EXPLORATIONS
No. 1

THE DEWAR SERIES

PERSPECTIVES ON PUBLIC MANAGEMENT

Values in the Public Service

CANADIAN CENTRE FOR MANAGEMENT DEVELOPMENT
CENTRE CANADIEN DE GESTION

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Values in the Public Service

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A Word from CCMD

Named in honour of D. Bevis Dewar, former Deputy Clerk of the Privy Council and former Principal of the Canadian Centre for Management Development, *The Dewar Series: Perspectives on Public Management* has been established by CCMD as a highly effective means of addressing issues of vital interest to public servants.

Each session in this series has been designed as a lively forum in which a knowledgeable guest speaker shares thoughts and perceptions with a small number of participants drawn mainly from the federal public service. Following the speaker's presentation, participants are encouraged to comment, raise questions and offer views issuing from their own experience. In order to extend the discussion of the issues and stimulate further debate, the proceedings of each session will be recorded, published and circulated widely within the public service.

This volume presents the proceedings of the first three sessions of *The Dewar Series: Perspectives on Public Management* which were held in April and May of 1993 and were devoted to a discussion of values in the public service. The first presentation, *Public Service Values: How to Navigate in Rough Waters*, was delivered — appropriately — by Bevis Dewar. For the second session, John L. Manion, CCMD's first Principal, a member of the de Cotret Task Force and former Deputy Clerk of the Privy Council, presented a paper on *The Challenge of the New Administrative Order: Post Modern Accountability*. The third presentation

in this series, *Ethics: Do They Provide a Core of Stability in a Changing World?* was given by Kenneth Kernaghan, Professor of Political Studies at Brock University.

CCMD takes great pleasure in publishing these proceedings and hopes that the notes prepared by the three distinguished guest speakers and the views of the participants will lead to further discussion of and reflection on the many questions associated with the complex issue of values in the public service.

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I. Public Service Values: How to Navigate in Rough Waters

D. B. Dewar

The subject of values is both practical and necessary, and the rougher things get, the more necessary it is to understand our values and the role they play. I believe strongly that it is more important than ever, because of changes that are affecting our work as public servants, to have a good understanding of our values and of the role they play in our everyday lives. How well do our present public service values serve us in our current everyday lives on the job? Do we need to define new values or modify the ones we have? Do we even need to question the role values play in our lives as public servants? I would like to begin an exploration of these questions with you, but I believe that this exploration should continue beyond today.

I define values as *a framework of beliefs and convictions that motivate behaviour and provide guidance for making choices among possible courses of action.* Values perform several functions:

- They help us to visualize ideal outcomes and thus to establish goals.
- They motivate and energize us to work toward these goals.
- They serve as standards to help us measure progress, decide perplexing questions and choose between alternative courses of action.

- By doing all of this, they help us define who we are and how we should relate to the world. They thus make our lives coherent and give us stability in the face of turbulence.

Values perform these functions in both our private and our public lives, in small decisions as well as big ones. Our individual framework of values tends of course to be all-pervasive – it tends to force coherence between our private and public behaviour. But here I want to concentrate on our public roles as a collectivity of public servants and as individual members of that collectivity.

A more complete understanding of values and how they work also requires an appreciation of several of their other characteristics:

- They tend to be instinctive. Our most fundamental values guide our actions without our consciously calculating how what we believe should influence our behaviour in a particular situation.
- To be valid and useful, values also have to be informed – they have to take account of the real world. Having values is not a substitute for observing, enquiring and thinking about reality and about consequences. Without this discipline, we are dealing in feelings, not values; and acting on strong feelings without due attention to their consequences is a dangerous approach in the field of public policy. (Indeed, we need to understand this phenomenon better. When battles rage about competing rights or claims, to what extent are we experiencing a real crisis because our institutions and practices cannot accommodate people's real needs and values, and to what extent are we

just going through a period of self-indulgence in which feelings are masquerading as values?)

- Values are not transitory or simply facilitative; they tend to be long-lasting and resistant to easy change. Without this quality, they would not be able to serve as a compass or guide. For example, efficiency is a value in government, but privatization or contracting out is not.
- Values are not necessarily permanent either, however; they should be open to change for compelling reasons. The current debate about peacekeeping versus peacemaking, for example, and new ideas about the legitimacy of international intervention within nation-states may reflect a shift in values to accommodate changes in the way the world works; but it is not a shift to be made lightly, without careful assessment of the consequences, good or bad. The old values had their reasons, and these should be considered before we abandon them.
- Finally, the toughest questions about values arise when we are confronted by circumstances that force a choice between two values in our framework – between loyalty and integrity, for example.

With this background, let us begin our discussion of public service values by noting some difficulties in dealing with the subject and some of the current circumstances affecting an exploration of the subject. First, the difficulties:

- Our culture makes us a bit uncomfortable dealing with "soft" issues like this. It requires contemplation, which is not a highly respected public activity these days. The seriousness of many of our problems and our impatience to solve them put a high premium on action, and this is

understandable. I can only insist that it is sensible to think before we act.

- More specifically, we do not have a strong tradition in the public service of articulating our values; the doctrine of anonymity and the idea of a responsive service role work against it. During *Public Service 2000*, for example, there was some hesitation among the public service leadership to emphasize values too much, I think because of fear that politicians and the public might dismiss *PS 2000* as egg-headed and irrelevant.

Why do I think it is so important to explore the subject now, despite these difficulties? Simply because we are going through a time of uncertainty, doubt and conflict, and we need to know who we are and what we believe in to make sense of what we are doing. Some of the stresses on society affect public servants especially, because we are in the business of public policy and program design. Moreover, public servants have some special responsibilities for leadership in society. In other words, it is part of our job as public servants to get our heads together on such fundamental questions as identity and values.

Without getting into a detailed description of the stresses and changes that confront us, think for a moment about the scope and range of some of these issues:

- The world is in flux, the economy is globalizing, and everywhere there is a tug of war between these forces and people's instinct to take shelter in the familiar. Faced with loss of faith in traditional institutions, many are turning to old notions of race or to apocalyptic religion to seek security. Politics is fragmented and multi-polar, and ideologies everywhere are in sharp competition.

- Galloping technology, especially communications technology, is making everybody neighbours. We are destabilized by loss of privacy and by doubts about right and wrong.

Whether these changes are characterized as revolutionary or evolutionary, they are certainly unsettling. As public servants we are feeling these forces, especially because of our involvement in public policy matters. We are working in a national and political environment that is insecure and unpredictable, where the population is disillusioned and cynical, and where some politicians seem unsure about the legitimacy of the role of the government they are in charge of.

These are the rough waters. What then makes up the body of ideas we call public service values, and how can they help us navigate? Understanding public service values begins by thinking about what the public service is. The opening pages of the *PS 2000* report refer to the public service as an institution, speak of professionalism as one of its characteristics, and state that the public service exists to serve Canadians and those they elect to govern them. The report also states that the institution attempts to reflect the best of Canadian society.

These are powerful words with important implications. If the public service is an institution, it must not only have a distinct role (service to Canadians) but also other features of an institution. The defining characteristics of an institution are permanence, or at least continuity over time, and a community of values, traditions and patterns of behaviour that differentiate it (in more than role) from other institutions.

This idea of the public service as an institution takes us a long way from the concept of public servants as simply an assemblage of hired hands to carry out the decisions of the elected authorities. It is certainly not inconsistent with the precepts of

anonymity and political neutrality that have dominated our interpretation of the Westminster model, but it suggests that those precepts are insufficient to understand fully what the public service is.

The idea of permanence means not only continuity when governments change, but a lasting connection between the institution and the society it exists to serve. This connection consists of an allegiance on the part of the public service to the enduring values and interests of the society, in return for the trust and influence society gives the public service. This legitimizes a preoccupation on the part of the public service with the longer-term interests of society – from which politicians facing the four- or five-year electoral cycle may become distracted – and obliges public servants to focus on that longer term when they give advice and design programs and delivery instruments. It requires public servants to remember their responsibilities as trustees for the institutions and conventions of the state (for example in preparing for effective transitions between governments) and for the long-term consequences of current actions (for example the renewal of the country's infrastructure, the accommodation of the next generation within the economy, and limiting the national debt).

This vision of the public service does carry with it the potential for conflict with elected politicians and therefore presents a situation where a conflict of values can and does arise. This is because loyalty to the current government is also a public service value of the first order – and I know of no substitute for it as a guide to action, since it sustains the most fundamental of our democratic principles. How do we resolve this difficulty? I suggest an open discussion about roles and how they are performed. Public servants, politicians and the public should all acknowledge and expect that public servants will conduct them-

selves with due attention to their trustee role as they loyally give advice and take care of the machinery and the conventions of government. Understanding and recognition of that role and of the healthy tension it may create can only be good for everyone.

If length of view differentiates the public service from elected officials, breadth of view differentiates it from institutions in the private sector (and indeed from public institutions at the provincial level). We know that our shareholders are all Canadians, and our code of loyalty and sense of accountability reflect that fact. This of course has implications not only for our vision of who we are serving but also for the way we organize, staff and operate the public service. As the *PS 2000* report pointed out, our institution has a function as a mirror and a model for Canadian society. The role it has played in promoting linguistic duality and its efforts to become more representative in other ways reflect this function.

Not everyone will be happy to accord the public service the status of an institution, and with good reason. Another of the characteristics of institutions is awareness of their own identity, and out of self-awareness can come preoccupation with self-protectiveness and resistance to change. These are the evils we associate with the term "bureaucracy." The public service has tendencies of this kind, which proves perhaps that it has been an institution all along. But the remedy surely is not to deny our institutional nature, which would mean abandoning the role I have described, but rather to make use of our self-awareness to understand our strengths and weaknesses better and to determine how we want to develop. There are plenty of examples of institutions with a history of struggling with problems of self-definition and renewal, so we need not lack for case studies.

The solution is to incorporate into our institution the values of focus on our external purpose (service) and the habit and

processes of self-assessment and renewal that can serve as an antidote to sclerosis. This should be part of our concept of professionalism, along with the idea that we as a collectivity take responsibility for our own standards and for a regime of self-discipline to maintain them. *PS 2000* has been helpful in defining the task; it has refocused our attention on service to the public as our external purpose and has suggested how we can go about being more efficient, responsive and creative. These ideas, plus the idea of continuous feedback and improvement that is gaining currency, provide us with the means to respond effectively to the challenges we face.

What is left to think about, then, are our operating values and whether they are right for the public service and for the times. This is where the exploration begins in earnest. I can suggest a framework for and some of the content of these values, but I believe that what we really need is a thoughtful, extended and continuing discussion among those living the public service experience. If that were to start today, I would have achieved my purpose.

Given the role of the public service in our society as I have described it, public servants have to have a lively awareness of the enduring values and interests of the society they serve, as well as about the values necessary to the good operation of the institution itself. These two sets of values should inform and interact with each other. For this reason, I suggest a framework consisting of two lists of values: *Canadian values* and *public service values*.

What are the dominant *Canadian values*? I suggest they have been the following:

- *A peaceable kingdom.* Most of our forebears came to Canada to escape displacement, deprivation or violence, and

we have encouraged each other to remember these origins. We have as a consequence a strong tendency to seek security and to value caution and restraint in our relations with each other in the interests of having a peaceable social order. We distrust revolutionary values and see continuous evolution as the normal course of history. Our concept of good citizenship is less activist than the American, and our patriotism is more measured, less militant. When we have gone to war it has been through duty or a need to preserve something rather than for reasons of anger or ambition.

- *Fairness and equality.* We value the idea that each citizen should be of equal status and be treated fairly. This value derives in part from the democratic ideal we share with Americans and in part from our belief that it promotes the social order we crave. We have difficulty reconciling fairness and equal treatment of individuals with fairness and equality of groups.
- *Community and mutual help.* Our frontier experience and our modest collective power in the world, especially relative to the United States, make us very conscious of the value of common effort, including the pragmatic use of government to achieve goals and overcome disadvantages. Our tradition of helping regions or groups in distress, by government or private means, is remarkably strong.
- *Civility and gentleness.* This value incorporates the ideas of tolerance, minding our own business and not rocking the boat. We do not quite know how to react when confronted by groups that do not respect this value: we tend to interpret the problem as a social dysfunction and try to reintegrate them by finding and correcting the cause.

What are the dominant *public service values*? The traditional values have been:

- serving the public
- political neutrality
- loyalty to the elected government
- anonymity
- integrity
- professionalism
- fairness and equality for all citizens

In recent years we have modified these by adding some new points of emphasis:

- The values of efficiency and prudence in using resources have been incorporated within our idea of professionalism.
- The value of representativeness has been added to the value of fairness and equality of all citizens.
- The idea of respect for others has emerged out of new social and political values and new management concepts.

I leave you with three main questions:

1. Have I identified the Canadian and public service values correctly?
2. Are our public service values consistent with the Canadian values, and are all of them internally coherent?
3. Are these values appropriate and adequate to our present needs? If not, how should they be changed?

GROUP DISCUSSION

Participants discussed the Canadian and public service values identified in Mr. Dewar's presentation, agreeing with some of those listed, disputing the continuing validity or relevance of some, speaking of the need to refine or redefine others to correspond with current realities, and identifying additional values.

With respect to Canadian values, discussants agreed, for example, that the value of community and mutual help is reflected in our income security and health care systems, but stated that this value is coming into conflict with the current realities of spending constraints and the sense that the national agenda is being driven by economic issues. Others pointed to discrepancies between the abstract values espoused by Canadians and actual practice in society, suggesting, for example, that the value of civility is eroding and arguing that although Canadians like to think of themselves as a gentle society, this is in fact a mask that is wearing thin. This in turn raised the question of whether values need to be restated in new ways to conform with new social realities.

The argument was made that conformity and compromise rather than gentleness and civility have become the more defining Canadian values. Some participants also questioned whether the values of civility and gentleness remain appropriate in the current international economic climate.

Participants also identified other values that could be added to the list, such as the need to accommodate regional and/or group interests, the importance attached to nature and the land, and the search for that which binds or connects Canadians in our diversity.

Finally, participants identified two values – thrift, and knowledge of history – they thought had been part of the traditional

value set held by Canadians but whose significance has declined and should perhaps be re-examined.

In discussing public service values, participants elaborated on some of the values identified by Mr. Dewar and discussed others they felt could be added to the list. Many participants believed, for example, that the value of service to the public now has to be stated in a much different way: the traditional concept of service to the public is inadequate in the face of more self-reliant communities and communities that are increasingly conscious of their own identities and needs. The primary task now is to enable communities to be self-reliant, not to prescribe technocratic solutions.

Among the values that participants thought should be added to the list were frugality, emphasis on reconciliation and conflict resolution, and accountability. Mention of accountability prompted discussion about whether accountability is a value that deserves greater prominence, or whether it is a mechanism serving other values. At least one participant believed that the list emphasized external values but that internal values with respect to how people are treated in the public service were missing. Values such as respect for others that are espoused but repeatedly ignored will soon disappear.

Some participants questioned whether the public service value is or should be loyalty to parliamentary institutions rather than to elected governments.

Elaborating on the value of professionalism, participants mentioned excellence of achievement, growth through knowledge, self-learning and innovation as components of the contemporary concept of professionalism. This in turn prompted discussion of whether excellence of achievement is in fact a value or whether adherence to process and a focus on results

have displaced it. Participants also pointed out that personal values related to individual development have the potential to conflict with public service values such as dedication to the job.

Again, participants identified values such as sacrifice and devotion to public service that they saw as part of the traditional public service value set but that seem to have disappeared from current discussions of values.

Participants were also concerned that day-to-day concerns with values such as efficiency and effectiveness are leading to a fire-fighting mentality and driving out discussion of broader value issues focused on the longer term.

Two significant questions raised, but not answered, were whether the next generation shares the Canadian values identified during the discussion, and whether values offer a way out of current national problems – and, if so, how.

Finally, discussants talked about the erosion or decline of some public service values, including anonymity and integrity, raising the question of whether the list proposed by Mr. Dewar represents what public service values are, or what we would like them to be. Mr. Dewar agreed that the values he had identified are indeed traditional and are under some stress – a progressive redefinition of values will therefore be required. "We are in the middle of a transition to an unknown destination." Values that have outlived their usefulness or that are no longer widely shared should change over time, he agreed, but as a result of intelligent social discussion and reflection, not by default.

II. The Challenge of the New Administrative Order: Post-modern Accountability

J.L. Manion

Organizations everywhere are in turmoil. Who among us would have forecast the current problems of IBM and General Motors? Governments are no different. Governments throughout the world are going through painful re-examinations of the business they are in and the way they do business and are trying to figure out what the future holds for them. If my remarks today betray a touch of anti-central agency bias, it is because no part of government can escape the waves of reform and restructuring that are sweeping through public management around the world, yet reforms in our system have been peculiar in leaving the central agencies largely unscathed.

The book *Reinventing Government* by Osborne and Gaebler has become required reading for students and critics of public management. Osborne and Gaebler coined the term "entrepreneurial government," which they describe as "not necessarily more government or less government but better government." Entrepreneurship in North America has been associated largely with the private sector, but entrepreneurial government is a critical concept. It means shifting economic resources out of areas of lower priority and into areas of higher productivity and greater yield; it means using resources in new ways to maximize productivity and effectiveness. Osborne and

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Gaebler show how public entrepreneurs are emerging in all aspects of public management, illustrating that governments can change and are changing, sometimes dramatically.

The *nature* of government *is* changing – and more rapidly than most people realize. Canada is past the era when people accepted government as master rather than servant, tolerated its excesses and failures and accepted bribes with their own tax money. Canada can no longer spend its way out of trouble. We are learning that there may be more effective policy instruments than direct expenditures. We are now looking for policy instruments directed at causes rather than symptoms, at long-term rather than short-term solutions.

The role of government is changing from one of élite accommodation to one of public participation and power-sharing; from one of commanding to one of informing, persuading and leading; from one of doing things for people to one of getting people to do for themselves; from one of setting the rules to one of setting the example and providing the vision; from one of regulation to one of voluntary standards and self-regulation.

If these observations are true, they have grave implications for governments and for the roles they assign themselves. Is a particular function something only government can do, such as redistributing wealth, or managing intergovernmental and international relations? Is it something governments do best, such as planning, forecasting, adjudicating or policing? Can the function be delegated, devolved or abandoned? Can government carry out the function in partnership with others? Once governments have answered these questions, others arise. Is the policy instrument selected the most cost-effective? Is it directed at underlying causes, not symptoms? Are we trying to solve a problem that has disappeared or changed in character? Is the process used com-

patible with the forces developing in our society? Is it equitable? How does it fit with our national vision?

Public Service 2000 was an attempt to respond to these challenges and changes, and the goals and principles set out in the *PS 2000* report are valid and laudable. I see two shortcomings, however, in the report and the subsequent follow-through:

- a failure to deal with the roles, powers and operations of central agencies; and
- a "traditional" approach to the question of accountability, dealing with it in terms of the past instead of the future.

On the second point, I refer you to my discussion paper on accountability (J.L. Manion, "Accountability," Canadian Centre for Management Development, 1991). To restate my conclusions briefly,

- Public servants and departments/agencies will never be given the authority and scope to be truly entrepreneurial unless the public and politicians can be persuaded that they are trustworthy *or at least accountable.*
- One of the major barriers to the establishment of public entrepreneurs at the departmental level and of an effective system of accountability in government is the powers and activities of central agencies and their mode of operation.

The power to deal with this situation is clearly in the hands of elected – not appointed – officials. But a window of opportunity is about to open, with a new prime minister and possibly a change of government. In planning for these transitions, we should be preparing to give advice on how a government should manage modern government and the challenges it faces. Among the themes I would hope to see included in this advice are the following:

1. The Evolving Nature of Responsible Government in a Parliamentary Democracy

We cannot talk about the Westminster model of responsible government without also saying that the model is crumbling; the model remains valid, but it will not continue to work without some help. Parliament is not functioning properly, despite well-meaning efforts at reform, which have consisted largely of tinkering without a clear understanding of the conventions and principles underlying our system of government and the relationship between ministers and Parliament, ministers and officials, and officials and Parliament.

With a strong majority government, few ministers feel accountable to Parliament, and due to their lack of meaningful powers, backbenchers have become frustrated and fractious. Failure of ministers to appear at committee meetings, for example, undermines the concept of ministerial accountability to Parliament. At the same time, ministers are frustrated by the sense that officials are not accountable to them. If government's accountability to Parliament is to improve, we need to work on several fronts:

- improving understanding of the roles and accountability relationships of Parliament, ministers and officials;
- moving to parliamentary reviews of multi-year budgets and estimates and linking this process to the Auditor General's review cycle; and
- making review of departmental/agency values, mandate and performance part of this cyclical review process.

2. A Workable Cabinet

If Parliament is not functioning properly, neither is the Cabinet. Robert de Cotret's recommendations for a streamlined Cabinet and decision-making system would have addressed this, with major implications for the accountability of officials. A Cabinet that is too large lends itself to diffusion and confusion because so little falls within a particular minister's mandate, leading to excessive reliance on a complex structure of committees and consultation and fewer opportunities for ministers to "steer instead of row": consultation takes place on day-to-day matters instead of earlier in the process, when the course is being set. A smaller Cabinet would require a streamlining of departments and agencies to reduce the number reporting to each minister and to achieve some coherency in their missions and functions; otherwise, the complexity and burdens facing ministers will mean that power will effectively slip into the hands of unelected officials, making the need to hold them accountable even more important and the capacity to do so even more elusive.

3. Increased Ministerial Authority and Accountability

The only way a smaller Cabinet can function effectively is to free ministers from the existing range of cabinet committees and centralized decision making by giving them and their departments increased authority and requiring greater accountability of them. This would allow ministers to spend more time in their departments and less time in Cabinet.

This also implies a fundamental shift in the role and operations of the central agencies, which should be overhauled, downsized and given a mandate shorn of operational responsibilities

and focused instead on strategic, forward-looking and outward-looking research and policy development. The current cost of central agencies – some 4400 employees and $400 million in expenditures – is simply an unsustainable overhead cost. Central agencies should, broadly speaking, have about the same relationship to departments as they now do to Crown corporations, setting goals and management policies and standards, and managing the accountability system. Departments should be accountable to their ministers, and central agencies should be there to help ministers carry out their responsibilities.

4. Accountable Departments

If departments are to be entrepreneurial and genuinely accountable, they must have the powers they need to manage in the modern environment. Some departments, for example, could become separate employers, with greater latitude to manage their specialized functions and their relations with their employees.

Any advice to a government in this area cannot ignore the sacred cow of federal public administration – the rule-driven, excessively bureaucratic, burdensome and costly personnel system. Until departments and managers are allowed to manage their human resources, they cannot be held accountable for results. The personnel system, designed in an era when the public service consisted mainly of clerks, has become a straight-jacket in an era of knowledge workers. Seven of the ten *PS 2000* working groups dealt with reform of the personnel system. Glassco, d'Avignon and Lambert all recommended change. But little change has occurred. We need to accept what John Carson, former chairman of the Public Service Commission, has been saying for 30 years: all that is needed to prevent patronage and

nepotism is to ensure that outside appointments are based on merit. All other personnel actions should be the responsibility of management, subject to standards of merit prescribed by law and with policing left to the unions, as is the case in virtually every other jurisdiction.

Where a department has little or no policy role, we should consider making it, or parts of it, something other than a department – for example, a departmental corporation or special operating agency. This approach does present some danger of loss of accountability and control, but this can be managed. For example, we could explore models such as those now in use for Crown corporations – boards of directors or trustees with clear and specific powers, the use of employment or accountability contracts for agency heads, the use of multi-year business plans as the basis for setting direction, assessing performance and holding departments/agencies accountable, and so on.

If these changes occur, the accountability of departments to ministers can be strengthened in many ways, such as through greater reliance on mission statements and clear goals and plans, and improved internal reporting and auditing. Needless to say, such change will require strong political and public service leadership.

5. Accountable Managers

In my discussion paper on accountability, I emphasized individual accountability based on the model of professional associations (see Manion, "Accountability," pp. 33-38). I also see the heads of departmental corporations or special operating agencies being hired through performance-based contracts with the board of directors or trustees and being required to remove

themselves from the public service (with a guaranteed right of return).

But we will never succeed in developing public entrepreneurs who are willing to take risks if managers perceive unfairness or inequity in their treatment or expect that when things go wrong they will be sacrificed on the altar of expediency. Who, then, speaks for this group? Who protects them against unfairness (or worse) in the process of accountability? The Clerk of the Privy Council must fulfil this role, acting as the collective voice of the public service in speaking to ministers. There is also a need for a redress mechanism for the executive group to ensure that individuals can have a complaint dealt with fairly.

In summary, we must move beyond simply paying lip-service to the principles of *PS 2000*. We have to give departments the tools they need and make them accountable for results. To do this, we need to revamp the central agencies, relieving them of their operational role and freeing them to do the research, comparative studies and strategic thinking needed to move government and the public service into the next century. I see three broad areas for reform:

- a major reduction in the size of central agencies and the scope of their powers, particularly in the personnel area;
- general improvement in understanding of the nature of responsible government in a parliamentary democracy and of the relationships between political authorities and public officials; and
- clarification and development of the role of the Clerk of the Privy Council as the head of the public service, the voice that speaks to and for the public service, and the guardian of the continuity and integrity of government as particular governments come and go.

The key questions that remain, then, are whether central agencies should be abolished, or at least returned to their traditional and most valuable role, which is setting goals, policies and standards, and whether we can really free departments and managers to become entrepreneurial, give them the tools they need and hold them accountable. At the institutional level, can we adopt some aspects of the approach that now applies to Crown corporations? At the individual level, can we adopt elements of the professional association approach for professional managers?

GROUP DISCUSSION

Participants agreed generally that central agencies are larger than they need to be and that some functions now performed at the centre, such as education and training, need not be. There was discussion, however, about what must be done at the centre. Such functions as challenge (which falls somewhere between the strategic or policy role and the detailed control role), co-ordination to ensure consistency and eliminate duplication, management of the executive cadre, and management of interdepartmental and emerging issues were mentioned as examples. Some participants questioned whether a return to a "traditional" role is possible, given an imperfect understanding of what that role was. Perhaps a more accurate description of what is needed is a redefinition of central agency roles to approximate more closely the "classical" approach used by most governments to organize their central functions.

Participants also argued that the current role of central agencies is the product of several forces not of their own making: for example, the work of the central agencies is focused by the demands, interests and concerns of the prime minister of the day, by resistance or inability at the most senior levels to think in a longer-term perspective, and by the tendency of department heads to rely on the central agency system as a means of resisting unreasonable demands from ministers.

Some argued, in fact, that the central issue is not undue interference on the part of central agencies, but rather the lack of leadership from deputy ministers in promoting change in the way government does business. Despite long-standing criticisms and recommendations for reform, little has changed because line deputies and those reporting to them derive comfort from being able to refer to central agency rules when difficult situations or decisions arise. To change this situation, there would

have to be a conscious effort, in the formation of the management cadre, to change the public service culture so that managers are not reluctant to assume authority and to use the tools at their disposal to manage in a more entrepreneurial way.

With respect to what departments need, discussants argued that the notion of freedom to manage works well when it is possible to articulate very precisely the relationship between a department and its client group. In other circumstances, the concept of special operating agencies or departmental corporations may not be appealing to governments, which may be unable to exercise the levers of power in the way they would like to. Participants also pointed out that fostering entrepreneurship and accountability requires commitment, pride and enthusiasm, and that more attention should be given to the tools departments' need to generate these qualities.

Discussants also emphasized that some departments are already demonstrating entrepreneurship and innovation within the current system – for example, through the development of mission and value statements and the use of accountability contracts and other tools that free people to manage. Some of the tools that departments need already exist, but they are not being used. Perhaps the issue is not so much one of providing the tools, but rather of removing the barriers and burdens that impede entrepreneurship and accountability – in particular, the personnel system and the centralization of the staffing and collective bargaining functions.

Regarding individual accountability, some participants questioned whether such concepts as peer review, technical competence and ethical competence, borrowed from professional associations, would be applicable in the public service. Are there enough similarities in what public servants do to allow this approach to work? In addition, some participants emphasized that

reliance on professional standards must be accompanied by accountability for performance and results. They also pointed out that public trust in public servants has been eroded by incidents of irresponsible behaviour and that this erosion of trust could interfere with acceptance of personal accountability systems based on the professional association model. Accountability to citizens/taxpayers in their transactions with government also needs attention. The U.K. Citizen's Charter, for example, was mentioned as a mechanism aimed at achieving greater accountability to citizens for the quality of government services. Some participants thought that the concept of group accountability should be used in conjunction with individual accountability.

III. Ethics: Do They Provide a Core of Stability in a Changing World?

Kenneth Kernaghan

What is the relevance of ethics in the public service in this era of great public and media scepticism about values, integrity and morality, not only in government but also in business, journalism and elsewhere? The answer lies not in addressing concerns about corruption, conflict of interest or dishonesty, but in ensuring that public servants recognize and understand the ethical and value dimensions of their decisions and recommendations.

Ethics involves not only knowing the difference between right and wrong but also making a commitment to do the right thing once one figures out what that is. Ethical conduct is concerned both with choices between right and wrong and with choices between two rights or two wrongs. In addition, ethical discussion recognizes that perceptions of right and wrong and of the seriousness of various wrongs differ, requiring dialogue on ethical and value issues throughout the public service aimed at reaching understanding and accommodation of varying points of view on these issues.

Confusion sometimes arises about the distinction between ethics and values. Ethics can be defined as standards and principles of right conduct. Values, however, are enduring beliefs that influence the choices we make from among available means and

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ends. Public servants' attitudes and actions are affected by an enormous range of values, including social, political, personal and public service values. Many values, such as wealth or success, have relatively little direct connection with ethics, but other values, such as fairness or honesty, are in essence concerned with what is right or good and can, therefore, be described as *ethical values*. Ethical values can be used as a means of reconciling conflicts among other values. For example, public servants may resolve clashes between such public service values as efficiency and representativeness or effectiveness and responsiveness by reference to such ethical values as fairness and honesty.

My research has demonstrated the close links among public service values, ethical values and organizational values. The public service values have been identified by a review of public administration literature since Confederation; the ethical values are taken from the literature on moral philosophy and public service ethics; and the organizational values are those identified through a preliminary content analysis of the strategic plans of individual public service organizations.

Public Service Values	*Ethical Values*	*Organizational Values*
Integrity	Integrity	Integrity
Fairness	Fairness	Fairness
Accountability	Accountability	Accountability
Responsiveness	Caring	Responsiveness
Efficiency	Honesty	Efficiency
Effectiveness	Promise Keeping	Service
Representativeness	Pursuit of Excellence	Openness
Neutrality	Loyalty	
	Responsible Citizenship	

Note the congruence among three key public service, ethical and organizational values – integrity, fairness and accountability. It seems reasonable to conclude that these are important and enduring values. Even when conditions change, these values remain; thus, they provide a core of stability in a changing world.

In our book, *The Responsible Public Servant*, John Langford and I argue that there are seven traditional rules or commandments of responsible (ethical) administrative behaviour:

1. Act in the public interest!
2. Be politically neutral!
3. Do not disclose confidential information!
4. Protect the privacy of citizens and employees!
5. Provide efficient, effective and fair service to the public!
6. Avoid conflicts of interest!
7. Be accountable!

While these commandments are of enduring significance, their interpretation varies over time and from one individual and one department to another; there may also be clashes among some of the commandments themselves. Thus, continuing discussion among public servants is necessary to sort out the appropriate interpretation of these commandments in the current environment.

Another argument for continuing dialogue on public service ethics is that the scope of the field is much broader and the ethical dimension of administrative action is much more pervasive than is commonly recognized. The *scope* of public service ethics can be demonstrated by reference to three major categories:

- *The ethics of public policy.* Given the power which public servants exercise in the development and implementation of public policy, close attention should be paid to the ethical standards they bring to their recommendations and decisions. In addition to questions of a managerial, political, constitutional, technical or financial nature, public servants should ask such questions as "Which policy choice is fairest in this case? Which policy choice best achieves the value of equity? or liberty? or justice?" and so on. This category of public service ethics is a complicated one because such questions are difficult to answer, particularly because they involve such broad concepts as fairness and equity which are difficult to define in a precise way. The point to be made, however, is that many policy decisions have an important ethical dimension. Reflect, for example on such policy areas as environmental regulation or the regulation of hazardous products which sometimes requires an assessment of the appropriate measure of risk to human beings.
- *Personal ethical standards.* Because of the information they possess, the advice they give and the funds they allocate, public servants have opportunities and temptations to use their public office for private or personal gain. Conflicts of interest are the most pervasive problem in this category not only because of the prospect of financial gain from such activities but also because of the many different types of conflict of interest.
- *Organizational role demands.* This category recognizes that since all public servants work in organizational settings, they sometimes face ethical issues arising from the clash of policy choices or personal ethical standards with established organizational policy. A good example of this is the

practice known as whistle blowing, where the public servant's concern about government wrongdoing conflicts with his or her loyalty to the government.

The *pervasiveness* of public service ethics can be demonstrated by raising a few of the many current ethical questions under consideration:

- Should public servants implement zealously policies or programs they believe to be misguided?
- When, if ever, is it appropriate to blow the whistle?
- What kinds of gifts or entertainment should public servants accept?
- Is an apparent conflict of interest as serious as an actual conflict?
- To what extent should public servants participate in partisan political activities?
- What are the ethical implications of such programs as employment equity or other policies to promote diversity in the work force?

It is useful to distil, from a vast volume of writings on ethics, some illustrative guidelines that public servants may use to answer ethical questions:

- The golden rule and the modified golden rule: Do unto others as you think they would like to have done unto them.
- Make the decision for which you would be prepared to provide the rationale on page one of the *Globe and Mail.*
- Are you practising what you preach? What would your children think of your decision?

- Choose ethical over non-ethical values; fairness and honesty, for example, should take precedence over wealth and comfort.
- In the event of a clash between ethical principles, choose the most valid ethical principle – for example, respect for life trumps truth telling.

The emerging issue of whistle blowing illustrates the complexity of ethical issues in the public service. This issue is related to several ethical problem areas, namely confidentiality, political neutrality, and the political rights of public servants, including public criticism of government policies and programs. It is notable that the United States federal government and about 15 state governments have passed legislation to protect whistle blowers in such situations as gross waste of public funds, illegal activities, and threats to public health and safety. This idea is gaining currency in Canada as well. Recent decisions by provincial arbitration boards have indicated that in certain circumstances public servants are justified in blowing the whistle.

GROUP DISCUSSION

During the ensuing group discussion of a case of whistle blowing involving a provincial public servant, participants were evenly divided on the issue of whether the public servant's actions had been justified. The case prompted the following observations by participants:

- The department had no structure in place to allow the employee to deal with an ethical problem by discussing it with management up the accountability chain. The organizational culture did not promote this approach, and ambiguous direction from the top exacerbated the situation. In effect, lack of communication and of a mechanism for resolving ethical dilemmas *allowed* the public servant to get into trouble.
- Organizations have an obligation to facilitate an employee coming forward to discuss an ethical dilemma and to ensure that policies and structures in place to facilitate this are in tune with personal and professional ethical values. Managers have a positive obligation to create an environment and mechanisms to ensure that employees can have their ethical concerns dealt with impartially without risk to themselves.
- The case provided several illustrations of the potential for conflict among various values – personal values and scientific or professional values such as fairness and husbanding a public resource versus public service values such as loyalty to the organization, and serving the public interest versus serving the interests of the organization.
- People joining the public service need a more thorough introduction to ethical issues because of the potential for

conflict, for example, between oaths of office or secrecy and professional codes of conduct.

In response to these lessons emerging from the case discussion, Professor Kernaghan provided a list of questions for potential whistle blowers:

1. Have I exhaused all other reasonable alternatives?
2. Can I pinpoint the persons responsible for the abuse?
3. Do these persons have the right (that is, the authority) to make the decision leading to the abuse?
4. How serious and/or immediate is the threat?
5. Will my revelations or accusations improve the situation?
6. Will any innocent persons within or outside the organization be harmed by my action?
7. Am I motivated by personal gain (revenge, desire for publicity)?
8. Will I be violating an oath of office and/or an oath of secrecy?
9. What form of retaliation, if any, am I likely to suffer?
10. What will be the impact of my action on my career and my family?

Promoting Ethical Behaviour

Do written rules and codes of ethics or behaviour provide a way of dealing with the ethical dimensions of public service decision making and behaviour? Professor Kernaghan argued that they tend to be useful for some types of issues, such as conflict

of interest and confidentiality, but less useful in other circumstances, for at least two reasons: the potential for disagreement about what the specific content of such codes should be and the fact that written rules cannot provide guidance for every possible situation. Written codes are therefore less useful in dealing with ethical issues such as under what circumstances a public servant should lie to the public or what measure of risk is acceptable in public service decisions related to public health and safety. Other approaches to promoting ethical behaviour are therefore necessary. They include:

- training and education, which may not promote moral development but can sensitize employees to their values and to the ethical dimensions of their recommendations and decisions;
- ethical leadership – conscious efforts by managers to act as ethical role models, to keep the ethical dimension of issues in view as part of the decision-making process, and to draw attention to the ethical components of decisions that are not primarily ethical in nature. Surveys show that the single most important determinant of behaviour is the ethical behaviour of employees' administrative superiors.

At the same time, promoting ethical behaviour in the current public service environment has become more difficult as a result of two essentially incompatible developments: greater empowerment of public servants through decentralization and delegation of authority and greater emphasis on service to the public, on the one hand, and greater politicization of the public service as a result of the expansion of public servants' political rights, on the other.

Participants agreed that a mix of solutions – including written codes, better initial orientation and ongoing training,

sharing of information on ethics and the ethical dimension of issues, mechanisms for dealing with conflict, and ethical leadership and role modelling – is needed. At the same time, the value of a government-wide code was questioned because of the difficulty of codifying meaningful principles applicable to a wide range of circumstances. Participants also wondered how to make ethical considerations an inherent part of the public service culture and its management and leadership style, particularly given the wide dispersal of employees.

Discussants nevertheless emphasized the responsibility of managers to demonstrate ethical behaviour through their own actions and standards and to be accountable for establishing a process, promoting its use, and enforcing its results. Transparency and clarity in decisions were also mentioned as crucial elements in influencing organizational culture; where tough decisions have to be made, managers have an obligation to explain the reasons for decisions, including their ethical dimension, and to engage employees in this process of ethical reasoning.

Participants pointed out that one of the reasons that ethical dilemmas arise is that values conflict or compete – not only because individuals attach varying importance to different values but also because perceptions of the weight that should be attached to different values may vary with circumstances. In addition, many current issues involve clashes of values in society generally.

The fear was also expressed that ethics is becoming a business, promoting a report card approach to the ethical dimension of decisions rather than substantive change in organizational culture and the way decisions are made. The result could be greater emphasis on blame and punishment rather than the promotion of ethical behaviour.

Biographical Notes

D. Bevis Dewar

D. Bevis Dewar's first appointment in the federal public service was to the Cabinet Secretariat of the Privy Council Office in 1954. He later joined the Treasury Board Secretariat, and in 1969 he became Deputy Secretary of its Program Branch. In 1973, following a year with the federal bilingualism and biculturalism development program in Quebec City, he was appointed Assistant Deputy Minister, Medical Services Branch, Health and Welfare Canada.

From September 1975 to August 1979 Mr. Dewar served as Assistant Secretary for the Government Branch of Science and Technology Canada. He was then appointed Deputy Secretary to the Cabinet (Operations) in the Privy Council Office and Deputy Minister of National Defence. He served as Associate Secretary to the Cabinet and Deputy Clerk of the Privy Council from May 1989 until October 1990, when he was appointed Principal of the Canadian Centre for Management Development until his retirement in 1993.

The Dewar Series: Perspectives on Public Management has been established in recognition of Mr. Dewar's many significant contributions to CCMD and to the Public Service of Canada.

John L. Manion

John L. Manion's career in the federal public service began in 1953 when he joined the Department of Citizenship and Immigration. After fifteen years in the Canadian Immigration Service, he was appointed Director of the Immigration Division's Programs and Procedures Branch. In 1969 he moved to the Department of Manpower and Immigration, serving for three years as Director of the Manpower Training Branch. Mr. Manion was appointed Assistant Deputy Minister (Manpower) in 1972; two years later, he became Assistant Deputy Minister of the Department. In June 1977 he was appointed Deputy Minister of Manpower and Immigration and shortly afterwards, Deputy Minister of the Department of Employment and Immigration and Chairman of the Canada Employment and Immigration Commission.

Mr. Manion was appointed Secretary of the Treasury Board in 1979, Associate Secretary to the Cabinet and Deputy Clerk of the Privy Council in 1986, and in 1988, first Principal of the Canadian Centre for Management Development.

An Officer of the Order of Canada since 1984, Mr. Manion was awarded the Public Service Outstanding Achievement Award in 1986 and the Vanier Medal of the Institute of Public Administration in 1989.

Kenneth Kernaghan

Kenneth Kernaghan is Professor of Political Science and Management at Brock University where he has also served as Chairman of the Department of Politics and founding Director of the School of Administrative Studies (now the Faculty of

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Business). During 1974-75 he was Director of Educational Research for the Public Service Commission's Bureau of Executive Education.

Professor Kernaghan is the author or editor of many books, monographs and articles on Canadian public administration and public policy, and has been especially active in the area of public service ethics and values. His publications include *Public Administration in Canada: Selected Readings* (now in its fifth edition); *Ethical Conduct: Guidelines for Government Employees*; *Public Service Ethics: Comparative Perspectives; The Responsible Public Servant*; and *Do Unto Others: Ethics in Government and Business*. He has conducted many workshops on integrity, ethics and values for senior public service executives and managers.

Professor Kernaghan has served as President of the Institute of Public Administration of Canada, Editor of *Canadian Public Administration*, and Chairman of the Academic Advisory Committee of the Ontario Council of University Affairs. In 1989 he became Editor of the *International Review of Administrative Sciences*.