered the smooth workings of public policies. This situation, together with the impact of the 2008 financial crisis, forced the New Zealand government to consider new strategies. A working group comprised of experts from the public and private sectors, and civil society, drew up a bold reform programme¹¹.

Ten results for efficient government serving citizens

The ten targets set at the outset can be divided into five groupings: reducing long-term welfare dependence, supporting vulnerable children, boosting skills and employment, reducing crime and improving interaction with government¹². As the main problem was the lack of inter-agency coordination, a major overhaul of legislation such as the State Sector Act, Public Finance Act and Crown Entities Act was needed to remove this roadblock¹³.

1 <http://data.worldbank.org/indicator/AG.SRF.TOTL.K2>

2 http://www.stats.govt.nz/tools_and_services/population_clock.aspx

3 <https://tradingeconomics.com/new-zealand/government-budget>

4 <http://www.coface.com/fr/Etudes-economiques-et-risque-pays/Nouvelle-Zelande>

5 <http://www.ssc.govt.nz/bps-results-for-nzers>

6 http://www.observatoire.enap.ca/Observatoire/docs/Coup_oeil/1999-oct-vol5no3.pdf

7 https://www.economie.gouv.fr/files/files/directions_services/igpde-editions-publications/revuesGestionPublique/IGPDE_Reactive_Nouvelle-Zelande_decembre_2012_janvier_2013_En.pdf

8 <http://www.ssc.govt.nz/node/9765>

9 <https://www.php2017.com/single-post/2016/10/20/Que-la-Nouvelle-Z%C3%A9lande-est-un-laboratoire-de-la-transformation-radiale>

10 <http://www.gestionfipu.com/GESTIONFIPU.COM/Archives/12-2008/Decembre%202008%20Trosa.pdf>

11 <http://businessofgovernment.org/sites/default/files/Interagency%20Performance%20Targets.pdf>

12 <http://www.themandarin.com.au/77221-sharing-responsibility-sharing-success-nzs-better-public-service-results-program/>

13 <http://www.ssc.govt.nz/bps-cab-papers-minutes>

The final progress report which was published in March concludes that, whilst not all targets have been reached, there has been significant progress across the board. The programme is the most far-reaching government initiative over the last two decades and it has achieved tangible outcomes without extra costs and by improving inter-agency collaboration¹⁴. Highly noteworthy progress includes a two-thirds reduction in the number of non-immunised infants, the halving of the number of children not receiving a pre-school education and 85% of over 18-year-olds obtaining a high school diploma or equivalent qualification. Moreover, the number of recipients of Jobseeker Support benefits fell by 40,000 over three years. Lastly, relations between government and users have undergone positive shifts with the setting up of a one-stop online shop and single identifier for businesses and with 52.2% (March 2017 figures) of transactions between the government and citizens being carried out online.

The secrets behind New Zealand's success

First, the selection of a limited number of clearly-defined results increased their relative importance and fostered take up by civil servants. Choosing tangible topics that are relevant to citizens' lives gave credence to the government's action and helped ensure blanket participation. Defining targets was preceded by discussions and exchanges with all relevant stakeholders, which aided acceptance of the reforms. It was decided to build on existing relations between departments and agencies to launch the projects. The limited number of players (a maximum of two to three agencies) enhanced the chances of success.

Publishing interim results allowed the measures taken to be tweaked and boosted employee motivation. Scorecards were used to provide everyone with understandable and accessible information. This incentivised everyone's involvement and made the measures sustainable. The media mainly drew attention to trends rather than figures which reassured civil servants who were worried about their reputation. These success stories were actively publicised via 89 case studies¹⁵ and 12 videos¹⁶ posted on the Internet. This spurred competition between departments and also helped disseminate best practices. One case study focuses on the fact that, with support from the Ministry of Social Development in the recruitment process, close to half the staff hired by a department store in Richmond were Work and Income clients¹⁷. The State Services Commission¹⁸ was tasked with leadership of the project and its management calls for collective rather than individual accountability of the persons involved. This little-used system which is often fairly ineffective worked very well in New Zealand. In late 2016, the highly positive review (conducted by a team of practitioners and researchers) led the government to renew the action plan for a further five years through to 2021, or even to extend it to the local public sector. It was however acknowledged that the failure to reduce the crime rate was a disappointment¹⁹.

New Public Passion or the essential nature of intrinsic motivation in rolling out reforms

There is no doubt that New Zealand has taken New Public Management reforms further than any other country with the ramifications mentioned above, namely the lack of inter-agency cooperation and the quest for efficiency that sometimes negatively affects the quality of services provided to citizens²⁰. The Better Public Services programme makes citizens central to the reform agenda²¹ and therefore represents a U-turn by transitioning towards New Public Governance²². But this is not the whole story as the intrinsic motivation of the relevant stakeholders also confirms New Zealand's move towards New Public Passion. The programme's success can be partly put down to civil servants' "passion" to improve the quality of life of New Zealand's citizens and to collective accountability²³.

Virginie Ma-Dupont

¹⁴ <http://businessofgovernment.org/sites/default/files/Interagency%20Performance%20Targets.pdf>

¹⁵ <http://www.ssc.govt.nz/bps-results-for-nzers>

¹⁶ <http://www.ssc.govt.nz/bps-videos>

¹⁷ <http://www.ssc.govt.nz/bps-result1-cs3>

¹⁸ A central department of New Zealand's civil service responsible for overseeing, managing and improving public sector performance levels.

¹⁹ <http://www.stuff.co.nz/national/politics/90385629/bill-english-government-planning-new-public-service-targets-with-2021-deadline>

²⁰ <http://www.cairn.info/revue-francaise-d-administration-publique-2006-3-page-555.htm>

²¹ <https://www.instituteforgovernment.org.uk/blog/has-new-zealand-got-all-answers-public-service-reform>

²² <https://www.cscollge.gov.sg/Knowledge/Ethos/Ethos%20Issue%2016%20December%202016/Pages/Lessons%20from%20New%20Zealands%20Better%20Public%20Services%20Reforms.aspx>

²³ <http://www.undp.org/content/undp/en/home/librarypage/capacity-building/global-centre-for-public-service-excellence/new-public-passion.html>