

Public sector ICT spending: Diet or a change of lifestyle?

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The world is full of dieters. And there's a whole industry dreaming up the latest 'quick-win' way to drop that few pounds before the big wedding day, the looming beach season or because the doctor says that the love handles around the middle are whipping a few years off an otherwise most enjoyable life.

Now I've learned a thing or two about diets. The main one is that the 'quick-win' is invariably also a 'short-win'. Dieters lose weight fast and consistently regain it, and more. What dieting succinctly illustrates is the truism that for changes to be sustainable and enduring, they need to be systemic. You need to change the way you eat, how and how much you exercise and a raft of other things – in short, you need to change your lifestyle.

I got to thinking about the new government's efforts to slim down our size 16 public sector. Now don't get me wrong, I'm a BIG supporter of an effective public sector – but not one that's cuddly and comfortable. After all, it's my hard earned tax dollars that pay for this. I own the public sector. But what I'm seeing happening appears to be what I'd call a "top-slicing" strategy for cost reduction. I've seen this before, and the slash-and-burn always boils down to an exercise in trying to do the same with less.

The key word here is "same". Now readers of Telecommunications Review are smart people and we know the truth in the old adage that if you keep doing the same things, you can't expect a different result.

So surely all the smart people we've voted into government and the equally smart folks whose public service pay packets we fund with our tax dollars would be looking for sustainable cost optimisation opportunities in this biggest of organisations that we all own?

So I went hunting for stuff on government ICT spending, and Google turned up a really interesting report submitted to Cabinet's Expenditure & Administration Committee in September 2006. It was called the "Report of Expenditure Review: Government ICT Spending".

Now this looked a pretty sound piece of work, contributed to by a raft of the public service's finest in the ICT arena, and brought together by the State Services Commission. It stood back and took a critical look at how government's ICT spend could be put to more productive use.

It found that "improvement in productivity outcomes will be achieved through a balanced portfolio of actions that aim to target all stages of the ICT business planning-to-delivery

lifecycle”, “[sic] designed to maintain and enhance current agency and sector productivity while delivering greater productivity for the whole of government”. Among the action areas it identified, several targeted productivity, including:

- Promote joined up services and shared services;
- Improve value realization from interoperability;
- Improve industry engagement and procurement practices; and
- Assess and provide support for open source.

It concluded that the actions “will produce the greatest effect when applied across all of government as a rising tide of good practice.”

Now I must say that I was pretty pleased to be reading all of this, but found myself wondering why I was not feeling this rising tide lapping at my toes. That was until I got to the last paragraph in the executive summary which read,

“The review has found there is opportunity to achieve productivity improvements from government expenditure in ICT, through strengthened support for Chief Executives and increased leadership and facilitation of ICT investment on a system-wide basis. ***However, the impact of such changes on the public management system is uncertain, and the risk to the management system could be substantial. Accordingly we recommend that Ministers defer consideration of any initiatives to allow central agency CEs to consider these issues subsequent to decisions from the Central Agencies Review.***” (emphasis added)

The “Central Agencies Review” was described as identifying “the need for an agreed approach to improving performance across government as a whole”, however observation since would suggest that its outcomes didn’t include any that would enable such smart thinking as was contained in this report to get the systemic traction signaled as being required to deliver sustainable outcomes.

The public management system is effectively the accountability model that governs workings of the public sector. Since the reforms of the late 1980s and 1990s it has been founded on principles of individual agency accountability and decision-making.

There was recent illustration of the downside of this “management system” in the failure of the Government Shared Network to attract sufficient public sector agency uptake to support its operating cost structure. Despite its acknowledged functional fit to the connectivity and security needs of the majority of public sector organisations, it fell foul of

agency ICT procurement decision-making that has long been accustomed to “doing its own thing”.

I believe a key issue and opportunity for the government is the demonstrable fact that our public management system on the one hand yields sound pan-government thinking that would result in the realisation of public value from shared ICT services, platforms and assets, but on the other undermines the implementation of that thinking!

If we’re becoming a slave to the system, then we must change it so that it serves us.

That will require of government an active leadership stance that speaks firmly and clearly to its instrument the public sector saying “we’re going to do things a different way”. And it will demand that our public servants are held accountable for the productive use of our taxes, not the maintenance of unnecessary silos of duplicated form and function.