

EMBEDDING PROGRESS

How to align public institutions with a better future

AT A GLANCE



Embedding Progress is a report from the Centre for Policy Development that provides governments with a practical manual for how to achieve better outcomes for the people they serve.

Governments across the world have acknowledged that the fundamental purpose of government is to improve the wellbeing of its people, and are taking steps to embed wellbeing at the heart of policymaking. While significant progress has been made in some jurisdictions, as with most attempts at government structural reform, many others have not led to substantial change.

Drawing on in-depth interviews with public servants involved in past and current initiatives in Australia and across the globe, *Embedding Progress* identifies the essential components that make up an effective approach to transformational government change – change that is capable of putting the wellbeing of current and future generations at the centre of decisions.

What does the report say?

Embedding Progress identifies six principles that can guide governments wanting to work smarter to improve the lives of citizens:

- **Understand what you are working towards:** Setting whole-of-government ‘wellbeing goals’ can help guide all government activity.
- **Take a whole-of-government approach to interventions:** Aligning ways of working with wellbeing goals can reduce the common phenomenon that activities in one area undermine the goals of another.
- **Focus on the people who make up decision-making systems:** Embedding a wellbeing approach is, at its heart, a cultural change program – people drive success or failure at every level, and having the right incentives and mindset, alongside the right authorising environment is crucial.
- **Move beyond quantification:** Data alone is not enough to drive better decision-making. Governments need to look to better ways of working, drawing on the expertise and discretion of experienced staff, contextual sensitivity, and innovation.
- **Design for useability:** For policy tools to be widely adopted and used as intended, they must be designed with ease of use in mind, and introduced with significant support to ease the transition process.
- **Invest in execution:** Adequate resources must be invested in improving systems and processes. Even the most promising initiatives will not succeed without the resources to enable good execution.

Imagining a government that adopts these principles, the report makes 13 recommendations – practical actions that governments can take to ensure our systems are set up to put wellbeing at the heart of decision-making.

Why does this matter?

Countless indicators tell us that despite decades of economic growth, people's wellbeing is in decline. A majority of Australians (76%) think wellbeing should be the top priority in government decision-making. And while most politicians and public servants genuinely want to improve the wellbeing of the people they represent, the reality is that countervailing forces – from the power of vested interests, to events or crises that divert attention from long-term strategies – often set back progress on even the best designed policies.

Embedding Progress is about strengthening the way governments work to withstand such forces, function more effectively, and ensure we truly move forward on improving quality of life for all people.

What are the components of an effective 'wellbeing government'?

A government where wellbeing is embedded across its institutions will be one where departmental and ministerial **remits** are aligned with shared big-picture **wellbeing goals**. The **incentives and accountabilities** of leaders and senior officials will be aligned with these goals; and they will be judged (and rewarded) on their ability to work towards them. Public servants will have an internal **culture** that encourages long-term and whole-of-government thinking, and will take analytical approaches that reflect the complexity of the government's business. This will be supported by up-to-date **big-picture maps** of government activity and spending; formal **processes, costings, rules, and assessments** that drive decision-making; and the right **data and evidence** to feed back into policymaking.

Instead of treating these components as separate, governments must see them as interconnected parts that interact to form a single big-picture approach to government decision-making.

Why does this challenge require whole-of-government reform?

Most government systems contain multiple barriers to changes in ways of working. In the case of Australia there are unique challenges – the division of revenue streams, jurisdictional powers, and the political and cultural relationships in the nation's three-tiered system of government. But many jurisdictions share a strong recognition within government that their central systems need reform in order to foster better ways of working and better outcomes.

Despite these obstacles, change is not only possible but necessary if we are going to have governments and public services that can face the great challenges of the modern era, and bring about a sustainable future where the capacity to live a good life is available to all.