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Synthesis Paper

Programme of Organisational Capability Reviews

Findings and Learnings

2021

PROGRAMME OF ORGANISATIONAL CAPABILITY REVIEWS

FINDINGS AND LEARNINGS

22nd January, 2021

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INTRODUCTION

STRUCTURE OF THIS PAPER

The five overarching themes covered in this paper are as follows:

- Research model: purpose, background, governance, methodology and scope of the Programme of Organisational Capability Reviews.

- Leadership: direction by senior management, internal cross-divisional collaboration, cross-government working, EU engagement, and communications.

- Policymaking: capability and skills, business planning, synergies between related strategies, and available skills to undertake appraisals and evaluations.

- Delivery: the efficacy of structures and processes to implement policies, strategies, programmes and schemes.

- Organisational capability: the effectiveness of corporate functions such as HR, L&D, ICT and Finance in supporting business units, and related activities around knowledge and data management.

PURPOSE

This paper draws together the principal findings from the six capability reviews undertaken to date, differentiating between areas of strength and matters requiring attention. It is intended that those findings will assist the development and implementation of reform initiatives, individually at organisational level and generally across the civil service.

As this paper can only provide an overview of the findings from the reviews, readers may wish to refer to the published reports which are hyperlinked in the table below.

BACKGROUND TO THE PROGRAMME OF ORGANISATIONAL CAPABILITY REVIEWS

Action 20 of the *Civil Service Renewal Plan* (Department of Public Expenditure and Reform, 2017) provides for the implementation of a programme of organisational reviews, the purpose being:

> *'To embed a culture of regular and objective assessments of the capacity and capability of each Department to achieve its objectives and take the necessary action to close any gaps.'*

Arising from this action, a Programme of Organisational Capability Reviews was put in place, as part of which six reviews have been undertaken (the programme, which had been paused due to the Covid-19 pandemic, is scheduled to resume shortly).

Table 1:   Capability Reviews undertaken to date

Organisation	Date of conclusion of review
Department of Transport, Tourism and Sport	July, 2017
Courts Service	April, 2018
Department of Business, Enterprise and Innovation	December, 2018
Department of Culture, Heritage and the Gaeltacht	July, 2019
Department of Housing, Planning and Local Government	December, 2019
Department of Rural and Community Development	June, 2020

GOVERNANCE

The programme was overseen by a steering group drawn from the Civil Service Management Board (CSMB):

Table 2:   Membership of CSMB Steering Group

Members of Sponsoring Group	Title of Department at time of reviews
Lucy Fallon-Byrne	Assistant Secretary, Reform and Delivery Office Department of Public Expenditure and Reform
Mark Griffin	Secretary General Department of Communications, Climate Action and the Environment
Seán Ó Foghlú	Secretary General Department of Education and Skills
Maurice Quinn*	Secretary General Department of Defence

* Maurice Quinn retired in June 2020 and was replaced on the Group by Oonagh McPhillips, Secretary General, Department of Justice, in October 2020.

A review team based in the Reform and Delivery Office of the Department of Public Expenditure and Reform carried out the reviews. The team comprised Dave Hanley and Gerry Cribbin who were supported by an Administrative Officer or Higher Executive Officer, and a nominated Departmental Liaison Officer (DLO) from each organisation reviewed. The DLO provided logistical support, attended interviews and workshops, and assisted with drafting.

For each review, the team reported to a three member External Review Panel comprised of experienced and senior personnel drawn interchangeably from the public service, academia and consultancy practices. The role of the Panel was 'to review, validate, edit and finalise the report prepared by the team' and, to that end, it performed the following critical tasks:

▪ Met formally with the Management Board of the organisation under review at the start and end of the process and, more frequently, if required. Such engagements were most valuable for encouraging staff and stakeholder engagement, and clarifying any findings and recommendations of special importance

▪ Peer reviewed draft texts prepared by the review team and satisfied itself that the findings and conclusions were supported by strong and appropriate evidence

▪ Encouraged and supported the team in probing any matter of special importance and in need of particular attention by the organisation under review, and

▪ Worked in partnership with the team in preparing and finalising recommendations which, for each review, formed the basis for a follow-up action plan.

METHODOLOGY

The evidential base for this paper is based predominantly on views expressed in staff workshops conducted internally within the organisation being reviewed and one-to-one interviews with senior managers from both within the organisation and externally from stakeholders, including agencies.

Table 3:   **Interviews and workshops conducted over the course of six capability reviews**

Category	Number of Engagements	Number of Participants
Minister and Minister of State	9	9
Presidents of Courts (incl. former Chief Justice)	6	6
Members of Management Boards (incl. Secretary General	48	48
Heads of Office (incl. Attachés)	7	7
Heads of Function(s)	30	30
PO – One-to-one interviews	38	38
PO – Workshops	9	74
AP – Workshops	26	225
AP and HEO mixed – Workshops	1	10
AO and HEO mixed – Workshops	18	164
HEO – Workshops	7	55
HEO – One-to-one	1	1
EO – Workshops	19	162
EO and SO mixed – Workshops	1	3
EO and CO mixed – Workshops	8	67
CO - Workshops	17	140
Technical and specialist mixed – Workshops	13	61
Sub-total	**258**	**1,100**
External Stakeholders	123	148
Total	**381**	**1,248**

The methodology was guided by a standards-based template comprising four overarching filters: Leadership, Policymaking, Delivery, and Organisational Capability (the extent to which the corporate functions service business needs). Terms of Reference were developed and agreed at the outset of each review, prior to the commencement of which a Management Board usually partook in an away-day of self-reflection to assist the process in terms of focus, management and communications.

Extensive use was also made of secondary research, principally core policy and corporate documents of the organisation under review and relevant material from stakeholders. A further input was provided by the results from the *Civil Service Staff Engagement Surveys* (Central Statistics Office).

For each review report, the evidence is set out, findings are made and recommendations put forward, with the latter forming the basis for a follow-up action plan to be prepared by the organisation reviewed. On completion, the action plan and the review report are presented in composite form to government for approval to publish.

SCOPE

The capability reviews are concerned solely with an organisation's capability and do not involve any assessment of its policies, strategies, programmes or schemes in terms of their structures, outputs or impacts. Furthermore, the adequacy of staff complements are not examined, aside from those exceptional circumstances where the evidence clearly points to significant value-added being foregone and/or major risk being borne due to insufficient numbers of appropriately skilled staff.

Author   *Gerry Cribbin, Capability Review Team*
Reviewer   *Dave Hanley, Lead, Capability Review Team*

1.   LEADERSHIP

Under this heading, consideration is given to leadership by senior management, the degree to which priorities are set and progressed, internal cross-divisional collaboration, cross-sector and cross-government working, and communications, both internal and external.

1.1   LEADERSHIP BY SENIOR MANAGEMENT

Senior management, which comprises the Management Board and Principal Officers, face an ever-increasing multiplicity of demands on a daily basis, thus requiring them to be diligent in creating time and space to focus on strategic goals and delivery risks.

Balancing long-term planning against short-term demands is not an easy dilemma to resolve. A core function of any government department is to "support the democratic process" and so managers are challenged to find the right balance between all those demands competing for their time and resources. In that respect, the reviews made a number of findings:

- **Deliberative protocols:** Departmental Management Boards are increasingly conscious of the need for diligence in ensuring that long-term strategic challenges do receive sufficient time and attention. Across the six organisations reviewed, a variety of protocols on conducting Board meetings are in place. They share the common aim of seeking to balance the time spent on strategic issues as against routine operational matters.

  For example, in the case of the Department of Rural and Community Development, an agreed Terms of Reference for the Board clarify those issues which are appropriate for it to deliberate upon and those which are not. A schedule for policy- and strategy-related deliberations is in place which means in practice that all major issues come before the Board at least once a year for strategic consideration. As a general rule, day-to-day corporate concerns are kept off the agenda insofar as reasonable.

- **Self-reflection:** None of the Management Boards at the time of the reviews had been taking time out for strategic reflection on medium- and long-term policy and organisational challenges. As an aid, the reviews recommend that Boards should review quite regularly whether and in what way internal structures supporting their deliberations are in need of change, and they should consider setting aside periodic times for self-reflection. Such 'time-outs' can be particularly effective for giving focus to deliberations on future direction.

- **Senior management networks:** A noticeable phenomenon is the rarity of effective Principal Officer Networks to support the work of Boards. Even in the most positive situations, there can be tensions over the extent to which such networks should be self-directed in their work or guided by the Board. The more recent reviews indicate that a combination of self-direction and guidance might be the most prudent way to proceed.

- **Engagement with agencies:** Regarding departments with agencies under their aegis, there would appear to be an obvious benefit in an agency's senior management meeting formally face-to-face with their parent department's Management Board once or twice a year. This practice seems more the exception than the rule, with the relationships tending to be with the Assistant Secretary and line business unit. Against that background, the reviews advocate that more formal planning and review arrangements should apply.

Overall though there is a high regard amongst stakeholders for the calibre, professionalism and competence of senior management in the six organisations reviewed.

1.2   PRIORITISATION

As the remits of some departments encompass multiple policy functions, it can be especially challenging to develop a small number of core priorities, and to communicate clearly on progress towards their achievement to the public, staff and stakeholders.

A notable feature of the business of civil service organisations is the extent to which they are continually challenged to achieve a balance between, on the one hand, a relatively small number of impactful priorities and, on the other hand, a frequently large volume of immediate demands. In particular, Parliamentary Questions, other requirements of the Houses of the Oireachtas, Freedom of Information requests, reports and returns to central departments, and media and other needs generated by 24 hour news cycles are part of day-to-day business.

It was recommended that, insofar as practicable, the strategic orientation of an organisation might benefit from focusing on relatively few long-term strategic priorities rather than a large number comprised of both long- and short-term goals. In that respect, the Department of Business, Enterprise and Innovation adopts a novel approach in its *Statement of Strategy, 2018* – 2021 (2017). Notwithstanding its broad policy remit, the department encapsulates its strategic priorities into seven goals, underneath each of which is a series of outcomes.

1.3   INTERNAL CROSS-DIVISIONAL COLLABORATION

Internal collaboration between business units faces two contradictory phenomena:

- Natural siloes: On the one hand, the diversity of the business remits of some organisations imposes limits on the extent to which collaboration between internal business divisions and constituent units would be either warranted or meaningful.

- Strive for common cause: Yet on the other hand, management and staff comprehend the value of strong internal collaboration, whether in terms of adding value to policy development, achieving efficiencies through process standardisation, or mitigating risks through shared learning.

The following findings from the reviews are of particular note:

- Collegiality and collaboration: Collegiality amongst the members of Management Boards and collaboration between their business areas are reasonably strong, especially on matters of national and organisational importance.

- Knowledge sharing: Notwithstanding the above finding, there is still considerable scope to promote the systemic sharing of expertise, knowledge and experience between internal business units through more structured and regular cross-divisional working. A good example is provided by the Department of Housing, Planning and Local Government whereby senior management in 2016 brought together a broad spectrum of staff and expertise into a team format to work on developing *Rebuilding Ireland – Action Plan for Housing and Homelessness (2016)*.

- Multi-disciplinary teams: More generally, the challenges faced by departments and other civil service bodies in effectively managing their significant capital programmes under *Project Ireland 2040* (Department of Public Expenditure and Reform, 2018) suggest that cross-divisional approaches and multi-disciplinary teams may be needed to leverage scarce skills and ensure efficient delivery. Visible leadership by senior management and appropriately devised structures for collaboration will be critical for successful outcomes.

- Senior Management Forum: With some organisations, a useful mechanism to strengthen partnership at senior management level is a Senior Management Forum comprising members of the Management Board and Principal Officers. Such an approach can be particularly effective for tackling a problem that is common to a number of business units, such as standardising processes

for administering grant-paying schemes, or developing an organisational position on a whole-of-government priority.

- Staff networks: Effective staff networks organised by grade are more the exception than the norm in the organisations reviewed. Such networks can be especially useful for improving internal communications, sharing knowledge and experience on common work challenges and, critically, assisting senior management with the successful delivery of challenging work programmes. This potential is best realised when some formal mechanisms for engagement with a Management Board are in place.

Striking a workable balance between self-contained work and cross-divisional collaboration can be especially difficult in regionally dispersed organisations and, within that context, the review of the Courts Service provides useful learnings.

Box 1: Example of strong collaboration in a geographically dispersed organisation

As a regionally dispersed organisation with clear jurisdictional divides spanning District Courts to the Supreme Court, the Courts Service faces special challenges around collaboration between internal business units, standardisation of processes and procedures in provincial venues, and communications across the country – vertically from its headquarters in Dublin and horizontally between regions and offices.

Despite those challenges, most reform initiatives, from specification to implementation, have involved some measure of partnership between two or more internal directorates. Examples include the establishment of the Court of Appeal and the Combined Court Offices as a unitary support service to the Circuit and District Courts. A variety of expertise and knowledge was brought to bear in the successful delivery of these reform projects.

1.4   CROSS-SECTOR AND CROSS-GOVERNMENT WORKING

A department's ability to influence policy development, at both national and EU levels, and to build coalitions of common cause across the government system is one hallmark of an effective and high performing organisation. In that respect, the reviews produced a number of core findings:

- Cross-government engagement: Effective engagement across the government system is common practice and is often underpinned by cabinet committee structures, formal senior officials' working groups and well-established personal relationships. Departments generally play positive and active roles in such cross-cutting forums. High-quality engagement was particularly evident in the development of the *National Development Plan, 2018 – 2027* (Department of Public Expenditure and Reform, 2018) and the related *National Planning Framework* (Department of Housing, Planning and Local Government, 2018).

- Influencing whole-of-government agenda: Where a department has lead responsibility for a policy matter, or where there is a shared agenda with others, its ability to lead, influence and collaborate can often be a key strength. For example, the Department of Business, Enterprise and Innovation is viewed across government as an effective advocate for the enterprise agenda, and this has been demonstrated most forcefully in areas of public policy where it has the primary lead such as on the *Enterprise 2025 Renewed* and *Innovation 2020* strategies (2018 and 2015 respectively).

  However, the capacity of some departments to influence whole-of-government matters which are not core to their business but are relevant to it can be quite limited in certain circumstances. This is especially evident with the climate change agenda whereby skills gaps, staff churn and the retirement of specialist personnel have reduced the capacity of some organisations to contribute to deliberations as effectively as they should.

- **Agreed sectoral priorities:** The reviews propose that in tandem with stronger cross-government collaboration, there is scope to deepen cooperation at a sectoral level. For instance, the review of the Courts Service found that the relationship with its parent department should be strengthened at a senior level and that priorities should be set and monitored for the justice sector as a whole, including some for the Courts Service itself.

- **Delivery by local government:** There are challenges around the multiplicity of demands being placed on the local government sector relating to the delivery of policies, programmes and schemes. The reviews of both the Department of Housing, Planning and Local Government and the Department of Rural and Community Development found that the former is best placed to act as a catalyst for communicating across the government system on the implementation challenges faced by local authorities, and on ensuring efficient and effective delivery by them.

- **EU engagement – Institutions:** The reviews advocate that departments should reflect regularly on whether and with whom they need to step up their interaction with members and officials in the EU Institutions, particularly the Commission and the Parliament, and with relevant sectoral representative groups based in Brussels. In those respects, the reviews drew particular attention to the importance of engagement with Parliamentary Rapporteurs on legislative matters and with the Commission at the early stages of policy development so as to seek to influence its direction.

- **EU engagement – working groups:** While departmental engagement in EU working groups is very good in some cases, there are also instances where departments struggle to give such groups the requisite attention. In particular, comprehensively servicing and supporting the biodiversity agenda has proved demanding, primarily as a result of tight staffing resources as well as the inherent challenges in giving effect to complex EU legislation. Overall, the reviews do acknowledge that, in the majority of cases, challenges around EU engagement relate predominantly to capacity constraints.

- **EU engagement – support to Attachés:** For the staff based in the Permanent Representation in Brussels (PRB), Ireland's EU Presidency in 2013 set the gold standard for engagement by Dublin-based officials on EU matters. While probably not practical for replication on a day-to-day basis outside of a Presidency, they – and some other interviewees – believe that a number of matters are in need of attention:

  - **Official non-attendance:** Attachés sometimes have to represent their department in various working groups when the relevant home-based officials are not available to attend. That creates a degree of risk as they are usually not the subject-matter experts and indeed may not always be able to participate due to other commitments, thereby leaving the Irish seat vacant.

  - **Adequacy of briefings:** Attachés are not always provided with up-to-date information on new policies and strategies being developed or recently concluded by their departmental headquarters. There are shortcomings on occasion too regarding the timeliness and quality of briefing.

  - **Inadequate HQ liaison support:** Some departments do not have a liaison function for each file with which the Attaché has a responsibility at EU level or alternatively do not have a strong EU coordination function in place. Where such functions do exist, relatively frequent staff turnover and inadequate handover arrangements present challenges at times.

Notwithstanding such concerns, the general picture across the reviews is that Attachés are well supported by most of their Ireland-based colleagues, although there is still scope for overall improvement.

- **EU Directives:** On the transposition of EU Directives, departments have performed quite well over recent years. However, natural heritage matters, especially on the protection of biodiversity, continue to be a challenge due, at times, to the multiple stakeholders and multi-faceted legislative obligations involved.

1.5   COMMUNICATIONS

Increasingly, civil service organisations are adopting a more strategic approach to communications by moving away from the traditional press office model which prioritised press releases targeted at reporters in newspapers, magazines, TV channels and radio stations and, instead, are putting in place dedicated functions managed by professionally qualified staff. This represents a significant cultural and organisational shift which will take time to bed in. The principal issues which emerged over the course of the reviews are as follows:

- **Business partnership model:** An increased emphasis is being given to shared responsibilities between management and staff for effective communications, both internally and externally. Some organisations seek to give practical effect to this aim by developing a business partner model between the Communications Unit and line business units. In this way, it is intended that over time communications planning and support would become embedded at business unit level.

- **External communications:** There are examples of high quality engagement with stakeholders and local communities in developing, explaining and implementing policies, programmes and schemes. Such engagement by the National Parks and Wildlife Service (NPWS) for example is strengthening its ability to implement biodiversity policies in a sustainable manner and enhance awareness of their value amongst influencers and the public.

   More broadly, some organisations are seeking to articulate for themselves how their engagement with stakeholders should be modelled. To that end, the Department of Rural & Community Development decided to develop an engagement strategy as part of its communications mix aimed at mapping the stakeholder base and setting out clear terms for engagement and reporting.

- **Internal communications:** Intranets and informative internal newsletters are standard practice. However, despite organisations' best efforts, staff often fail to make the connection between new internal initiatives and the source policy or strategy, especially on matters relating to staff well-being. Ongoing staff engagement and participation is necessary for internal communications to be truly effective.

   On a more positive note, there are indications of major improvements in engagement by senior management with their staff. It is quite the norm now for senior management to go to considerable lengths to engage face-to-face with staff, including in geographically remote and dispersed locations, when developing and promoting major reform initiatives, and in preparing follow-up actions to the *Civil Service Staff Engagement Surveys* (Central Statistics Office and Department of Public Expenditure and Reform and, 2015, 2017 and 2020). These engagements are regarded very positively by staff.

Despite the generally improving situation, three matters need attention:

- **Communicating impacts:** Aligned to a separate finding in the reviews on the limited use of impact measurement, external communications are rarely focused on promoting a department's strategic role, particularly the long term economic and social impacts of its policies and programmes.

- **Use of social media:** There are major variations in policies and practices regarding the use of social media. Policies on its use exist in some organisations and not in others, and practices vary widely, with both benefits and risks often poorly understood. Thus, there is a considerable need for professionally informed standards to be set for the civil service as a whole in order that

standardised policies and practices would apply at organisational level.   This is particularly important given that many stakeholders and clients of public services are themselves increasingly adopting and using social media as a business tool and seem well ahead of the civil service in that respect.

- **Staff communications:** Although Management Boards are usually quite diligent at debriefing Principal Officers on the deliberations and decisions at Board level, they in turn do not always emulate that diligence in the form of follow-on updates to Assistant Principal Officers and the wider body of staff.

AREAS OF STRENGTH OR NOTE

1F1   Regard for senior management: In the organisations reviewed, senior management are generally held in high regard by staff and stakeholders, especially in terms of their professionalism and competence.

1F2   Board deliberations: Management Boards are actively trying to achieve a better balance between the times spent on strategic issues as against routine operational matters.

1F3   Internal collaboration: Collegiality and collaboration between members of Management Boards and their business areas are reasonably strong, especially on matters of national and organisational importance.

1F4   Cross-government collaboration: Engagement on cross-government matters by individual departments and other civil service bodies is common practice and, for a number of sectoral themes, is underpinned by formal structures, involving Cabinet Committees for some issues. High-quality cross-government engagement was particularly evident in the development of *Project Ireland 2020*.

1F5   Professionalisation of communications functions: Civil service organisations are moving away from the traditional press office model with its emphasis on press releases and are putting in place dedicated communications functions managed by professionally qualified staff.

1F6   Internal communications: It is quite the norm now for senior management to go to considerable lengths to engage face-to-face with staff, especially when developing and promoting major reform initiatives.

1F7   External communications: There are some exemplars of high quality engagement by departments with stakeholders and local communities when developing and implementing policies, programmes and schemes – for instance, by the NPWS on biodiversity policies and practices.

MATTERS REQUIRING ATTENTION

1L1   Shared learning: There is considerable scope to promote the systemic sharing of expertise, knowledge and experience between internal business units. Where there is the prospect of substantial benefits, organisations should be open to pursuing a project-based approach to delivery, especially through multi-disciplinary teams for effectively managing and delivering the significant capital programmes under *Project Ireland 2040*.

1L2   Staff networks: Effective staff networks can be especially useful from the perspectives of internal communications, knowledge sharing and delivering change. Their potential is best realised when formal mechanisms exist for engagement with Management Boards.

1L3   EU engagement – Institutions: Departments should regularly consider whether and with whom they need to step up their interaction with members and officials in the EU Institutions, particularly the Parliament and Commission, and on how they might better influence EU policy at the early stages of development.

1L4   EU engagement – Brussels-based representation: Departments should regularly assess the support provided to Attachés specifically and the Permanent Representation in Brussels generally, and make whatever improvements are called for, including by reference to liaison arrangements and representation at working group fora.

1L5   Collaboration on local government delivery: As local authorities face multiple demands from central government relating to implementation and associated reporting, the Department of Housing,

Planning and Local Government should adopt a leading role on developing a cohesive cross-government engagement and delivery model. A key aim would be to strengthen joined-up approaches between central departments on core challenges faced by local authorities in the delivery of centrally-ordained policies, programmes and schemes.

1L6   Communicating policy impacts: There is scope for external communications to focus more intently on promoting a department's strategic role, particularly in terms of the long term economic and social impacts of its policies and programmes.

1L7   Use of social media: Policies and practices vary widely on the use of social media. Therefore professionally informed standards should be set for the civil service as a whole in order that standardised approaches would apply.

2.   POLICYMAKING

This chapter deals with the development of new policies and strategies, policymaking, business planning, alignment between related strategies, and general capability to undertake appraisals and evaluations.

2.1   NEW POLICIES AND STRATEGIES

Over the period 2015 to 2020, very significant progress was made in producing new policies, strategies and programmes across a diverse range of economic, social and cultural endeavours, often against the backdrop of fast-moving change and challenge.

Most of the major strategic policy initiatives during that time provided inputs to, and are aligned with, two overarching national frameworks: *National Development Plan, 2018 – 2027* (Department of Public Expenditure and Reform, 2018) and the *National Planning Framework (NPF)*, with the former providing the investment context by which the objectives of the latter will be pursued. These two national frameworks combine to form *Project Ireland 2040*.

The NPF is aimed at shaping future national growth and development by guiding public and private investment out to 2040, by which time there will be an estimated one million more people living in the country. In support of that aim, a €116 billion investment strategy has been put in place for the period 2018 to 2027.[1]

In broad parallel, an impressive range of new policies, strategies and programmes has been developed in the areas of enterprise development, job creation, innovation, transport infrastructure, housing, water infrastructure, and aviation. Some of the policy initiatives break new ground – for example:

- *National Social Enterprise Policy for Ireland, 2019 – 2022* (Department of Rural and Community Development, 2019): As the first ever policy statement of its kind in Ireland, it prescribes a series of 26 commitments across three objectives around building awareness of social enterprise, growing and strengthening such enterprise, and achieving better policy alignment.

- *20-Year Strategy for the Irish language, 2010 - 2030* (Department of Culture, Heritage and the Gaeltacht, 2010): This ambitious strategy sets out areas of action under nine key headings which include education, the Gaeltacht and family transmission of Irish.

- *National Aviation Policy* (Department of Transport, Tourism and Sport, 2015): This policy statement constitutes a significant milestone: the first aviation policy framework in 25 years, involving 24 policy statements supported by over 70 actions.

The reviews found that for complex and multi-faceted areas of public policy, strategic change can be greatly assisted by the development of a well-researched policy framework. For example, the *Framework Policy for Local and Community Development* (Department of the Environment, Community and Local Government, 2015)[2] provided critical context and direction for the development of a subsequent suite of community-related strategies and programmes.

2.2   POLICYMAKING

As policymaking is a critical core function of departments, it is especially important that capability and capacity are kept under ongoing review, and relevant resources are deployed appropriately.

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[1] A major review of *Project Ireland 2040*, especially the investment framework to 2027 set out in the *National Development Plan*, was announced by the government on 3 November 2020. The review, which will be carried out by the National Investment Office based in DPER, is aimed in particular at ensuring delivery of the priorities in the *Programme for Government* and at responding effectively to the impacts of the Covid-19 pandemic.

[2] Prescribed local and community development functions were transferred from the Department of Housing, Planning and Local Government (previously Department of the Environment, Community and Local Government) to the Department of Rural and Community Development on its formation in 2018.

Whereas capacity constraints featured quite strongly in the first review,[3] its prevalence in interviewee comments tapered off significantly over the course of the subsequent five reviews. In recent years, there has been a noticeable replenishment of the policy-oriented skills base, with the departments reviewed now having strong capability to develop high-quality policies.   Within that context, exemplary stakeholder engagement practices and deep sector-based knowledge are notable strengths. Nonetheless, some matters are in need of attention:

- **Policy-making competencies in line business units:** Business units often seek input and support from specialist research units and/or individuals because, in the opinion of senior managers, they tend to have limited capacity and capability themselves to undertake high quality research on new or emerging policy areas.

- **Skills gaps:** The reviews yielded much anecdotal evidence of capacity gaps relating especially to macroeconomic, appraisal and evaluation skills.   Such evidence should be tested in each organisation by quantitative measures for determining the scale of both current gaps and future needs.

- **Agencies' expertise:** There is a widespread view amongst agencies that departments could make greater use of their sectoral expertise and research capability, especially as inputs for assessing policy options.

A further issue on which departments might usefully reflect is whether they should opt for a centralised, distributed or hybrid model for the conduct of analysis and research. This matter was examined in some depth in the review of the Department of Business, Enterprise and Innovation.

Box 2: Examination of a hybrid research model

For many years, various incarnations of the Department of Business, Enterprise and Innovation relied on Forfás – the former independent state policy research and advisory agency – for much of its enterprise policy analysis and research. In 2014, most of its functions and staff were integrated into the department and assigned to a newly created division called the Strategic Policy Division (SPD). The review found that, over the succeeding years, core capability around strategy and analysis became somewhat diluted.   That arose primarily from staff churn, retirements and reassignments in the absence of a managed skills replacement programme.

In a detailed recommendation, the review advocated a number of changes to the SPD – in particular: (a) that it should collaborate more systemically with policy divisions and become a shared resource for them, and (b) that it needs more strategists and analysts to explore the opportunities of new and emerging sectors, and to enhance contributions to whole-of-government deliberations impacting on the department's policy agendas, including those not within its primary control.

Notably, the review advocated that the hybrid model, involving centralised analytical expertise in the SPD and dispersed analysts throughout policy divisions, is the most appropriate approach, as a critical mass of centralised competency is needed to nurture and grow analytical expertise on a continuous basis. In order to maximise their effectiveness, such centres of excellence should work in partnership with line policy areas on the basis of agreed work programmes and knowledge sharing arrangements.

2.3   BUSINESS PLANNING

The reviews established that the structures and practices for preparing *Statements of Strategy* have been much enhanced over recent years. All six organisations undertook internal and external

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[3] Department of Transport, Tourism and Sport

consultations when preparing them, and this involvement has generated considerable goodwill towards the process as a whole. The principal findings are as follows:

- Internal engagement: A variety of engagement methods are deployed. Of particular note is the use in one department of a 'mixed business units' and 'mixed grades' approach involving a cross-section of staff drawn from all divisions and grades to produce an agreed high level mission statement, assisted by an external facilitator. This method yielded a strong commonality of issues across individual groups, and generated much positivity and goodwill amongst managers and staff alike.

  The overall thrust of the evidence that is that internal engagement, although good and much improved, tends to diminish somewhat from Higher Executive Officer grade downwards.

- Linkages with performance: On the linkages between business planning and individual performance, the process works reasonably well as a framework within which the assignment and management of job roles are set. However, the strength of linkages and extent of synchronisation between the two processes varies not just between organisations but also business units. Generally though, the overall process works quite satisfactorily, particularly in disaggregating the objectives of a business unit to the level of individual staff members.

- Stakeholder engagement: Stakeholders are typically invited to make submissions on priorities that should feature in the ultimate *Statement of Strategy* although, in some instances, they were critical of the inadequate extent to which their views appeared to have been taken on board. In contrast however, a particularly novel and effective approach is used by Met Éireann whereby internal and external consultations are blended together and mediated through topic-specific task teams.

- Variable quality: A matter requiring some attention is the uniformity of quality across business plans within organisations. In some instances, there is little follow through by senior management to assess the quality of divisional and business unit plans, to ascertain the degree of commonality in approach between them, and to oversee effective implementation. Yet in some other cases, leadership is strong, with clear direction given and appropriate reporting arrangements in place.

2.4   STRATEGIC ALIGNMENT

The reviews confirmed that, overall, there is good engagement between departments and agencies, offices and institutions (if any) under their aegis to ensure strategic alignment and synergy between them. However, there are exceptions to general practice – for example, the development of the Courts Service's *Strategic Plan, 2017 – 2020* (Courts Service, 2016) did not have any input from the parent department, other than a submission from one internal division.

On the matter of strategic alignment, there are a variety of structures and mechanisms in place to ensure that there is cohesion between various national policy frameworks and departmental strategies and that they, in turn, guide regional and local authority based initiatives.

For example, each of the three *Regional Spatial and Economic Strategies (RSES),* which are prepared by the Regional Assemblies (2019), are required to be developed within the context of the *National Planning Framework (NPF)* and to be consistent with the objectives of *Rebuilding Ireland*, and each local authority must frame its County or City Development Plan by reference to both the relevant RSES and the NPF. In those regards, the Office of the Planning Regulator independently assesses whether there is conformity and, if not, the Minister can intervene.

2.5   APPRAISAL CAPABILITY

The *ex-ante* or forward-looking assessment of an investment proposal, commonly called an 'appraisal', constitutes a critical initial link in programme and project management. If done well, a strong

foundation is laid for intended benefits to be realised; if not, the risk profile will rise and poor outcomes may materialise. The main conclusions reached include the following:

- **Appraisal capability and capacity:** Not all departments with major capital programmes have an appraisal function, thus necessitating a reliance on line business units to undertake appraisal work. In that respect, their capacity and capability varies greatly between organisations.

  Even in those departments where there is a specialist appraisal function, it tends to be small (typically one to three people) and stretched and, frequently, the best use is not made of available skills.

- **Guidance:** As a supplement to the support materials readily available, departments should provide line staff, agencies and, where necessary, local authorities with guidance on how to conduct high quality appraisals. In that respect, a strong example was found relating to proposals for social housing projects.

  An internal Housing Market and Economics Unit in the Department of Housing, Planning and Local Government provides assistance to the relevant line division with examining appraisals for social housing projects from local authorities and in helping them to assess proposals from Approved Housing Bodies, including some worked up examples of best practice. Such guidance is necessary as local authorities tend not to have in-house capacity to undertake Cost Effectiveness Analyses (CEAs).

- **Governance:** All six organisations reviewed follow good practice when assessing project proposals and making funding decisions, with appropriate steps in place to ensure effective governance and impartiality in decision-making. The approvals process for the Rural Regeneration and Development Fund (RRDF)[4] provides an example of good practice, involving a combination of the line business unit and an independent Board adjudicating on applications.

- **Climate change assessment:** The unprecedented scale of capital investment set out in *Project Ireland 2040* and the suite of complex policy changes arising from the climate change agenda present departments with significant challenges in appraisal terms. In that regard, NewERA (New Economy and Recovery Authority) is providing designated departments with an important analytical and advisory support service.[5]

- *Ex-ante* analysis of programmes: The reviews indicate that very few *ex-ante* analyses of the strategic plans or investment programmes of departments and agencies are undertaken. The only such analysis conducted in recent times by any of the six organisations reviewed was of the *Strategic Framework for Investment in Land Transport* (Department of Transport, Tourism and Sport, 2015), which is an investment needs analysis of requirements to 2035 based on a 'steady state' assumption.

On appraisal capacity in the civil service generally, senior management in the Department of Public Expenditure and Reform and in the departments reviewed are acutely aware that current capacity is inadequate. The response to date has predominantly taken two forms:

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[4] The RRDF was established to 'provide investment to support rural renewal, strengthen and build resilience in rural communities and assist in the regeneration of towns and villages with a population of less than 10,000, and outlying areas.' As part of *Project Ireland 2040*, the Government committed €1 billion for the RRDF over the period 2019 to 2027, and initial funding of €315 million has been allocated on a phased basis over the period 2019 to 2022.

[5] NewERA provides centralised financial and commercial advisory services to a defined list of public sector entities (specified in legislation) and acts as a dedicated source of corporate finance advice to Ministers with respect to a number of designated bodies. On request by a Minister, NewERA may provide financial and commercial advisory services in relation to specific State bodies or assets. It can also provide advice on matters relating to methodology.

- **Programme Offices:** Some departments have either created new appraisal functions or augmented existing resources and have established Programme Offices to oversee the delivery of sectoral programmes under *Project Ireland 2040*.

- **Skills analysis for *Project Ireland 2040*:** The Department of Public Expenditure and Reform is undertaking a cross-government assessment of the skills and resources needed, including of an appraisal nature, to support the delivery of the capital investment programme under *Project Ireland 2040*. This work is expected to form an important part of the review recently announced by Government. Some individual departments are undertaking similar exercises for their own programme areas.

Overall, the principal findings from the reviews are as follows:

- **Appraisal capacity inadequate:** Appraisal capacity needs to be significantly bolstered if the capital plans and projects under *Project Ireland 2040* are to be delivered efficiently, and the associated risks identified and mitigated effectively.

- **Partnership approach:** Optimal results are achieved when line policy units work in close partnership with a specialist appraisal function, arising from the fact that the deep policy and operational knowledge of such units can be invaluable for providing guidance and challenging assumptions.

2.6   EVALUATION CAPABILITY

The *ex post* or retrospective assessment of an investment programme, project or scheme, commonly called an 'evaluation', can cast light on the dynamics of past performance, especially some features of best practice and any shortcomings, thereby helping in the future to strengthen decision-making and improve the design of similar initiatives.

There are examples of strategies and programmes having enablers for their future evaluation built into their design, with particular efforts being made to measure impacts. The 'Creative Ireland' programme is especially representative of best practice design whereby data to facilitate future evaluations is collected routinely as part of ongoing monitoring. Unfortunately, such practice runs against the general trend:

- **Major transport infrastructure projects:** No *ex post* evaluations have been either conducted or commissioned of some of the major national infrastructure projects over recent years – for example, the LUAS, M50 upgrade and Dublin Port Tunnel projects.

- **Housing and local government interventions:** Although a number of spending and value-for-money reviews have been undertaken, the Department of Housing, Planning and Local Government needs to increase its activity with regard to *ex post* evaluations. While line sections routinely monitor policies and programmes, more formal reviews of implementation, including of some major programmes such as housing delivery by Approved Housing Bodies and the local government reform programme, would be beneficial.

- **Enterprise-related evaluations:** Up until 2015, most of the work of the Strategic Policy Division in the Department of Business, Enterprise and Innovation was on *ex post* evaluations relating to work of either the department or its agencies. The capability review of that department confirmed that the number of evaluations had reduced significantly between 2015 and 2018.

- **Court projects:** With the exception of the Criminal Courts of Justice project, post-project reviews of major capital investments, including the construction, on a public-private partnership basis, of a suite of new courthouses nationwide, are not standard practice in the Courts Service.

Separately, the creation of the Court of Appeal was not examined post-establishment to inform similar change projects in the future. As a result, the Courts Service is not in a position to establish the extent of benefits realised relative to gains expected, or to apply the lessons learned to similar initiatives.

Notwithstanding the underdeveloped state on evaluations generally, there are nonetheless some examples of a new approach:

- Reviews of change projects: Despite its poor record on formal evaluations of infrastructure-related projects, a number of reviews of other aspects of the Courts Service's business have been undertaken, including of the Probate Service, the e-Licencing project[6] and the Combined Court Office[7] project. Notably, the latter two reviews determined that the absence of *ex post* evaluations and a lack of change management support were significant factors in not realising maximum benefits.

- Culture, Heritage and Gaeltacht projects and initiatives: *Ex post* evaluations feature as a regular business practice in these three broad policy areas. Notably, an emphasis is given to evaluation in their design and the collection of related data. In the opinion of internal and external stakeholders, the evaluations are produced to a high standard and include measurable actions which are followed up as part of the annual quality assurance process under the Public Spending Code (PSC).

- Preparation for impact measurement: The *Action Plan 2018 to 2022* (Department of Culture, Heritage and Gaeltacht, 2018), which supports the delivery of the *20-Year Strategy for the Irish Language 2010 to 2030* (Department of Community, Equality and Gaeltacht Affairs, 2009), is strong on measurement. Although it places an emphasis at present on outputs rather than outcomes, it is planned to shift the focus towards the latter. As a critical enabling step, the department has been working closely with the Central Statistics Office on devising and piloting a new set of questions for the 2022 Census of Population questionnaire.

  As a result, base year indicators will be established on the health of the Irish language in terms of proficiency and usage. Of special relevance will be the number of people in communities speaking the language and the opportunities for them to do so, particularly in day-to-day social settings. In time, such data will be indispensable for measuring and evaluating the effectiveness of interventions.

- Rural and community development evaluations: The Department of Rural and Community Development plans to adopt a programmatic approach to the evaluation of its schemes. In practice, this will mean that schemes will be evaluated in aggregated form under eight themes such as 'Programme for Rural Development' and 'Programme for Community Development'. Ultimately, the programmatic evaluations will follow the model set out in the PSC by reference to rationale, efficiency and effectiveness.

  With a view to measuring impacts in the future, the department has commissioned the ESRI to assist with the development of appropriate best practice indicators. A core element of that work involves an examination of some international best practices for monitoring and evaluating programmes and activities similar to those administered by the department.[8]

- Spending Reviews: Such reviews, which commenced in 2017, aim to subject programmes and policy areas to critical assessment on a rolling basis. They examine various areas of activity

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[6] System for processing licence applications and related documents requiring Court approval.
[7] A Combined Court Office is a unitary support service to the Circuit and District Courts.
[8] Pending the establishment of the programmatic approach and its incorporation into business practice, individual schemes and projects are evaluated by means of Focused Policy Assessments. Such assessments are usually designed to answer specific questions relating to policy configuration and delivery, especially those of a cross-cutting nature, and can involve the use of one or more evaluation criteria.

through the lenses of efficiency, effectiveness and rationale, and are published in mid-July each year as part of the Estimates process. The Irish Government's Economic and Evaluation Service (IGEES), which is based in DPER, exercises the lead role and works collaboratively with the relevant department, office or agency.

Regarding the six organisations reviewed, a Spending Review was undertaken of a subset of expenditure areas and reform initiatives undertaken by the Courts Service, as well as a further three reviews of various aspects of housing policy.

Overall, the OCR reviews made the following three core findings:

- **Capability and capacity underdeveloped:** The capability and capacity to undertake *ex post* evaluations is very limited in civil service organisations and is well below what it should be, given especially the scale and complexity of many programmes.

- **Reviews not the norm:** Post-project reviews are not standard business practice and need to become embedded as a business norm in order to apply lessons learned and determine realised benefits against expected gains.

- **Impacts need attention:** Although there are examples of good practice and planning with regard to the measurement of impacts, insufficient priority and effort are devoted to developing structures and processes for such work, thereby making *ex post* evaluations much more difficult to conduct than they ought to be. It would be especially useful therefore to determine at the outset of a new initiative those indicators most appropriate for measuring impacts and to put systems in place for the routine collection of constituent data in order to facilitate high-quality evaluations into the future.

AREAS OF STRENGTH OR NOTE

2F1   Policy initiatives: Over the past five or so years, major progress has been made in producing new policies, strategies and programmes across a diverse range of economic, social and cultural themes.

2F2   Policymaking skills: The departments reviewed have strong capacity and capability to develop high-quality policies, and have particular strengths that enable them to lead on, and contribute to, the policymaking agenda in impactful ways.

2F3   Business planning: The structures and practices for preparing *Statements of Strategy* have been much enhanced over recent years, especially in terms of stakeholder engagement and, as a result, goodwill has increased towards the process as a whole.

2F4   Strategic alignment: Generally there is good engagement between departments and agencies under their aegis to ensure that strategic alignment is achieved between departmental policies and agencies' plans. There is evidence too that appropriate steps are taken to synchronise a department's policies and priorities with national policy frameworks, the strategies of other government departments, and the plans of local authorities.

2F5   Building appraisal capacity: A number of departments have either created new appraisal functions or strengthened existing units within the context of delivering sectoral programmes under *Project Ireland 2040*.

2F6   Evaluation in policy design: In policy areas relating to culture, heritage, Irish language, rural regeneration and community development, the relevant strategies and programmes tend to have enablers for their future evaluation built into their design. In that respect, special efforts are being made to put foundations in place for measuring impacts into the future. The challenges encountered, the methodologies adopted and the lessons learned should be shared and studied across the government system.

2F7   Lessons from a new programmatic model: It is planned that future reviews and evaluations of rural and community schemes will be undertaken on a programmatic rather than individual scheme basis. There may be lessons for other policy areas arising from this reorientation.

MATTERS REQUIRING ATTENTION

2L1   Specialist research function: In order to nurture and grow analytical expertise, it may be appropriate for some departments to consider establishing a centralised research function. Such a function, operating on the basis of agreed work programmes, would act as a support and advisory service to business units in exercising their policymaking roles.

2L2   Leveraging agencies' expertise: Departments might usefully contemplate whether they should do more to leverage the sectoral expertise and research capability of agencies when developing policy.

2L3   Quality and delivery of business plans: Management Boards should consider how uniformity in the quality of business plans within their organisations might be improved, as well as reporting on delivery by reference to milestones and targets.

2L4   Appraisal capacity: Overall appraisal capacity is inadequate. Where specialist appraisal functions do exist, they tend to be under-resourced and where there is a reliance on line business units to undertake such work, both capacity and capability vary greatly within and between organisations.

Therefore each organisation with major capital programmes should assess future needs and the efficacy of current structures.

2L5 **Evaluation capacity:** The capacity to undertake *ex post* evaluations is very limited and is well below what it should be, given especially the scale and complexity of many programmes. That problem is compounded by the fact that evaluation units do not exist in some large policy-making and programme delivery departments and, where they do, they tend to be poorly resourced.

2L6 **Post-project reviews:** Retrospective reviews of projects are not standard business practice and need to become embedded as a business norm. In the absence of such reviews, it is not possible to determine realised benefits against expected gains and to apply lessons learned to the development of new and similar proposals.

2L7 **Impact measurement**: Insufficient priority and effort are given to developing structures and processes for measuring impacts. Therefore at the outset of a new initiative, those indicators most appropriate for measuring impacts should be determined and systems put in place for the routine collection of constituent data in order to facilitate high-quality evaluations into the future.

This chapter examines the effectiveness of structures and processes to implement policies and strategies, major national programmes, and the wide variety of schemes administered by some departments. Other areas considered are customer service, innovation and continuous improvement, governance, and risk management.

3.1.1   DELIVERY OF POLICIES AND STRATEGIES

A critical challenge when developing a new policy or strategy is to work through how long delivery will take, and what needs to be done to transform it into an actionable agenda. In those respects, the reviews reached five core conclusions:

- Implementation in design: There are strong examples whereby performance targets, timelines, senior responsible owners and implementation mechanisms are incorporated into the design of new policies and strategies, such as the *National Planning Framework*. Further examples include:

    - The *Action Plan for Jobs, 2018* (Department of Business, Enterprise and Innovation, 2018) and the related *Future Jobs* initiative (Department of Business, Enterprise and Innovation, 2019) include overarching delivery targets at national and regional level, and for which departments and agencies are required to work together to deliver agreed action points for specified years ahead, and

    - The *River Basin Management Plan for Ireland, 2018 – 2021* (Department of Housing, Planning and Local Government, 2018) which complements the *Water Services Policy Statement* (Department of Housing, Planning and Local Government, 2018), is particularly strong on implementation mechanisms and provides for a broad range of specific sector- and community-based actions which require multidisciplinary and cross-agency approaches.

    However, the reviews also uncovered examples where delivery is not given sufficient attention in the design of strategies. Relatively common shortcomings include underdeveloped performance targets and a lack of clarity regarding the lead owners for some actions, especially those spanning a number of organisations and internal divisions.

- Review mechanisms: The delivery of policies and strategies can benefit from mid-term or other interim reviews to test the ongoing appropriateness of targets and the effectiveness of interventions. A good example is the *National Volunteering Strategy, 2021 – 2025* (Department of Rural and Community Development, 2020) which has ongoing monitoring and evaluation built into its design which will help impacts to be determined and, if necessary, the strategy to be reviewed and refocused over its five year duration.

- Local level guidance: For strategies that rely heavily on community-based groups for delivery, local level guidance and support can be especially valuable.

    For example, in the case of the 26 local language plans in Gaeltacht areas to support delivery of the *20-Year Strategy for the Irish Language,* Údarás na Gaeltachta provides an advisory service to community groups when developing their plans and ultimately recommends their approval to the Minister when completed to the requisite quality standard.

    Overall though, there is considerable scope for departments and other state bodies to develop standardised guidance for implementation purposes, including for those external stakeholders having delivery responsibilities.

- **Inclusive oversight arrangements:** Such mechanisms, involving relevant departments, agencies and stakeholders and supported by regular and focused reporting, can help significantly with delivery, and resolving problems at sectoral and local levels.

  For instance, the *Water Services Policy Statement, 2018 to 2025*, which is supported by an investment programme of €8.5 billion, sets out the range of policy objectives relating to water quality, conservation and future-proofing to be pursued. A small number of multidisciplinary teams oversee and monitor progress, involving the parent department, Irish Water, the Commission for the Regulation of Utilities, NewERA and DPER. These engagement structures are well structured and focused strongly on delivery.

  Overall, the reviews found that inclusive oversight delivery arrangements are a notable delivery strength of departments.

- **Pace of delivery:** For a small number of policies, strategies and programmes, concern was expressed that the pace of delivery is sometimes too slow. Generally, there is some validity to these assertions, especially where legislative change and cross-government or cross-sector actions are required.

The thrust of the evidence is that departments are increasingly conscious of the need for new policies and strategies to have implementation targets and delivery mechanisms built into their design. However, greater account generally needs to be given at the outset to the factors, resources and timelines impacting on delivery.

3.1.2   DELIVERY OF *PROJECT IRELAND 2040*

Some of the organisations reviewed have responsibility for delivering major national programmes, especially largescale capital plans under the *Project Ireland 2040* investment strategy. The reviews point to areas of both considerable strength and major challenge as departments plan for significant programme and project delivery over the next number of years.

Briefly, the delivery model for *Project Ireland 2020* comprises five features:

- **Project Ireland 2040 Delivery Board,** which is co-chaired by the Secretaries General of the Department of Housing, Local Government and Heritage and the Department of Public Expenditure and Reform and is comprised of Secretaries General from other relevant departments.

- **Coordination Group,** which includes Assistant Secretaries and Principal Officers with direct responsibility for delivery.

- **National Investment Office (formally known as the Investment Programmes and Projects Office),** which is based in DPER and supports the Delivery Board by examining capacity and capability to deliver the capital programme across government and tracking construction sector trends.

- **Internal departmental coordination teams,** which typically are led by an Assistant Secretary and seek to ensure that appropriate coordination is achieved between relevant internal business units involved in matters arising from the *Project Ireland 2040* agenda.

- **NDP Project Tracker,** which is managed by DPER and whereby data is categorised according to the various stages of a project from initiation to completion and is supported by GIS mapping.

Regarding delivery **strengths**, the reviews made three core findings:

- **Delivery model:** The centralised overarching structures and processes to provide support and oversee delivery of the various investment programmes under *Project Ireland 2040* are well designed and led.

- **Programme and project management capacity*:*** Some departments have taken the critical first steps towards ensuring that they will have the necessary structures, staff and skills to deliver on their respective programmes*.* Those steps include assessments of future skills needs and the establishment of Programme Offices.

- **Collaboration with delivery entities:** Reflecting a history of strong cooperation between national and local-level delivery entities, some strong partnerships are being developed or strengthened to foster effective implementation, most notably with local authorities, entities under their aegis, and the national cultural institutions.

A critical contextual enabler is the commitment of senior management across the civil service. At the level of individual departments and agencies, there is a well-developed sense amongst Management Boards that the *Project Ireland 2040* investment strategy offers a major step change in capital investment across a broad range of sectors and activities. Driven by that recognition, there is a strong determination at the most senior management levels to achieve successful and sustainable outcomes.

Regarding delivery **challenges**, a number of conclusions were reached:

- **Structural delivery challenge:** Departments face considerable capability and capacity challenges in seeking to deliver efficiently and effectively on the ambition of the various programmes under *Project Ireland 2040*. Those challenges relate fundamentally to the development of well-designed and appropriately resourced programme and project management structures and systems at a departmental level.

- **Delivery master plan:** Well-researched assessments of phased delivery are critical for successful outcomes. Such assessments would need to differentiate between types of projects, schemes and programmes and include estimates of investment needs, likely sequencing of delivery, and indicative timetables for commencement and completion.

- **Skills needs assessments:** A delivery master plan would need to include a comprehensive skills needs analysis differentiating between short- and medium-term requirements as projects mature through the project life cycle. The process should involve exploration of possible economies of scale through secondment and partnership arrangements.

A notable feature of *Project Ireland 2040* is that much of delivery will be back-ended over the life of the plan, with the early stages being devoted primarily to appraisal and planning activities. Nonetheless, there will still be a significant acceleration in expenditure under some programmes over a relatively short period – for example, from €54 million in 2018 to €110 million in 2022 in the case of heritage projects. As a result and as already noted, different skillsets will be required to meet the needs of different project stages, and that will present major challenges.

3.1.3 DELIVERY OF OTHER NATIONAL PROGRAMMES

Some of the six organisations reviewed have responsibility for implementing a variety of national programmes other than those investment plans set within the context of *Project Ireland 2040*. Examples include as the *Decade of Centenaries 1913 to 1923* programme, Creative Ireland, the Social Inclusion Community Activation Programme (SICAP) and LEADER. The reviews found that implementation, although involving a variety of delivery models, is notably strong in the following two respects:

- **High quality engagement:** Delivery of major national programmes involves extensive engagement and partnership across the government system, both national and local, and in partnership with broad stakeholder interests. Overall, such engagement seems quite exemplary, including where the delivery model comprises a large number of delivery entities such as the SICAP which is

managed by 33 Local Community Development Companies with support from the 31 local authorities and Pobal.

Similarly, delivery of the 'Creative Communities' initiative as part of the Creative Ireland programme involves considerable collaboration between the relevant lead departments and a Culture and Creativity Team in each of the 31 local authorities to foster collaboration and new initiatives. Each team comprises cross-sectoral expertise from the arts, heritage, libraries, enterprise and communities. Through such means, each local authority is implementing a five-year *Culture and Creativity Strategy, 2017 – 2022*.

- Linkages between inputs with outputs: The Creative Ireland and LEADER programmes provide good examples of how implementation arrangements can successfully include linkages between financial inputs and creative/developmental outputs at aggregate and local levels.

3.1.4 DELIVERY OF SCHEMES

A number of the organisations reviewed oversee and manage the delivery of schemes, some as subsets of strategies and programmes, and others as standalone initiatives, often involving a tiered delivery structure comprising national, local and community-level bodies. The suite of schemes administered by the Department of Rural and Community Development provides a good example of how implementation in a complex environment can be done successfully.

The core of the delivery model is organised around three elements: (a) the department as the lead accountable manager for delivery; (b) either the department or Pobal as the lead administrator or processor; and (c) local government and local community-based bodies as the delivery agents.

Of particular note is the local-level delivery model whereby local- and community-based entities are responsible for on-the-ground delivery as follows:

- 31 local authorities, with the County and City Management Association (CCMA) and the Local Government Management Agency (LGMA) working to achieve cohesion across the sector.

- 49 Local Development Companies (LDCs) which assist communities and disadvantaged persons/groups in the areas of personal development, social exclusion and social enterprise.[9]

- 33 Local Community Development Committees (LCDCs) which are statutory committees of local authorities under the *Local Government Act, 2014*. They work to match local community needs with the department's various programmes by bringing together local authority members and officials, state agencies and NGOs into direct contact with LCDC members. They comprise between 15 and 21 members depending on council size and local circumstances.

- 31 Public Participation Networks (PPNs) which provide local community groups with a structure for formal engagement with local authorities.

The core finding is that despite the involvement of a myriad of state agencies, local authorities and community-based bodies, delivery is a strong point of the Department of Rural and Community Development. The extended delivery model, though cumbersome, performs in a reasonably effective way, despite a fragmented ICT state apart from those schemes administered by Pobal. The reason lies in three key strengths:

- Relationships with local government: The department's relationships with the local government sector, which are critical for delivery purposes, are managed very well, at both senior management and business unit level.

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[9] Altogether, LDCs deliver programmes and projects on behalf of all Government Departments totalling some €330 million per annum although that amount varies from year to year.

- **Service provided by Pobal:**   Managers and staff rate very highly Pobal's quality of service: the supporting ICT systems are state-of-the-art, the data infrastructure is strong, and regular reports are provided on schemes by reference to inputs, outputs, target groups and costs.

- **On-the-ground engagement:** Senior managers make major efforts to get on-the-ground exposure regarding the challenges faced in actual delivery. As part of those efforts, strong relationships have been forged with local and community bodies extending from local authorities, LDCs, LCDCs, PPNs and NGOs like The Wheel and Irish Rural Link.

A particular challenge arises though in terms of cohesion at local government level. As local authorities are statutorily-based independent entities, it can often be difficult to achieve consistency in delivery and communications, even though bilateral relationships with the department are strong, and the City and County Management Association and the Local Government Management Agency perform co-ordinating roles for the sector as a whole.

3.2   CUSTOMER SERVICE

With a view to improving the overall quality and consistency of customer service, Action 2 of the *Our Public Service 2020* (Department of Public Expenditure and Reform, 2017) includes a series of actions relating to targeted staff training, efficient ICT systems, the use of plain English, timely and comprehensive information for the public, standardised business practices, and regular customer and stakeholder research.

Although variations exist in the quality of service delivery between and within office locations, there are examples too of high quality customer service in all the organisations reviewed, with large numbers of managers and staff demonstrating a day-to-day commitment to high standards. Departments and offices, which engage in a lot of public-facing transactional activity, are especially focused on customer service, with delivery moving increasingly to online provision and quality assurance monitoring.

For example, the Companies Registration Office transacts nearly two million requests every year via its website, including new applications, and the Shannon-based Driver and Vehicle Computer Services Division monitors all telephone calls and emails requests for quality assurance purposes. However, the totality of the research revealed a number of areas of concern:

- **Customer research:** Call monitoring, customer surveys and focus groups to assess service delivery against customer expectations are not commonplace except for some public-facing transactional services. On user groups specifically, the Courts Service is quite exceptional in having such groups in place for testing and refining service delivery and, even in that instance, it was found that there is scope to collaborate more regularly and formally with external stakeholders. Generally across the organisations reviewed, service quality is not tested to the extent that it should be and, as a consequence, potential opportunities to improve service and promulgate good practice are foregone.

- **Video-conferencing:**   The deployment of technologies such as Digital Audio Recording in courtrooms and video-conferencing in more mainstream work settings are delivering efficiencies and improving the customer experience. A problem though is the diversity of video-conferencing systems in use across the civil service which are impacting negatively on service delivery and creating avoidable costs.

- **Website information:** Most websites host lots of useful and relevant information although in one or two cases, the design is not user friendly, navigation is difficult and search functionality is in need of attention. More encouragingly though, the creation of *gov.i*e has improved general accessibility quite considerably.

- **Service delivery through Irish:** Capacity and capability on accredited Irish language translation is a notable gap. As a first step, organisations might usefully quantify Irish language proficiency in each public facing area of business and produce representative estimates of service demand.

- **Management support for frontline staff:** While frontline staff tend to take seriously their customer service role, the necessary organisational support is not always there. Apart from processing-type entities, the general picture is that manuals for frontline staff are rare, organisation charts are sometimes out-of-date, and customer service training needs attention.

- **Variable service:** References were made in various staff and stakeholder engagements throughout the review process to the challenges of locating the appropriate official to take public phone queries, variations in telephone, postal and email responsiveness, and variability in the quality of front-desk engagement.

  More positively, it is noteworthy that many internal facing supports to a Minister and external facing services to the public are underpinned by protocols on response timelines. In the case of the latter, some have a legal standing such as Freedom of Information requests and payments to suppliers.

3.3   INNOVATION AND CONTINUOUS IMPROVEMENT

Innovation and continuous improvement are indicators of flexible and adaptable organisations. The reviews yielded examples of well-planned innovation and change that is delivered with the requisite professionalism and at the appropriate pace; there are also some instances where necessary change has been stalled because of inertia or obstacles at organisational and cross-government levels; and there are yet other examples where no serious effort has been made to address longstanding systemic weaknesses in the way business is conducted.

- **Example of innovative change:** The Programme of Renewal and Transformation for the Driver and Vehicle Computer Services Division has involved the development and delivery of multiple projects between 2017 and 2020 to improve business processes and public-facing services.   Innovations include the development of a strategic technical roadmap to deliver real-time Application Programming Interface (API)-based data services, and the replacement of legacy applications with web- and mobile-enabled applications, such as a new online Driving Licence Application and Renewal Service based on the API technology.

- **Example of change needed:** In the NPWS, a number of same and similar tasks are carried out in different ways in different parts of the country, such as on licensing. Consequently, the review process recommended that there is a need to streamline and standardise the assessment and approval of licences on a national basis, to streamline the electronic processing of planning consents, and to develop readily accessible guidance for staff.

- **Example of changed stalled:** Even though the draft Heads of a Bill to facilitate e-filing were prepared in 2012 and submitted at that time by the Courts Service to its parent department, the matter has not progressed any further since then.

More generally, the *Civil Service Staff Engagement Survey, 2017* suggests strongly that innovation is in need of attention.   This synchronises with findings from the capability reviews. Although there is strong and ample evidence of innovation in policymaking, the situation is more diffuse regarding operational activities – *see chapter 4 for details.*

Of particular note is the need for organisations to give priority and attention to standardising processes, procedures and protocols for the administration of same and similar tasks, and their subsequent promulgation amongst staff. For many activities, the consistent application of well-developed standards is critical for good service delivery, effective risk mitigation and strong ICT design.

3.4   GOVERNANCE

Many departments have agencies under their remit that span a broad and diverse range of activities. Good governance is central to effective oversight and accountability. Typically, a governance model comprises a number of features as follows:

- **Governance Framework:** Each department and office is required to produce and regularly update a Governance Framework, which sets out the various principles, structures, responsibilities and arrangements to facilitate effective governance. The Framework, the *Code of Practice for the Governance of State Bodies* (Department of Public Expenditure and Reform, 2016) and the *Public Spending Code* (Department of Public Expenditure and Reform, 2019) are all used as reference points for how governance should be structured and implemented.

- **Oversight Agreements (OA) and Performance Delivery Agreements (PDAs):** It is common practice that Oversight Agreements are agreed annually between a department and an agency's Board, and PDAs are agreed at Chief Executive or equivalent level. The PDA is in effect a performance contract in which an agreed level of service is formalised. Typically it includes targets for the year ahead and defines the output and outcome indicators by which performance should be measured. The general view amongst CEOs is that the process has improved significantly over recent years and that there is meaningful dialogue when agreeing annual performance targets for agencies.

- **Senior management meetings:** It is common for the Head of an agency to meet their line Assistant Secretary and/or designated Principal Officer every quarter, with a particular emphasis given to reviewing performance against agreed targets.   That is supplemented by more frequent engagement with the relevant business unit on specific matters.

- **Liaison arrangements:**   The day-to-day bilateral relationships tend to be managed through a combination of liaison units and line business units. Formal bilateral meetings are common, with the frequency ranging from bi-monthly to quarterly. Overall, the liaison arrangements work satisfactorily.

Although the reviews do not recommend any particular governance model, they nonetheless propose that where a department has many and varied agencies, consideration should be given to establishing a centralised governance function if not already in place. Such a function would act as a centre of advice and assistance to line divisions on governance matters, and help ensure a cohesive application of policy throughout the department, including on appointments to Boards.

Generally, the capability reviews reached six findings relating to governance:

- **Governance a strength:** In the view of the vast majority of agencies interviewed, governance by departments is proportionate and well managed, with management and staff having a deep knowledge of the business of individual agencies and the environments within which they operate.

- **Decision-making – pace:** The pace of governance-related decision-making drew adverse comment from a small number of agencies. Examples include delays in clearing corporate plans and filling Board vacancies. In a department's defence though, there are legitimate factors at times that make decision-making longer than may seem necessary such as legislative amendments, government decisions and ministerial consents.

- **Micro-management:** A much more common complaint by agencies (particularly the commercial companies) is that parent departments can be overly-concerned with micro-managing them and that rather than focus on the big strategic issues, they devote far too much time and scarce resources to probing matters that are more appropriate to an agency's management and Board of Directors.

- **Board members' tenures and duties:** The tenures of Board members vary greatly across agencies, and there are inconsistent practices on staggering tenures, thereby giving rise to risks around succession planning. Thus, departments should explore the practicality of managing the process so as to guard against the effects of multiple retirements occurring around the same time. Some issues were also evident in a number of non-commercial entities relating to the extent of Board members' full understanding of their corporate and fiduciary responsibilities. Thus, departments need to be attuned to the associated risks and their potential effects.

- **Shared priorities:** Agencies feel at times that their own priorities are not always given the necessary weight and support by their parent department. In that respect, two notable recommendations were made in the review of the Courts Service:

  - **Parent department:** There is a need for the relationship with the Department of Justice and Equality to be elevated to a more strategic level, so that the necessary supports in terms of resourcing and legislative measures are available to assist with improving access to justice, reducing complexity in the legal process, bringing down costs, and developing alternatives to litigation.

  - **Priorities:** The bilateral relationship should be strengthened at a senior level so as to set agreed priorities, review their appropriateness as deemed necessary, assess progress on their implementation, and gain a better mutual understanding of respective challenges and constraints.

  It may be useful for departments to reflect on whether similar refinements to their relationships with any of their agencies are warranted. As already noted in chapter 1, section 1.2, the reviews make a general recommendation that an agreed set of shared priorities between a department and any agency under its aegis should become common practice.

- **Community and local delivery entities:** There is scope for those departments, which rely on local authorities for delivery, to deepen engagement between their Management Boards and the County and City Management Association. Furthermore, those departments will need to give ongoing attention to their engagement arrangements with the local government sector generally given, in particular, the number and diversity of local- and community-based entities that are implementing programmes and schemes on their behalf.

3.5   AUDIT AND RISK MANAGEMENT

The six organisations reviewed have risk management models and internal audit functions in place and while there are some variations between them, they share a lot of common features, with high quality models typically having the following elements:

- **Scope:** The scope of a risk management process is confined to the business of the department or office itself. Agencies and other entities under the aegis of a department have their own processes which include reporting mechanisms to their own Boards.

- **Risk Management Framework:** This document includes a statement of commitment to the adoption and implementation of an effective risk programme and sets out the overall approach towards that end.

- **Risk Management Committee:** This committee develops and reviews risk policy, processes and standards and oversees the implementation of risk-mitigating actions. It is usually chaired at Secretary General, Assistant Secretary or equivalent level and includes other members of the

Management Board and the Head of the Finance Unit,[10] along with the Internal Auditor who generally attends in an observer capacity. None of the six committees covered by the reviews had external representation.

- **Chief Risk Officer:** As required under the *Code of Practice for the Governance of State Bodies*, each organisation has in place a Chief Risk Officer who reports to both the Risk Management Committee and the Management Board.

- **Corporate/Departmental Risk Register:** This register, which tends to be reviewed by the Risk Management Committee every quarter, describes the high-level risks of an organisation and sets out the controls and actions in place to mitigate against them.   While varying considerably between organisations, registers tend to include some or all of the risks of a strategic, reputational, financial, legal, operational or compliance nature.

- **Scoring risks:** Most Risk Registers categorise risk as 'high', 'medium' and 'low' as determined by an internal marking system. Those categorised as 'high' refer to the severity of impact rather than the probability of occurrence.

- **Divisional Risk Registers:** Each Assistant Secretary, in conjunction with their Principal Officers, is required to prepare a Divisional Risk Register. If a risk is above a certain value score, then it is added to the Corporate Risk Register and considered by the Risk Management Committee.

- **Business Unit Risk Registers:** As part of the business planning process, each individual business unit produces a Risk Register at the beginning of the year, with good practice suggesting that it should be reviewed every quarter.

- **Risk Appetite Statement:** A recent development is the decision by a small number of departments to develop a Risk Appetite Statement, which specifies the levels of risk an organisation is prepared to tolerate in certain areas of its business – for example, no risk accepted for financial issues but a moderate risk level might be allowed for certain policy matters. This innovation is in the early stages of application in the civil service.

- **Risk mitigation:** Risk registers are linked to the annual business planning cycle. For a well-designed register, each of the major risks is accompanied by the proposed controls, time-bound mitigating actions and assigned risk owner(s).

Although the reviews found that risk is managed reasonably well, a number of issues of concern were uncovered as well:

- **Risk awareness:** Even though the great majority of staff are provided with opportunities to contribute to the business planning process and the constituent risk management element, staff awareness of risk varies from reasonably good to quite poor. As a consequence, it is proving difficult to convert the risk register process into a useful business tool for line business units and to integrate risk management into day-to-day planning and work.

- **Number of risks:** In some of the organisations reviewed, the number of risks included on the Corporate/Departmental Risk Register is very large – 170 in one case and 140 in another – whereas in another comparable department, the number was only 29.   The inclusion of high numbers of risks can make it difficult to make discriminating assessments regarding importance, probability and impact.

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[10] In the case of the Department of Housing, Planning and Local Government, the Risk Committee, which has representatives from each Division and is chaired by a Principal Officer.

- **Risk exclusion:** Although the reviews did not produce any findings on the appropriateness of risks identified on risk registers, it was surprising that some strategic risks tend not to feature, such as up-coming largescale retirements, the impending loss of specialist staff, and the ongoing dependency on certain ICT applications for which there is a dwindling support base.

- **Risk mitigation:** The follow-up mitigating actions vary in quality and effectiveness between organisations and individual business areas, thus pointing to a need for stronger organisation-wide standards to be set and implemented.

- **EU infringement cases:** The situation regarding EU infringement cases against Ireland has been improving steadily over the past ten years, including on environmental matters. Such cases, when they arise, feature on the corporate risk register of the relevant department or body and mitigating actions are invariably pursued.

  At times, the situation demands that additional resources should be acquired to mitigate a risk. A recent positive example was the targeted recruitment programme for ecologists in the NPWS and the development of follow-up action plans to help address the issues raised in two Opinions of the European Court of Justice.

  In a related vein though, the legal support services available within departments are often very limited, thereby giving rise to avoidable risk. For example, some departments would appear to need specialist environmental legal support to develop standardised guidance on interpreting and applying Regulations under EU Directives.

Regarding audit, this function operates very satisfactorily in each of the six organisations reviewed and, typically, it is structured appropriately, governance is strong and the capability of each Internal Audit Unit is high.

FINDINGS AND LESSONS

AREAS OF STRENGTH OR NOTE

3F1   Implementation in policy design: There is a growing awareness on the part of departments regarding the need for new policies and strategies to have implementation targets and delivery mechanisms incorporated into their design.

3F2   Delivery under *Project Ireland 2040:* Some departments have taken the critical first steps towards ensuring that they will have the necessary structures, staff and skills to deliver on their respective programmes under *Project Ireland 2040.* Those steps include assessments of future skills needs and the establishment of Programme Offices.

3F3   Linking inputs to outputs: The Creative Ireland and LEADER programmes demonstrate that implementation arrangements can successfully include linkages between financial inputs and creative/developmental outputs at aggregate and local levels.

3F4   Governance: The arrangements relating to the governance of agencies are generally effective and proportionate.

3F5   Audit and risk management: A high degree of importance is attached to the identification and management of risk, and audit functions are strong.

MATTERS REQUIRING ATTENTION

3L1   Implementation in policy design: Greater account needs to be given to the factors, resources and timelines impacting on the delivery of policies and strategies when they are being developed and finalised.

3L2   Delivery under *Project Ireland 2040*: Departments face considerable capability and capacity challenges in seeking to deliver efficiently and effectively the various programmes under *Project Ireland 2040*. At the level of individual departments with major capital programmes, the reviews identify the following requirements as critical for successful outcomes:

- **Structures:** Well-designed and appropriately resourced programme and project management structures and systems

- **Project plans**: Assessments of phased delivery, differentiating between types of projects, schemes and programmes and including estimates of investment needs, likely sequencing of delivery, and indicative timetables for commencement and completion, and

- **Skills analyses:** Comprehensive skills needs analyses differentiating between short- and medium-term requirements as projects mature through the project life cycle.

3L3   Customer research: Service quality is not tested to the extent necessary by means of call monitoring, customer surveys and user groups.   As a result, opportunities to improve service and disseminate good practice are foregone.

3L4   Multiple communications platforms: While the deployment of video-conferencing technologies is delivering efficiencies and improving the customer experience, the diversity of communications platforms in use across the civil service is creating avoidable challenges for service delivery.

3L5   Process standardisation: There is a particular need for priority and attention to be given to standardising processes, procedures and protocols for the administration of same and similar tasks, which can be critically important for good service delivery, effective risk mitigation, and robust ICT design.

3L6   Governance model: If not already in place, those departments with multiple agencies of diverse remits might usefully consider a centralised governance function so as to ensure the application of a cohesive governance policy.

3L7   Board tenures and training: Departments should explore the practicality of staggering the tenures of Boards in order to guard against the effects of multiple retirements occurring around the same time.   Regarding Board members of non-commercial entities, training on their fiduciary responsibilities should form part of standard governance practice.

3L8   Local government engagement: There is scope for those departments which rely on local authorities for delivery to deepen engagement between their Management Boards and the County and City Management Association and, where relevant, to give ongoing attention to the effectiveness of local- and community-based delivery models.

3L9   Risk management: Some organisations include far too many risks on the departmental risk register, thus making it difficult to make discriminating assessments regarding importance, probability and impact.

3L10   Risk awareness: Awareness of risk amongst staff can vary greatly and, generally, risk management remains significantly underdeveloped as a business planning instrument.

4. ORGANISATIONAL CAPABILITY

This chapter is concerned primarily with organisational vision and identity, the effectiveness of HR functions, strategic HR planning, and staff management and development, as well as capability in other corporate functions such as ICT, and knowledge and data management.

4.1 VISION, IDENTITY AND MORALE

Matters relating to vision, identity and morale, while forming part of the formal methodology for the reviews, tended to emerge organically and spontaneously over the course of evidence gathering.

VISION

The question of whether individual departments and other civil service organisations should develop a long range vision for their business was explored to varying degrees. A number of issues surfaced and factors raised which are relevant to this issue:

- Policy v organisational: In the case of the departmental reviews, vision is largely synonymous with an overarching long-range policy document that acts as a central guide for policy development and delivery such as the *National Planning Framework*, *Project Ireland 2040* or an integrated land transport policy.

  In contrast, interviewees in the review of the Courts Service tended to frame the matter by reference to the *Transforming Administration and Structures in the Courts* report (Courts Service, 2010) and /or the development of an ideal end state for ICT which was widely regarded as in need of special attention.

- Departmental reconfigurations: For organisations like the Department of Culture, Heritage and the Gaeltacht which are subject of frequent and substantial reconfigurations, the formulation of a long-range vision for the organisation tends to be questioned on the grounds of buy-in, practicality and impact.

- Functional reassignments: For bodies such as the NPWS, which are reassigned quite frequently to different departments due to political decisions to reconfigure functions, some staff and stakeholders believe that a long-term vision for the NPWS itself would be more meaningful and beneficial to them than a high-level departmental one.

Irrespective of how it is imagined, the reviews indicate that a long range vision, whether expressed in policy or organisational terms or both, can be a significant business asset.

From the policy perspective, a good example can be found in the *National Biodiversity Action Plan, 2017 – 2021* (Department of Culture, Heritage and the Gaeltacht, 2017). This plan is the third in a series and it maps strongly onto a guiding vision,[11] which provides a framework for tracking and assessing progress towards the achievement of seven strategic objectives. In this way, there is continuity in policy formulation and implementation over quite an extended timeframe.

It is notable that even in organisations with stable business remits, a long-term vision can be important to staff. For example, in the Courts Service many business managers and staff perceive a real benefit in developing a long term vision that would be informed by an assessment of the likely shape and characteristics of the organisation's operating environment over the next ten to thirty years.

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[11] *Ireland's Vision for Biodiversity*: "That biodiversity and ecosystems in Ireland are conserved and restored, delivering benefits essential for all sectors of society and that Ireland contributes to efforts to halt the loss of biodiversity and the degradation of ecosystems in the EU and globally." (Department of the Arts, Heritage and the Gaeltacht, 2010).

IDENTITY

A department can have multiple missions and affiliations, with the sense of affinity and identity felt by staff being anchored first and foremost on the business area in which they work or the policy area they serve. For example, staff working in the NPWS tend to identify themselves with that entity rather than their department as a corporate body, thereby presenting senior management with challenges around organisational cohesion.

The review of the Department of Culture, Heritage and the Gaeltacht, which underwent seven reconfigurations of functions between 1993 and 2017 (and has been further reconfigured since the OCR review was completed in 2019), provides some pointers on how such cohesion might be achieved. In particular, the Management Board worked diligently at developing a holistic departmental identity and encouraging affiliation to the department's mission statement.   To those ends, senior management engaged regularly and formally with staff on their concerns, and provided demonstrable reassurance on their resolve to addressing them.

MORALE

The capability reviews indicate that staff morale is high. That finding dovetails with the results from the *Civil Service Staff Engagement Survey 2017,* whereby employee engagement (which measures the sense of energy, connection and fulfilment civil servants have with their work) achieved a score of 72% compared to 61% in the UK.[12] Notably a subset result indicated that 78% of staff in the Irish civil service are enthusiastic about their jobs.

Notwithstanding such positive results, there are also challenges in sustaining morale over the long term, as evident from the low score of 38% registered for involvement climate (which measures the extent to which civil servants feel that they are involved openly in decision making in their organisation). This score resonates with findings in a number of the capability reviews whereby meetings between managers with staff on matters such as business planning and PMDS are inconsistent and variable within and between organisations.

DEPARTMENTAL RECONFIGURATIONS

Regarding the impacts of departmental reconfigurations, each of the five departments reviewed have undergone some change of functions over recent years – quite limited in some cases, extensive in others. The reviews found that frequent reconfigurations can have significant negative impacts, including the following:

- Staff buy-in: a strong sense among staff that the configuration of a department at any given time is temporary with a consequent impact on staff engagement and buy-in to long-term planning

- Morale: knock-on effects on the morale of some staff arising from the uncertainty that reconfigurations generate, and

- Opportunity costs: considerable opportunity costs in terms of the time and effort involved in managing a change of functions.

4.2   HR FUNCTION

Civil service organisations have transitioned much of their transactional HR activity to the National Shared Services Office (NSSO). In parallel, a number of reforms have been introduced over the past five years or so which are having a significant bearing on service delivery:

- Professionalisation: The six reviews indicate that, increasingly, HR Units are being led by professionally qualified managers who have considerable external experience.   Such

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[12] The Civil Service Staff Engagement Surveys are undertaken by the Central Statistics Office and include benchmark findings from similar surveys conducted in other countries.

professionalisation is invariably the direct result of a deliberate policy to transition from the former transactional model of HR to a more strategic approach which is in line with overall civil service policy and general best practice. Looking ahead, a matter which will likely need attention is the development of career paths for managers and staff specialising in HR management and administration.

- Reorganisation of functions: A number of HR Units have been radically overhauled in recent times – for example, the unit in the Courts Service was restructured into separate sub-divisions dealing with HR analytics (planning and data), Recruitment (talent management), Operations (transactions, absence management, etc.) and HR Advisory (employee relations, industrial relations and performance management).

- Business partnering: The HR Business Partner model, which is intended to work alongside strategic workforce planning, is now commonplace and is designed to provide the critical link and form the core relationship between the HR Unit and business units and their staff. Overall, the model appears to be bedding in quite well.

The reviews conclude that the professionalisation and restructuring of HR functions, although taking an inordinately long time to implement, are nonetheless preparing the ground for stronger orientation on strategic matters into the future. Additionally, and as should be the case with any new service delivery mode, they recommend that a review of the effectiveness of the HR Business Partner model should be undertaken to determine what changes, if any, are warranted.

4.3   STRATEGIC HR PLANNING

Management Boards and HR Units are increasingly challenged to pursue a more strategically-focused agenda than in the past and, in that respect, the reviews produced three core findings:

- Management Boards – strategic deliberations: Generally, Boards are not devoting sufficient time to considering medium- to long-term strategic HR challenges – for example, there is a tendency to focus disproportionately on relatively micro matters that properly belong to bilateral engagement between a HR Unit and Assistant Secretaries and/or Principal Officers. There are indications however of an improving situation.

- HR Units – strategic orientation: Typically, HR Units are producing more policy-focussed HR papers than in the past for deliberation by Management Boards on such issues as workforce planning, sick leave trends and PMDS statistics.

  Despite such changes though, HR Units are still engaged in transactional work. Although the establishment of the HR shared services centre, (formerly known as *PeoplePoint)*, has removed a considerable body of such work from local HR Units, it is clear that they are still required to undertake a lot of support activity.

- HR analytics: A notably positive feature of some HR strategies is the increasing emphasis placed on analytics for predictive purposes and the development of targeted interventions in the areas of workforce and succession planning.

Overall, there are indications that the increased professionalisation of HR Units is generating a more strategic HR focus and in that respect, the *People Strategy for the Civil Service, 2017 – 2020* (Department of Public Expenditure and Reform, 2016) has provided critical context and been a key driver.

STRATEGIC WORKFORCE PLANNING

Some organisations such as the Courts Service have quite well-developed workforce plans whereas others are in train and nearing conclusion. More generally, strategic workforce planning is still in the

early stages of development, with some organisations having raised insufficient guidance on best practice as an issue.

Given that background, the reviews provide some pointers of good practice as follows:

▪ Analytics tool: As part of the preparatory steps for strategic workforce planning, the HR Unit in the Department of Business, Enterprise and Innovation set about developing a suite of HR analytics as a management tool, including a dashboard for local managers relating to workforce planning, learning and development and competition outcomes.[13] This approach involves individual business units working closely with their HR Business Partners to identify and plan for retirements, and the consequent skills and corporate knowledge gaps.

▪ Components: The reviews recommend that a fully integrated approach to strategic workforce planning should encompass the following set of complementary developments and initiatives:

  ▪ improved engagement on strategic HR matters by the Management Board and business units

  ▪ a well-developed suite of HR analytics

  ▪ a structured, transparent and purposeful mobility policy

  ▪ strong skills matching

  ▪ organisation-focused Learning and Development policies and programmes

  ▪ business re-engineering and the optimisation of technology where appropriate, and

  ▪ well-developed knowledge and data management policies and practices.

▪ New ways of working: In line with evolving policy and practice, business re-engineering, leveraging technology and new ways of working should feature as part of strategic workforce planning. Into the future, it should become normal business practice to scrutinise business functions so as to establish whether they are being undertaken in the most efficient way possible and, if not, whether digitisation or on-line technologies could deliver the service more efficiently.

The general evidence is that strategic workforce planning is receiving increasing attention at Management Board level, although two matters are in need of special attention:

▪ Linkages: The linkages between business priorities and staff allocations are underdeveloped.

▪ Understanding: There is a lack of understanding among the generality of civil servants as to what strategic workforce planning actually means and involves, with many of them perceiving the exercise as little more than a process for allocating resources and filling vacancies. Thus it is important that good staff engagement takes place, and that awareness at business unit level is fostered regarding the aims and requirements involved.

RETIREMENT CLIFF
A matter of special relevance to strategic workforce planning is the retirement cliff facing a number of the organisations reviewed – for example:[14]

▪ Courts Service: 35% of staff are over 55 years of age, many of them occupying specialist senior positions.

▪ Department of Business, Enterprise and Innovation: A potential retirement figure of 188 over the three year period 2019 to 2021[15] was anticipated, comprised of staff reaching retirement age plus

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[13] Every quarter the individual HR Business Partners will provide the dashboard statistics to each division
[14] The quoted statistics relate to a point in time corresponding closely to the conclusion of each individual review
[15] Based on the average headcount posts of 865 for 2016-2017

those who will reach the 40 years' service mark.   That retirement figure represents some 22% of the total staff complement.

- **Department of Culture, Heritage and the Gaeltacht:** 5.6% of staff have 40 years' service with 30% of staff aged 55 or over.

- **Department of Housing, Planning and Local Government:** In the region of 30% of staff are eligible to retire over a three to five year period, based on age and/or service.

From these various point-in-time indicators, it is clear that some civil service organisations are facing major challenges arising from the very significant numbers of staff due for retirement in the next three, five and seven years. Amongst the principal features and effects are the following:

- **Knowledge management:** The loss of corporate memory, particularly of a specialist nature, creates risk and, as shown later in section 4.8, that is compounded by the finding that knowledge management is significantly underdeveloped.

- **Business continuity:** Large numbers of staff departures, especially if occurring over a short period, create challenges around business continuity.

- **Retirement clusters:** The risk profile and associated managerial challenge would rise in instances where retirements are likely to be concentrated in specific locations and functional areas – for example, senior regionally-based managers and ecologists in the NPWS.

- **Recruitment:** Replenishing a lost skills base, especially in a tight labour market situation, could present a significant recruitment challenge which, in certain circumstances, could leave vacancies unfilled for lengthy periods.

Although typically a Management Board is attuned to the potential impacts of a looming retirement cliff on the organisation's capacity and capability, it tends not to prioritise the development of a comprehensive response. Looking ahead, the review process recommends the following:

- **Retirement management plans:** Specific plans should be developed in response to the emerging retirement cliff as part of the strategic workforce planning process. That will require significant engagement by senior managers. While replenishing skills will need to form part of the response, consideration should be given as well to new ways of working rather than just replacing like with like.

4.4   PEOPLE MANAGEMENT

Performance management is aimed at providing managers and jobholders with a tool to help them manage and improve performance. Its key elements include goal setting, competency selection, learning targets, and performance reviews. The formal recording of such information is done through the Performance Management and Development System (PMDS).

The evidence from the reviews is notable for the consistency of opinion in the following respects:

- **Senior management – grade drift:** Grade drift exists in some organisations whereby work properly belonging to a particular grade is either pushed or pulled upwards to a higher grade. This phenomenon is especially evident at senior management levels in the Department of Housing, Planning and Local Government whereby senior management acknowledge that there is a substantial upward drift of work and insufficient delegation. Consequently, organisations need to be diligent in ensuring that, as part of the PMDS process, the roles and responsibilities of managers are appropriate to their grade and that effective delegation practices are followed.

- **Performance management – leadership:** On PMDS, more proactive leadership is needed to leverage the process as a means of fully developing staff and effectively managing performance, supported by focused leadership training.

- **Performance management – application:** The management of staff through the PMDS process is not done in a consistent manner. There are variations within and between organisations regarding the regularity of review meetings, and there is a widespread perception that senior management tends to focus excessively on compliance rates and insufficiently on the quality of performance management. Furthermore, the ePMDS model is facilitating the avoidance in some cases of the required face-to-face meetings between managers and their staff.

  Generally the PMDS system is not being managed and operated as intended and is poorly regarded by the majority of staff. That finding is supported by the results from successive *Civil Service Staff Engagement Surveys* which show very small proportions of respondents agreeing that staff performance is effectively addressed, that senior managers are held accountable for delivery, and that civil service organisations measure job performance to ensure that all staff are achieving results.

  Of particular concern is the view expressed by a number of senior managers, primarily Principal Officers, who do not feel confident or properly equipped to manage staff.

  For such reasons, the reviews suggest that the HR Business Partnering model might usefully include a specific role for monitoring the quality of performance management in each business unit, including the regularity of meetings.

- **Performance management – underperformance:** The processes and procedures for managing underperformance are highly complex, very onerous and extremely time consuming, and there is considerable scope for simplification and standardisation. Of particular note is that the Courts Service has a programme in place which upskills managers to deal effectively with underperformance and has put in place some positive mitigating actions:

  - **Training programme:** With the visible support and leadership of senior management, the Courts Service is driving and implementing a coaching programme for all managers. A feature of one of the modules is aimed specially at upskilling managers from Higher Executive Officer upwards in tackling underperformance and assisting them to initiate the necessary "challenging conversations" in that regard. This element was commented upon very favourably by participants.

  - **Probation working group:** A Probation Working Group is in place to ensure that a staff member's performance and management during the critical probationary period is fully measured and assessed at three, six and nine monthly intervals, with remedial steps being taken as necessary, including in some instances the termination of employment.

- **Skills matching:** Matching expertise and skills to job assignments is not standard practice and, as a result, organisations are not utilising staff resources to optimal effect. Much preparatory work remains to be done, particularly on developing comprehensive skills databases.

  As a first step, *OneLearning*[16] is working on the development of a skills register for the civil service as a whole. In that respect, individual departments and other public bodies will need to develop and maintain evidential datasets on the skills and other requirements for specific posts so as to improve decision-making on matching individual skills with job needs. Such work needs senior management leadership because past efforts in some organisations to compile skills registers

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[16] Civil Service's Shared Service for Learning and Development which has been operational since late 2019

foundered. In one of the organisations reviewed, some staff did not cooperate with the exercise out of fear of being pigeon-holed in terms of job assignment in the event of a particular skill or qualification being revealed.

To conclude, while there have been some improvements in the generality of processes that support people management, there is a need for stronger engagement by senior management on PMDS, and an invigorated focus on its application, the management of underperformance, and the matching of skills to business needs.

4.5   PEOPLE DEVELOPMENT

Over the course of the Employment Control Framework period, learning and development (L&D) resources were reduced significantly. The situation has now been reversed, with organisations being proactive in raising the strategic and operational profile of this important function.

Each of the six organisations reviewed has in place an L&D strategy which includes a comprehensive programme of training courses administered through the civil service's *OneLearning* shared services platform. Two of the strategies have quite distinguishing features as follows:

▪ Courts Service: Through the use of staff workshops and engagement with other departments, the Courts Service has devised a very practical strategy for delivering much-needed L&D following several years of under-investment. The strategy dovetails closely with the HR Strategy and is linked into strategic workforce planning and succession planning.

▪ Department of Housing, Planning and Local Government: The HR strategy, *WELL – Our People Strategy, 2018 - 2020* (Wellbeing, Engagement, Learning & Development, and Leadership) places a strong emphasis on L&D as one of its four pillars. Implementation is driven by a working group which is led by an Assistant Secretary and includes representation from all grades and locations.

More generally, L&D Units have built up good working relationships with business units and staff, with interviewees being especially laudatory of the significant improvement in service responsiveness and training provision over recent years.

The reviews revealed a number of notable features and practices as follows:

▪ Linkages between performance management and training: Most training needs are identified through PMDS. The process generally involves speedy follow-up by L&D Units on the submission to them of Role Profiles identifying training requirements. However, some reservations were expressed about workloads being used by managers on occasion to prevent staff release for training purposes.

▪ Management training: Challenges arise in some organisations from the relative inexperience of Principal Officers and Assistant Principal Officers. For example, in the Department of Housing, Planning and Local Government, 29 Principal Officers (45% of the total) have only three or less years' tenure in their current grade.

A number of senior managers believe that there is a need for targeted interventions to deal with such challenges, primarily by way of staff development initiatives, coaching and mentoring. Well-regarded management and coaching programmes have been developed and delivered in some departments for senior and middle managers, the most successful of which have comprised the following two elements:

- Management driven: The success of programmes is dependent – in part at least – by the extent of visible leadership and support demonstrated by senior management.

- Dealing with underperformance: An emphasis is given to the skills and competencies needed to develop staff and manage underperformance – *see previous section 4.4 for example from the Courts Service.*

- Induction and mentoring: Such programmes for new entrants and recently promoted staff are standard practice. On induction, there was some criticism over the elapsed time between commencing employment and receiving induction training. On mentoring, the programmes tend to be highly regarded by participants.

- Evaluating impacts: Measuring and evaluating the impacts of investments in L&D is rarely done, even though it would provide organisations with the evidence base to refine L&D offerings as necessary, change course content, and develop analytics for input into future people development strategies. Of the six organisations reviewed, the most developed model exists in the Courts Service. Its high quality L&D strategy is not only actively implemented but the effectiveness of interventions is measured using the Kirkpatrick Model.

- Linkages with business priorities: Generally, there is scope to ensure that within the framework of strategic workforce planning, L&D provision would become more aligned with core business priorities.

4.6   CAPABILITY IN FINANCE

The six organisations reviewed have their own finance functions which are responsible for overseeing and reporting on current and capital expenditure, especially outturns relative to profiles. A feature of the business of some functions is the variety, complexity and scale of operations in some departments. Notwithstanding that, there is a high degree of similarity and consistency across the reviews regarding their efficiency and effectiveness:

- Professional service: The management of finance is an area of strength. The function is usually led by a Principal Officer who is supported by suitably experienced staff. Invariably, the Finance Units are professional, high-performing, customer-focused operations that command widespread respect and support. They are well regarded by stakeholders such as DPER, and the dispersal of activities across multiple locations does not have any noticeable impact on service quality.[17]

- Reporting to the Board: Typically financial reports are presented and discussed once a month at Management Board level, and more frequently as the need arises. Production of the reports necessitates extensive engagement with internal divisions and business units, and with offices and similar entities where necessary.

- Financial Management Shared Service Centre (FMSSC): A number of departments and other public bodies are using systems that are either heavily manually-based or are close to going out of support. In order to achieve efficiencies and drive standardisation, work on establishing a new Financial Management Shared Service Centre has been under way for a number of years. However, because of lengthy delays with that project and ongoing uncertainty in relation to the delivery time, a number of public bodies are likely to be obliged to continue with the current inefficient ICT arrangements for a much lengthier period than originally anticipated. Individual departments have little or no control over these issues.

- Impacts of proposed FMSSC: There is uncertainty amongst some staff in Finance Units regarding their long term future arising from the migration of certain finance-related functions to the proposed shared service centre. This creates challenges for departments in terms of planning, management and communications and they, along with other public bodies, will need to give this

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[17] For example, the finance function of the Department of Culture, Heritage and the Gaeltacht is located in both Killarney and Ballina.

work special attention and priority. This is particularly evident where the finance function is regionally based.

4.7 CAPABILITY IN ICT

The six reviews examined the ICT state in some considerable depth, with a particular emphasis given to capacity, capability, new development, infrastructure and support. Both exemplars of best practice and significant capability gaps were identified over the course of evidence gathering.

CAPACITY AND CAPABILITY

With the exception of the Department of Rural and Community Development, the organisations reviewed have their own ICT Units and operate a blended delivery model comprising a mix of in-house and contract staff. The reviews revealed the following points of note:

- **Staff resources and turnover:** The ICT functions are generally regarded as under-resourced in skills and staff. Staff turnover can be a particular challenge, with skilled staff tending to move to new employment due in particular to increased mobility opportunities across the public service.

- **Skills gaps:** There are critical single points of dependency in some ICT Units, and the associated risks are heightened by both open market opportunities and impending retirements. Skills gaps are evident across a number of disciplines, perhaps most notably in business analytics and systems architecture, as well as GIS capability.

- **Professional development:** Some organisations have sought to mitigate the risks through staff upskilling. For example, the Department of Housing, Planning and Local Government supports staff professional development through its *ICT Staff Learning and Development Strategy,* the professionalisation of certain ICT posts, and participation in the pilot ICT apprenticeship programme operated by the Office of the Government Chief Information Officer (OGCIO).

- **Management of contractors:** The management of contractors can generate considerable managerial overheads, especially where there are multiple contractors providing multiple services at multiple sites. In the Courts Service for example, the ICT Unit is particularly challenged to manage the myriad of contractors, given the scale of dependency (42% of ICT expenditure), the number of providers and the geographically dispersed nature of the organisation.

- **Business side as ICT partners:** Some ICT Units encounter difficulties in securing the release of appropriately skilled staff from business units to assist with the specification, design, testing and implementation of new ICT development.

  The Department of Housing, Planning and Local Government has sought to address this dilemma by establishing a Business Support Unit as a subset of its ICT function to work with business units on ways to improve processes and procedures as a precursor to developing new business solutions. This initiative has been very positively received throughout the department and, no doubt, could usefully be replicated in other organisations.

- **Customer support:** Customer service is rated very highly in some organisations and less so in others. A particular concern is the lack of technical competency in some provincial locations, even where liaison officers are in place to provide core day-to-day support for desktop applications, peripherals and video conferencing.

STRATEGIC ICT CAPABILITY

Some organisations have strong strategic ICT capability and others considerably less so. It is not uncommon for an ICT Unit to be under-resourced, immersed in managing contractors, overseeing infrastructure investment, and providing in-house support. A consequence is that the capacity for

strategic deliberations is constrained and, in such situations, the reviews recommend three key areas for attention:

- **Strategic ICT unit:** The complexity associated with conceptualising and mapping a transformational ICT strategy and programme underlines the need for strategic ICT capability. In some organisations, that will necessitate the establishment of a dedicated strategic unit that would work alongside – but would be independent of – the unit responsible for the business-as-usual work. A key goal would be an adequately resourced ICT function that is sufficiently supported in terms of strategic guidance, project prioritisation, business partnerships and process standardisation.

- **Strategic oversight:** A number of organisations have in place an ICT Strategy Group which, in some cases, is chaired by a member of the Management Board and includes the Head of the ICT Unit and the Heads of Divisions. The group's focus is on ICT strategy, planning and prioritisation and reports to the Management Board every six months or so.

- **Business champions:** In order to strengthen the business side as the driver of ICT-related change, business champions for programmes and projects should be the norm. Their role would be especially important for leading on process-related change as a precursor to system design.

The above arrangements would help ensure that strategic ICT is kept separate from day-to-day operations and delivery, and that strong guidance and support from senior management would be forthcoming. In support of such aims, an ICT strategy should have a special focus on value-added business solutions and project management support for business units.

CURRENT STATE – EXEMPLARS

The reviews found many examples of high-quality ICT solutions which have been developed or progressed over recent years, with the following projects serving to illustrate the diversity involved:

- **Build-to-Share applications:** Departments and offices have put in place Build-to-Share applications which are assisting significantly with the administration of day-to-day work: e-PQs for processing replies to Parliamentary Questions, e-FOI for handling Freedom of Information requests, e-Docs for managing electronic documents and records, and e-Submissions and e-Correspondence for administering the related processes. These generic solutions, which are increasingly being used across the civil service, are well regarded by users.

- **LEADER Grants Management System:** Developed on a phased basis over three years, this system, which is managed by Pobal, has bespoke end-to-end functionality that takes account of EU-based obligations and accreditations.

- **OSCAR Sports Grants Management System:** This online system is very effective for administering grant applications and payments under the Sports Capital Investment Programme.

At the time of writing the various individual reviews, a number of transformational new solutions were at various stages of development:

- **Companies Registration Office:** A major new system is being developed on a phased basis to replace a 20-year old database which has front-facing functionality for customers.

- **Probate system:** Exploratory work is underway between the Courts Service and Revenue on the electronic processing and transmission of probate applications which would assist greatly with addressing backlogs.

- **Local authorities' housing data:** A new system is being developed which ultimately will replace that currently in use for managing the housing data provided by the 31 local authorities to the

Department of Housing, Planning and Local Government. The objective is to bring about impactful improvements and changes in the management, storage and reporting of housing data, and in interactivity between the parent department and local authorities.[18]

CURRENT STATE – DEFICIENCIES

Notwithstanding the progress made and the initiatives planned, much work remains to be done in modernising the current ICT state. The main issues are broadly as follows:

- **Paper-based systems:** Such systems are still quite widespread. For example, the Department of Rural and Community Development has few digitised solutions in place. Instead it has to rely heavily on standalone locally-based solutions in spreadsheet and paper-based forms, and thus there is no systemic interoperability between related areas of work, such as rural grants.

- **Legacy systems:** Replenishment programmes are needed to replace the numerous applications which are going out of technical support soon. For example in the Courts Service, a number of standalone systems were developed as interim measures in the mid-2000s, including multiple self-contained Lotus Notes-based civil case management systems in the District and Circuit Courts, which are still in use.

- **Standalone databases:** Standalone databases and applications for the execution of mostly routine tasks are commonplace,[19] thus underscoring a potential for the greater use of Build-to-Share applications in the conduct of core day-to-day business and the development of bespoke solutions for automating certain discrete transactional activities. For example, the Office of the Director for Corporate Enforcement maintains a standalone database developed in MS Access of some 30,000 records relating to insolvency, along with other case records.

- **Non-interoperable systems:** There are instances whereby systems, even though set logically within a process chain, operate in an independent manner. For example, Charge Sheets from An Garda Síochána are furnished to the Courts Service in paper form and – often at short notice – staff have to type up the details onto the Criminal Case Tracking System which performs a number of courts-related functions such as the generation of warrants and the production of court lists.

- **Systemic reporting functionality:** A major benefit of developing new high-quality solutions is that the generation of financial and statistical outputs could be done in a systemic way. Such a development would speed up reporting, improve statistical reliability and replace the considerable manual interventions required at times to produce analyses for senior management.

CAPACITY FOR NEW ICT DEVELOPMENT

Four core factors arise when considering the capacity of organisations to manage or undertake new ICT development:

- **Devolved project management:** As the OGCIO does not manage the delivery of new ICT projects, individual organisations must undertake this work themselves. Good practice suggests that the commissioning business unit should exercise the lead responsibility for delivery, and provide all necessary support to the ICT Unit throughout the various project phases. For that to happen however, effective partnership arrangements need to be in place between an ICT Unit and the business side.

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[18] The system will initially focus on social housing, and will then expand to integrating other housing-related areas of activity. Delivery will take place over three phases, with the first two to be completed by end-2020 and the final phase by mid-2022.
[19] In one department reviewed, 54 Lotus Notes databases were in use

- **Specialisation:** Most organisations have unique parts of business that necessitate bespoke solutions, thus pointing to in-house development and outsourcing as delivery options, both of which would require local management expertise and business process support.

- **Contractor reliance:** Departments and offices rely heavily on external providers for new ICT development. Thus the management of contractors in terms of both project management and technical competency needs attention and skill.

- **Generalisation:** Some services are amendable to delivery through BTS solutions and thus point to the desirability of more civil service-wide approaches. It is similarly the case with other business needs such as the digitisation of grant schemes which are common to a number of organisations.

When undertaking new development work, a variety of structures are in place, usually comprising some or all of the following elements: (a) ICT Governance Committee, (b) Project Board, (c) Project Steering Group, and (d) a Change Management Office and/or a Business Support Unit.

The evidence suggests that while the appraisal, governance and delivery structures for new ICT developments generally work well, project management capability needs attention in some instances, especially in commissioning business units.

FINDINGS

Overall, the reviews made a number of findings on ICT, principally as follows:

- **Underdeveloped business tool:** ICT as a management and business tool remains significantly underdeveloped. In some organisations, the current state is characterised by paper-based processes, standalone databases and poor interoperability between related applications – a legacy in part of piecemeal planning and uneven strategy.

- **Strategic reorientation:** In order to strengthen strategic ICT orientation and capability, some of the reviews have recommended the establishment of a dedicated strategic unit within the ICT function that would conceptualise and map out a transformational ICT strategy and programme.

- **Vision of ideal future ICT state:** Insufficient attention is given to the development of a vision or ideal future state for ICT set by reference to future business needs and exemplars of best practice – *see Box 3 at end of this section for Case Study of Courts Service.*

- **Skills set:** The recruitment and retention of skilled ICT personnel is especially challenging for many organisations and that is exacerbated by retirements and open market opportunities. As a first step, analytical exercises as part of strategic workforce planning should quantify the scale and composition of any resource gaps.

- **Business side as ICT partners:** Where difficulties are encountered in securing the release of appropriately skilled staff from business units to assist with new ICT development, escalation mechanisms to Management Board level should be put in place and a new partnership model between the ICT Unit and the business side should be developed and enforced.

- **Business Support Unit:** In the context of the above recommendation, an organisation might usefully consider establishing a Business Support Unit as a subset of its ICT function to work with business units on ways to improve processes and procedures as a precursor to developing new business solutions.

Box 3: Case Study - Developing a Vision for ICT

The degree to which ICT strategies are guided and shaped by a well-developed vision or ideal end state is not particularly evident from any of the reviews. This matter was explored in some depth in the review of the Courts Service and the general thrust of the following features and recommendations are quite readily applicable to other organisations:

- **End-state and benchmarks:** When embarking on the development of a vision for ICT, an organisation should first satisfy itself as to what an ideal end ICT state should look like, drawing from its own internal experiences and exemplars of best practice from elsewhere.

- **Business driver:** The development of the vision needs to be driven by a dynamic process whereby the business side drives ICT, the ICT function supports the business, and both operate in a spirit of partnership led, guided and fostered by senior management. For some organisations, critical value-added would accrue if external expertise were engaged to assist with conceptualising and building out the new end-state, informed in particular by best practice lessons from both Ireland and other countries.

- **Systems interoperability:** An ideal end-state should be characterised by harmonisation and interoperability between systems to the fullest extent necessary, as determined by management in consultation with the business side and users. In that respect, a particular recommendation in the review of the Courts Service was that the civil and criminal case management systems should be interoperable with one another where appropriate and should enable the files relevant to a particular case to migrate up through the court jurisdictions (e.g. Circuit to High) as necessary.

- **Communications on benefits:** Embarking on a transformative ICT state would require an organisation to provide reassurance that retiring legacy systems, putting in place new solutions, investing in infrastructure and changing business practices will ultimately lead to a new ICT state that will adequately support business needs and advance strategic goals.

- **Development over time:** Giving effect to a new vision will require patience, realism and good management, with the new state likely being formed incrementally.

Ultimately, it would be a matter for each organisation to reach conclusions for itself on what an efficient and effective 21st century ICT model should look like, and what efficiency and effectiveness gains should be pursued. The core rationale for developing a vision is that it would give critical strategic direction to ICT development into the future and would be especially beneficial from the following two perspectives:

- **Guidance:** A well-developed vision would provide guidance and set parameters for the development of ICT strategy, the prioritisation of projects, and the deployment of resources, as well as enabling stronger leadership by Management Boards.

- **Business alignment:** ICT investment and development would come into stronger alignment with business needs over time.

4.8   CAPABILITY IN KNOWLEDGE MANAGEMENT

Strong knowledge management plans, practices and systems can act as valuable aids to business planning and delivery. The good practice features set out below and the related findings on the organisations reviewed are particularly noteworthy.

- **Knowledge management plan:** Each public body should have in place a knowledge management plan that sets out the approach to effective records management as part of an organisation's commitment to good governance, efficiency, accountability and compliance. The plan should describe the protocols to be followed and give examples of best practice on documenting critical corporate knowledge relating to policies, risks, processes and procedures covering both policy and

operational activities. The reviews suggest that there is scope for greater clarity and consistency in this general area.

- **Succession planning protocols:** The knowledge management plan should include protocols and procedures relating to succession planning.

  It was found that a standardised approach for harnessing corporate knowledge, especially of specialist staff facing into retirement, tends not to exist. As a result, a retiree can leave behind a major knowledge void. Insofar as succession planning is done, it typically is undertaken without central guidance. Not surprisingly, the risk profile from weak knowledge transfer is most acute when a retiree possesses discrete specialist knowledge and expertise.

  A notable factor is that it is not always straightforward to secure the release of replacement staff in time to shadow a retiring official. However, given the scale of retirements facing some organisations over the next three to five years, succession plans should be developed as an aid to mitigating the risks of corporate memory loss.

- **Job documentation protocols:** There is an inconsistent approach to developing and maintaining job manuals. Generally operational areas are quite strong on documented procedures although there is scope in some instances for augmentation through process mapping. However, documentation becomes less commonplace as work gravitates towards policy-making.

- **Records management guide:** Practice varies in this respect, even though a filing rules guide for staff, which sets out the "dos and don'ts" around records management, is essential for encouraging and sustaining good practice. Additionally, there is a particular need to generate awareness amongst managers and staff of the various obligations imposed by the *National Archives Acts*.

- **eDocs system:** The incremental roll-out of the electronic records and document management system *eDocs* across the civil service constitutes a significant positive step in standardising protocols and practices regarding the storage and archival of electronic-based records.

The reviews found that although the situation is improving with regard to records, there is still significant scope for improvement in the areas of succession planning and job documentation, with organisations needing to develop and implement standardised protocols and practices.

4.9 CAPABILITY IN DATA MANAGEMENT

Data management can be very effective for planning and delivery purposes and although there has been progress, it remains considerably underdeveloped as a business tool.

DATA MANAGEMENT – AREAS OF DEFICIENCY

The shortcomings are numerous and broadly break down as follows:

- **Data policy and strategy:** Only one of the six organisations reviewed had a data management policy in place when the reviews were being conducted.

- **Data gaps:** Such gaps relate not just to the business activities of the department itself but also encompass underdeveloped linkages with the datasets of agencies, offices and other entities. For example, both the Housing Agency and the Residential Tenancies Board have datasets and research and analytical capability which they believe their parent department could use to better effect as an additional input for assessing policy choices. More generally, a widely shared view amongst those working in data generating environments is that better use could be made of available datasets.

- Data integration: In each of the six organisations reviewed, there are significant numbers of standalone applications, databases and datasets where the linkages between sets with shared attributes are either poorly developed or non-existent.

- Data analysis and presentation: As a consequence of the heavily fragmented data environment and the use of systems that are not amenable to statistical interrogation, comparative analysis is often difficult and the production of statistical reports is excessively labour intensive.

- Combination of GIS [20] capability and unique identifiers: The deployment of GIS capability for the interrogation and presentation of data is much underdeveloped, even though valuable benefits could be derived from the combined use of GIS and unique identifiers. For example, the review of the Department of Rural and Community Development found that such a combination could be very helpful for assessing the impacts of schemes on various socio-economic groups, and for identifying the extent of overlaps between schemes. Overall, even the most progressive organisations are only at the early stages of using unique identifiers for data matching purposes, although GDPR obligations impose restrictions.

- Local authorities' data: The management of data by local authorities is quite mixed – some are highly organised, others less so – and a variety of collection systems are in use. As already noted in section 4.7 however, a new ICT system is being developed for managing local government housing data.

DATA MANAGEMENT – STRENGTHS AND EVIDENCE OF AN IMPROVING SITUATION
Despite the shortcomings, there are examples of good practice as well as evidence of a generally improving situation:

- Data management skills: Four of the six organisations reviewed have some dedicated unit or person with the requisite statistical and analytical skills, although their numbers tend to be very small – usually just one to three people.   A prime example is to be found in the Department of Housing, Planning and Local Government which has a Statistics and Data Analytics Unit. Established in 2016, the unit is headed by a professional Statistician who is supported by two Statistical Data Managers recruited in 2018.

- Example of a good approach to developing a Data Strategy: Although the Department of Housing, Planning and Local Government did not have a Data Strategy until mid-2020, an internal Cross-Divisional Team on Data developed such a strategy which was informed by the following inputs and business changes:

    - a survey on how data needs could be better met in terms of efficiency and effectiveness

    - an assessment of longer-term data needs by reference to the goals and targets in the department's policy frameworks such as the *National Planning Framework* and *Rebuilding Ireland* and in other whole-of-government statements like the *Climate Action Plan 2019* (Department of Communications, Climate Action and Environment, 2019)

    - a process to standardise data definitions and harmonise data gathering methods, and

    - a commitment to further develop the department's quite exemplary contributions to the national Open Data Portal.

- Example of strong data management: The NPWS collects an extensive range of natural heritage data for monitoring environmental progress under the *National Biodiversity Action Plan, 2017 - 2021* and for complying with onerous EU reporting requirements.   Its data repository is a

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[20] GIS is a computer system for capturing, storing, checking, and displaying data related to positions on Earth's surface.

showcase of good data management practice, as is its GIS function into which are fed a broad variety of site inspection reports. Data from these sources are inputted into the National Biodiversity Data Centre,[21] which oversees and administers the collection, collation, management, analysis and dissemination of data on Ireland's biological diversity.

- Research partnerships with the ESRI: Both the Department of Housing, Planning and Local Government and the Department of Rural and Community Development have research partnership agreements with the ESRI. In the case of the latter, a three-year research framework agreement commenced towards end-2019 and ultimately will comprise three or four research projects. A key element of the work is a macro overview of the metrics and supporting data that will be needed into the future. The ESRI will also be advising on the data infrastructure which the department will have to put in place in order to facilitate ongoing monitoring and enable evaluations, including value-for-money studies, to be conducted with relative ease.[22]

- Data sharing arrangements: An example of good data-sharing practice is the arrangement whereby the Environmental Protection Agency shares some key data and datasets with the NPWS, and much of the parent department's GIS heritage data is open.

- Unique identifiers as an aid to analysis: The following examples which relate to housing data demonstrate the value and potential of unique identifiers – PPSNs and Eircodes – for assisting with developing policy, assessing options and delivering service:

  - Housing schemes: The PPSN and Eircode are applied effectively in reconciling different datasets relating to the Rental Accommodation Scheme (RAS), leases by local authorities from private landlords, and the Housing Assistance Payment (HAP).

  - HAP scheme: The identifiers are used by the shared service operated by Limerick City and County Council to match recipient data under the HAP scheme with property data in a harmonised manner across all local authorities.

  - Dwellings completions and planning statistics: The introduction of the Eircode in 2015 was a 'game changer' for the production of housing and planning statistics. Prior to that, it was very difficult to integrate housing-related datasets with planning datasets. With the full application of the Eircode, it would be possible to relate housing stock to occupancy status, such as owner occupied, rental types, and tenure mix.

- Data Protection Officers: It has become increasingly common for departments and other civil service organisations to appoint Data Protection Officers (DPOs) who are responsible for overseeing compliance with GDPR requirements. The DPOs have been focussed in particular on raising staff awareness of the new legal obligations now existing.

The overriding message from the reviews is that the necessary data infrastructure to facilitate planning, ongoing monitoring and eventual feeds into evaluation tends to be either underdeveloped or not in place. Categorisation practices, data management processes, statistical supports and ICT systems are all in need of special attention. Overall, data policy and management are not treated as a priority in the organisations reviewed, and that needs to change.

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[21] The Centre was established by the Heritage Council in 2007 and is jointly funded by it and its parent department.
[22] The capability review found that with a few exceptions, categorisation practices, data management processes and ICT solutions are underdeveloped across the department's business units, and the grants-related data from local authorities is of mixed quality.

AREAS OF STRENGTH OR NOTE

4F1   Morale: Staff morale is high, with the generality of staff liking where they work and feeling that their work is valuable and valued.

4F2   HR professionalisation: Management Boards and HR Units are increasingly pursuing a more strategically-focused agenda. That is enabled to a significant extent by the growing trend towards professionalising HR functions.

4F3   People development: There has been a noticeable improvement in training activity. L&D Units are well respected by the business side and increasing attention is being given to management training and well-being supports.

4F4   Management of finance: The finance functions are very well regarded and provide a highly professional service.

4F5   New ICT development: Some state-of-the-art ICT solutions have been put in place over the recent past, replacing in some cases error prone paper-based systems, and a number of other transformative solutions are being planned or developed.

MATTERS REQUIRING ATTENTION

4L1   Diverse cultures: As some staff identify more with their work area than their department, multiple cultures and allegiances can exist, thus creating challenges for internal cohesion.

4L2   HR Business Partner model: The effectiveness of the HR Business Partner model should be reviewed periodically by Departments to ensure it remains fit for purpose.

4L3   Strategic workforce planning: Strategic workforce planning is at the early stages of development. There are low levels of understanding and awareness regarding its purpose and goals, with many managers and staff regarding it as little more than a process for allocating resources and filling vacancies.

4L4   Retirement cliff: Some organisations should prioritise and plan their response to the largescale retirements which are likely to occur over the next three to five years.

4L5   Grade drift: There is a need for diligence in ensuring that, as part of the PMDS process, the roles and responsibilities of staff are appropriate to their grade and that effective delegation practices are followed.

4L6   Performance management: Consideration should be given to refining the HR Business Partner model so that it would include a specific role for monitoring the quality of performance management in individual business units.

4L7   Managing underperformance: The processes and procedures for managing underperformance are complicated, burdensome and time consuming, and there is considerable scope for simplification, standardisation and management training.

4L8   Skills matching: Organisations may not be utilising staff resources to optimal effect arising from the fact that matching expertise and skills to job assignments is not standard practice. Much preparatory work remains to be done to remedy the situation, particularly on developing comprehensive skills databases.

4L9   Impacts of training: Assessing the impacts of L&D investment is in need of attention. Measuring efficiency and effectiveness would enable organisations to test if their investments are

bringing about the anticipated improvements in terms of staff capability and value-for-money outcomes.

4L10   Strategic ICT: ICT as a management and business tool remains significantly underdeveloped. In some organisations, the current state is characterised by paper-based processes, standalone databases and poor interoperability between related applications. In seeking to lay the foundations for impactful strategic change, the reviews identify the following matters as requiring special attention:

- **Reorientation:** Subject to local conditions, requirements and plans, organisations should consider the establishment of a dedicated strategic unit within the ICT function that would conceptualise and map out a transformational ICT strategy and programme.

- **Vision:** Individual organisations should reflect intently and carefully on whether they need to develop a long-term view of how ICT can be maximised as a business tool. The rationale for this recommendation is that insufficient attention is generally given to the development of a vision or ideal end state for ICT set by reference to future business needs and exemplars of best practice.

- **Skills set:** Analytical exercises as part of strategic workforce planning should be undertaken to quantify the scale and composition of any ICT-related resource gaps, by reference to both medium- and long-term needs.

- **Business Support Unit:** Organisations might usefully consider establishing a Business Support Unit as a subset of their ICT functions to work with business units on ways to improve processes and procedures as a precursor to developing new business solutions.

- **Balance:** Policies and practices vary markedly on access to websites, social media and Cloud-based platforms, thus underscoring the need for uniform approaches to be developed and implemented regarding the balance between security concerns and business needs.

4L11   Knowledge management: The management of electronic records is improving, driven in particular by the introduction of the *eDocs* document and file management system. Such improvement however is not replicated in the areas of succession planning and job documentation. In those respects, much work remains to be done, with organisations needing to develop and implement standardised protocols and practices.

4L12   Data management: Data policy and management are not treated as a priority in the organisations reviewed, and that needs to change.

4L13   Data infrastructure: The data infrastructure to facilitate planning, ongoing monitoring and eventual feeds into evaluation tends to be either not in place or be underdeveloped in organisations. In that regard, categorisation practices, data management processes, statistical supports and ICT systems all need special attention.

4L14   Data of agencies and local authorities: Organisations should examine how synergies might be improved regarding the management and use of datasets held by departments, agencies and local authorities.

CONCLUSION

The capability review programme has been especially useful in helping organisations to identify their strengths along with those matters requiring attention. It is noticeable that the individual OCR findings largely reflect the principal issues pinpointed by senior management in the pre-review preparations undertaken by most of them. Many of the findings also accord generally with the results from the series of employee engagement surveys undertaken periodically since 2015.

Regarding the review process, the standards-based methodology facilitates thorough investigation and analysis of an organisation's business model by reference to leadership, policymaking, delivery and organisational capability, and their constituent attributes. Not only does this approach enable all core business areas to be examined, it can also identify issues that warrant further investigation and study. The attendant focus on matters of special importance has been immensely helpful to some organisations when developing impactful follow-up responses.

The programme has been valuable too in pointing towards solutions by means of recommendations which are peer reviewed by experienced and senior personnel drawn interchangeably from the public service, academia and consultancy practices. Those recommendations form the bedrock of the action plans prepared by the organisations reviewed, which have all reported that the experience was positive and beneficial.

A particular feature of the six reviews to date has been the depth and honesty of engagement by management, staff and stakeholders, which has generated respect for the process and given the findings and recommendations a strong evidence-based authority.

Looking across the reviews, the evidence suggests that the following matters are in need of special attention on the part of the civil service generally:

- **Deliberations by Management Boards:** Undertaking periodic self-reflection exercises on strategic matters relating to the organisation and the sector(s) for which it has responsibility, and reviewing regularly whether and in what way internal structures supporting a Board's deliberations are in need of change.

- **Appraisal and evaluation capacity:** Significantly bolstering appraisal capacity to secure efficient delivery under *Project Ireland 2040*, building capacity to undertake *ex post* evaluations which is well below requirements, and giving an invigorated impetus to the measurement of impacts.

- **Research model:** Deciding on the most appropriate model for the conduct of analysis and research. A detailed assessment in one of the reviews found that a critical mass of centralised competency is needed to nurture and grow analytical expertise on a continuous basis.

- **Workforce planning:** Moving workforce planning onto the next stage of maturity whereby the linkages between business priorities and staff allocations are strengthened, and awareness is fostered at business unit level regarding the aims and requirements of the process.

- **Strategic ICT:** Significantly developing strategic ICT capability so as maximise efficiency and effectiveness through in particular systemic interoperability between related business activities, underpinned by strong process standardisation.

- **Data management:** Scoping and developing the end-to-end data infrastructure needed to facilitate efficient and effective planning, monitoring, measurement and evaluation.

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