The myth of the public service as a lump of ‘guardians’

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“… for appropriate regulation, the variety in the regulator must be equal or greater than the variety in the system being regulated”

Ross Ashby’s statement of the Ashby Law

Introduction

The ‘lump of labour’ fallacy is an old economic chestnut. It refers to the presumption that there is a fixed amount of work to be done in the world, so that any increase in the amount any worker does reduces the amount of work left to do, and thus the number of available jobs. As a result, the argument goes, automation leads to unemployment since it reduces the amount of work left. This is an idea economists have ridiculed for a long time, yet it resurfaces periodically under new garb. More recently, it has been embraced by the economically naïve arguing that more jobs can be created by reducing the length of the workweek.

This ‘lump of labour’ fallacy I (as we would call it) focuses on there being a fixed quantity of labour. There is, however, another equally toxic ‘lump of labour’ fallacy – the lump of labour fallacy II – that presumes that labour is qualitatively homogeneous, like a lump of butter, within different sectors.

According to this argument, all work is done by “guardians” in the public sector and by “traders” in the private sector, and there is a difference of kind between these types of work. This second fallacy is not in good currency in the private sector where it is generally agreed that there is little merit in assuming that labour is homogeneous: nobody but the most ethereal theorist believes that there is such a thing as “a labour market” where everyone is substitutable for any one else. This is not a useful way to describe what is, in reality, a complex and differentiated matrix of labour exchanges, where the entities exchanged have little commonality one with the other.
But the situation is different in the public sector where it is readily assumed by many observers that public sector employment has a different quality because it is public employment, and this lump of somewhat undifferentiated work has come to be associated with a higher calling, a heavier burden of office, and to be perceived as requiring an greater protection and higher status than other types of work.

This fallacy has created very serious problems of adjustment in the real world of the segmented labour markets in the public sector. It has led naïve observers to suggest that any reduction in the size of the lump of public sector employment (whatever type of public sector job might be eliminated) automatically entails an impoverishment of societal governance since “public sector employment” cannot be eroded without undermining the ‘sacred’ work of the state.

What makes this particular level of public employment optimal is never examined, and what makes all public servants fundamentally and essentially different from other workers is never clearly explained either. It is simply readily assumed by many – inspired by the work of Jane Jacobs (1992) – that this is the case.

This presumed idiosyncrasy of public sector employment has now become one of the most important constraints on the evolution of governance in Canada: it has dramatically stalled the exploration of a whole array of collaborative arrangements between the private, public and social sectors (because these would be likely to erode the almost sacred basis of state employment) and has prevented serious efforts to modernize the public sector whenever it might entail fragmentation of the body of public servants that might be required to operate under different regimes.

As a result, any need felt for effective re-engineering of government into a more inclusive, more participative, more collaborative and more effective apparatus in today’s world (through all sorts of means including PPPs or other arrangements reducing the size of the formal state workforce) has been opposed because every public sector job has been consecrated as one of “guardian” of the public good and/or of the fabric of society and therefore declared untouchable. While this might be regarded as a plausible negotiating position for public sector unions, it is hardly defendable intellectually. Nevertheless, it is an argument in good currency in certain ideological circles (Rouillard et al 2006).

All this has not prevented de facto the emergence of a wide variety of arrangements regulating different segments of employment in the public sector. But the very multitude of public sector labour unions has not eroded the overall view that there is such a thing as “public service” and that problems experienced by “the public service” should be dealt with as a whole. The history of reform initiatives proposed over the last fifty years has almost universally been trying to tackle the public service in toto, and this is the reason, we suggest, why they have all failed.
The paper first sketches the evolution of the idea of an impartial and competent clerisy of public servants from the early part of the 20th century on in Canada; then, it identifies some of the challenges this view has had to weather over the last half century, and the crucial impasse that it has generated in the recent past; finally, it suggests that nothing less than a reframed view of public sector employment as essentially differentiated on the basis of a more realistic definition of ‘burden of office’ is necessary if one is to ensure a smooth continued evolution of Canadian governance.

**In the beginning was a good idea**

The idea of an independent, impartial, competent and well-trained collection of public sector employees for the core of the governing apparatus of any advanced democracy makes good sense. Key processes, like ensuring the supremacy of the rule of law, lie at the heart of the credibility of the governors in the eyes of the governed. The burden of office of core public servants is to ensure behaviour congruent with public trust.

The idea of such a “permanent career public service, recruited free from political or personal patronage on the sole basis of ability as revealed through … competitive examination” took hold in the 1870s in Britain for just this purpose (Hennessey 1996: 122).

The Canadian federal professional public service (PPS) was created in 1918-19, and its fundamental design remains essentially unchanged to this day. By 1918, political patronage, that was said to have been rampant in the civil service since long before Confederation, became widely regarded as “threatening to undermine the Liberal-Conservative coalition which had won the election of December 1917” (Roberts 1996: 6-7). As a result, significant reforms were undertaken, and the modern PPS was established.

Unfortunately, the design, borrowed by the Canadian federal government from the United States, resulted in overkill: what had been developed by consultants to deal with endemic corruption in the city of Chicago – something that had never actually existed on the same scale in Canada – was imported holus bolus in this country (Roberts 1996).

In this particular version of house cleaning, the important concepts of political impartiality and competency were assumed to be best secured through external controls and a great reliance on rules, as opposed to individual judgment. When it was proposed in this country, there were fierce arguments in the Canadian political community “about the wisdom of the proposed reforms” (Roberts 1996: 8), but, in the end, “possibilities for less restrictive but equally effective merit reforms … (were) overlooked, and … a tired and distracted political executive … (was) finally gullied by American consultants of doubtful competence” (Roberts 1996: 8).

The 1918-1919 reforms resulted in a rigid, hierarchical service: “1,729 standard classes of employees, further grouped into 34 occupational groups … Everything was categorized, everything arranged. … Incredibly no distinction was made between routine
tasks and intellectual or policy-making work.” (Granatstein 1998: 25). As we will see, this proved to be the Achilles' heel of a flawed reform.

The results were not as effective as had been hoped: by the beginning of the 1930’s, in Granatstein’s words, the federal civil service was still “a swamp of patronage, a refuge for the inefficient and incompetent … some able public servants in the technical branches … and in more general areas … some senior public servants of ability… it was completely incapable of running the affairs of an aspiring nation. … (t)he problem was one of organization and people.” (Granatstein 1998: 23, 26-27).

As a result of World War II and the emergence of the Welfare State, the PPS grew significantly from 46,000 in 1938-39, to 117,000 in 1946 (of which nearly three quarters were temporary), to as many as 273,000 by the mid 1970’s and about 235,000 today (including bureaucrats in agencies like Revenue Canada).

Significant attempts were made to ensure the efficiency and effectiveness of this growing administrative system: the 1961 Glassco Commission (‘let the managers manage’), the 1979 Lambert Commission (‘make the managers manage’), many - sometimes short-lived - initiatives to enable better control, better management and/or better reporting to Parliament (like PPBS in the late 60’s and PEMS a decade later), and the 1990 report of the PS2000 project. But the Auditor General’s 2001 Report is quoted as still pleading to managers “please … manage”.

The design put in place in 1918-19 (“unwieldy and unnecessary” as it may have been, in the words of Roberts 1996:75) has remained largely unchanged despite the recommendations of these various commissions. Even the 2003 Human Resource Modernization Act, which puts most of the levers for managing human resources in the hands of deputy heads (directly or through a legislated bias towards delegation) has been referred to by experts as only “a modest step forward … not address(ing) current HR problems” effectively head on (Hubbard 2003).

**Strains, stresses and denials**

The challenges posed by the Great Depression and World War II led a powerful group of mandarins, as partners to the governments of the day, to reshape the contours of Canada’s institutions and its place in the world. This activism led to an extraordinary growth in public sector employment both as a result of population growth and of the new entitlements to promised public goods generated by the new propulsive state.

As long as economic growth proceeded at high speed, big G government was able to deliver on its promises. But when the world economy began to slow down in the late 1960s, and when the oil price explosion brought it to a halt in the 1970s, a gap developed between what was expected by the citizenry from big G and what it could deliver. This fiscal crisis generated massive government deficits and high inflation.

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1 Quoted by then Clerk Mel Cappe in an address to the ADM Forum, Ottawa, April 24-25, 2001
Like other western democracies, Canada experienced a great unravelling of government credibility and fiscal capacity. This took its toll on the PPS. In the 1970s, to deal with rising costs of government and the public service, rising deficits, increasing tax burdens, and erosion of confidence in government, many countries veered to New Public Management (NPM) processes that put the accent on results, service to the public, delegation of authority, greater attention to cost and the quest for efficiency, adoption of private sector practices such as “contracting out” and merit pay.

The response from the public sector management community was largely hostile. Denouncing the NPM initiatives became a new gospel in public administration circles. It was felt that public sector activities were essentially and fundamentally different from private sector activities, and not lending themselves to such “rational” practices. In the words of Jane Jacobs (1992), a vigorous missionary of this new faith, any attempt to mix “guardian” and “commercial” activities could only produce “monstrous hybrids”. Jacobs’ 1992 book became compulsory reading for federal bureaucrats in the 1990s: it provided the rationale for the status quo.

Those in denial vis-à-vis NPM found moral support in the fact that, despite waves of reforms, the long-standing ability to ‘manage and administer’ appeared to become problematic as evidenced by numerous fumbles (Gun Registry, Sponsorship Program, or the current seeming inability to achieve promised savings in procurement, etc.).

Unfortunately, none of this appears to have eroded a basic faith in the existing arrangements. If anything, the language in good currency has become more vibrant. Basic concepts of political impartiality and competency have morphed into new weasel words - ‘non-partisanship’ and ‘merit’ – and came to be elevated to almost sacramental status in discussions about the essential characteristics of public sector employment. It remains unclear whether the controls and rules aimed at giving substance to these new words have actually been either beneficial or realistic.

A dispassionate look at the rosy picture currently drawn of Canadian public administration (à la Gow 2004) suggests that the situation may not in fact be all that rosy (Hubbard and Paquet 2007).

Indeed the multiplicity of very recent initiatives – by the Clerk of Privy Council (the DM Committee on the Renewal of the Public Service stewarded by Margaret Bloodworth), the Public Policy Forum’s initiative under the guidance of former deputy minister Ian Green, and more recently the Prime Minister’s blue-ribbon committee co-chaired by former senior cabinet minister Don Mazankowski and former clerk of the Privy Council Paul Tellier – would appear to indicate that the PPS is still considered as badly in need of repair.

All the reform initiatives of the last few decades were to respond to the challenges generated by a broad transubstantiation of government that is in progress – blending government as high reliability organization and government as deliberately innovative organization (Sabel 2004) to provide both security and nimbleness.
While the earlier reform efforts attempted to bring a burgeoning federal governing apparatus under better control, latter ones were truly experiments with different organizational arrangements (e.g. special operating agencies such as Revenue Canada with more HR flexibility, and the creation of new entities such as NAV CANADA).

But the profound change involved not only the way things were done but also what was done. And it is still going on. This explains why no amount of effort at public service reform – however well intentioned – has been particularly effective. Reform of this latter kind requires taking a much deeper look at what the PPS is doing and should do, and no scheme can succeed until one key issue is tackled, debated and resolved.

That issue is the un-stated assumption (that often many are not aware they are making) of the illusion of totality built on a Jane Jacobs sense that all the work done in the public sector is sui generis and fundamentally different from and qualitatively “superior” to whatever is done in the rest of the socio-economy.

The illusion of totality and the futile search for the Holy Grail

To our way of thinking, the ‘lump of labour fallacy II’ is the major stumbling block on the road to meaningful reform. Not until it is recognized that (1) public sector work is not, in all its components, different in kind from work done in other sectors; (2) public sector work is as heterogeneous as work in other sectors; (3) different sub-groups of public servants doing substantially different types of work should be operating under significantly different regimes – can one hope to reform the PPS in today’s world.

This mythology stands in the way of really effective strategies for reform and renewal. Indeed, it has resulted in “a variety of idealized expectations and requirements from the central agencies that are unlikely to assist in the efficient delivery of the intended services … (that) emanate from utopian management frameworks that are being formalized and imposed on the whole of government” (Clark and Swain 2005).

Yet this illusion of totality is staunchly defended despite clear indications that employees define themselves in quite different ways (e.g., as forming various communities of practice and labour unions). Consequently, the efforts at reform or renewal have been unduly focused on the search for the Big Solution – the recipe that would apply across the board and at all levels, despite the fact that the personnel to whom these reforms are meant to apply experience extraordinarily different circumstances.

The very existence of the Public Service Commission (PSC) is an embodiment of this illusion of totality. Both the PSC and Treasury Board (TB) continue to dream of imposing a single regime on all federal public employees. One may recall the ill fated ‘unified classification system’ promoted by TB in the late 1990s (a scheme that aimed at unifying the whole lump of public employment into a single classification scheme). As for the PSC, over the years its mandate has been narrowed and major chunks of the public service are now excluded from its direct scrutiny as a result of the creation of independent agencies. But even as the PSC’s vocation appears to be tilting more and
more toward an auditing role for certain aspects of human resource management, the focus on remains on the PPS as a whole.

This illusion of totality survives because this assumption of the sacred homogenize-able lump of public labour remains largely un-stated. If it were made explicit, it would become obvious that the diagnoses and recipes in good currency suffer from the elephant and the blind men syndrome: each party approaching the problem in a partial way, and then generalizing from there to the whole of the public service. This has been the major flaw of the initiatives to reform the PPS over the last 40 years.

Even in 2006, the language used in dealing with reform efforts refers to the public service as a meaningful whole. This is true of the DM’s committee, of the two-year study launched by the Public Policy Forum, and of Prime Minister Harper’s “Advisory Committee on the Public Service”.

The burden of office as principle of differentiation

If there is no magic bullet to solve the problems of the public service as a whole, the most effective way to tackle the PPS problem is to start with an X-ray of public sector employment in order to reveal its different sub-systems, to understand the significant differences in the burden of office of public servants in these different systems and the way in which different expectations apply to these different groups of public servants, so that one might be able to design different and tailor-made regimes likely to be most effective governing mechanisms in each case.

In our view, a meaningful X-ray of the public sector would identify four concentric circles of differentiated public servants corresponding to different categories of people with different burdens of office and confronted with varying citizens’ expectations.

At the core are the super-bureaucrats: this includes the true super-bureaucrats (like the governor of the Bank of Canada, Supreme Court judges, and the federal and provincial auditor’s general) who are intended to be ‘above the fray’. They hold the offices charged with ultimate oversight function in matters pertaining to the fabric of our democratic society, and their protection from external pressures is usually extraordinary robust. This category also includes the uppermost senior bureaucrats (deputy ministers, associate deputy ministers and deputy heads), who are expected to be highest order guardians of the integrity of key processes that lie at the heart of democracy.

The next ring corrals the guardians, a somewhat larger (but not very large) group of bureaucrats whose work underpins the fundamental policy and regulatory work of governments and may be said to do work as guardians of basic public values. Their work requires a great deal of independence and a capacity to resist pressures both from interest groups and political communities. It may be said that Canada designed its original PPS precisely to protect this category of bureaucrats through employment systems that ensure they can ‘speak truth to power’ and play the role of “… neutral implementer(s) of legislative policy.” (Savoie 2003).
The third ring is made of the *professionals* proper and is a somewhat-larger group of persons whose work is important to the infrastructure of the state. Most of their work may be said to be akin to the work of any responsible professional in any sector. Many of the individuals who fall into this category may not need to be part of the public service at all. They may also work for crown corporations or for partners of governments and indeed may often find employment in the private or social sectors.

The fourth ring might be referred to as *employees*. It is a much larger group of bureaucrats that may be on the public sector payroll but often only for historical reasons. They primarily perform activities that are conducted routinely in other sectors, and therefore their functions and activities are not in any way inherently ‘public sector’ in nature (although they may be the contact point between the state and the citizen) and need not be performed by the professional public service.

So the human resources of the public sector are *de facto* fragmented into ensembles of personnel that are quite different in nature. Consequently there are good reasons to believe that not all the categories of personnel need to have the same regime of attachment to the public sector, or to remain attached to the public sector at all, and there are no reasons why they should be treated in an identical manner.

While the first two categories are fundamental pillars of the public service, the latter two categories cover personnel that, to varying degrees, are not dealing, in an essential way, with issues that demand the same degree of protection as that which is bestowed on the other two groups. These two sets of groups would appear to require quite different rules of the game and HR arrangements.

The partitioning of the traditional PPS in this fashion is set out in Table 1. It provides a rough picture of the coverage and size of each category, but also of the burden of office of members of these different categories, and of the citizens’ legitimate expectations about their work.

It should be clear that these categories are separated by porous boundaries that allow meritorious individuals to move though the ranks in the same manner that it is known to occur in other sectors, where a bank clerk might become a bank president. A brilliant professional may indeed be expected to graduate to core level employment, and even to the inner core, but he or she might also be allowed to thrive and progress as a professional throughout his or her career. Moreover, there would be of necessity some exceptions for personnel operating close to the inter-group boundaries: for instance, circumstances may demand that some secretarial staff operating in support of inner core personnel be granted special status.
This type of partitioning would appear to fit the present environment, and it constitutes a powerful argument against a one-size-fits-all approach. Such a partition of public sector employment identifies different types of human capital requiring different types of employment relations and regimes.

Group 1 represents core human capital, both highly unique and valuable. They are at the inner core and their employment relationships tend to be long term and focusing on organizational commitment and trust. Group 2 represents human capital that is highly valuable but less unique. The employment relationship will tend to be relatively more focused on immediate performance and a results-based approach. Group 3 represents idiosyncratic human capital that has specialized knowledge and is not always easy to find in the market but is most of the time readily available; it requires an employment relationship that is based on partnership that preserves some continuity over time. Group 4 may be regarded as ancillary human capital that is of less strategic value and not unique to the organization; the focus is more on compliance with preset rules, regulations and procedures (Morris et al. 2006).

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*Table 1 – Human Capital in PPS*

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<tr>
<th>Uniqueness</th>
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<th>Group</th>
<th>Professionals</th>
<th>Super-bureaucrats</th>
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<td>3)</td>
<td>Main challenge: Balance professional &amp; political</td>
<td>Burden of Office: Safeguard fabric of society</td>
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<td></td>
<td>Main job: Ideas, innovation &amp; horizontality</td>
<td>Main job: Co-governing &amp; enabling</td>
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<td></td>
<td>HR Goal: Learning (40,000)</td>
<td>HR Goal: Commitment (&lt; 500)</td>
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<td>4)</td>
<td>Main challenge: Reliability &amp; fairness</td>
<td>Burden of office: Loyalty</td>
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<tr>
<td></td>
<td>Main job: Productivity</td>
<td>Main job: Leadership &amp; management</td>
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<td></td>
<td>HR Goal: Responsiveness (185,000)</td>
<td>HR Goal: Productivity (&lt;10,000)</td>
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2 Adapted from Morris et al 2005. The size of the PPS is estimated at about 235,000 (including separate agencies like Revenue Canada)
In the heyday of the mandarins, the small size of the state, the deference to elites, and the relative paucity of technical specialists in government combined to enable a few “intelligent generalists” (as Granatstein calls them) to have an immense influence not only on the adoption of major policies but also on the way they could be implemented, despite a ‘one-size-fits-all and rules-and-process-bound bureaucracy’. They could ‘work around it’. Scheming virtuously was not only possible then, but it was expected and condoned at the very top, and a few people could engineer significant change.

The drift from top-down big G government to a more inclusive and horizontal small g governance (as a result of the growing turbulence of the environment and of the greater variety and complexity of the socio-economic systems to be governed when no one is in charge) has transformed the governing process: more stakeholders with different interests and competencies have come to be involved in the stewardship of the socio-economy. A few “intelligent generalists” (however imaginative or competent) can no longer as easily ‘scheme virtuously’ and have a huge impact on policy choices and/or ensure successful execution. The world is so complex and there are so many players: Ashby’s law applies. Variety in the regulator has had to increase because of the greater variety in the system being regulated.

As a result, new units of management analysis (e.g., regions, categories of workers, issue domains) are of the essence as well as new units of policy analysis (e.g., city-regions, communities of practice). On the HR management front, very many different categories of public sector workers have crystallized and have received more or less formal recognition through unions or categories of types of employment.

Our crucial point is that central agencies and management boards of all sorts must take notice of this new context and change their perspectives accordingly. The sheer denial of the new complexity will not do, and top-down one-size-fits-all mechanisms will no longer work.

Central agencies will have to allow for enough flexibility in organizational arrangements and work environments (e.g. work structure and work systems for HR, procurement, administration, finance, IT, etc.) while focusing on the ligatures that will be needed to knit together the quilt of organizational and institutional arrangements that have sprung to life (different institutional ecologies) into relatively coherent wholes in the name of efficiency, effectiveness, fairness and legitimacy.

**Real challenges of innovative government in a small g world**

The need for a more innovative government requires a capacity for greater mass collaboration and coordination across and within jurisdictions and sectors, and that, in turn, entails the development of a variety of new skills and new approaches. It is our view that a finer-grained definition of public sector employment is likely to provide a better instrument to ensure both a more reliable and a more innovative government by putting in
place a clearer definition of the burden of office of the different sub-groups and a sharper definition of their real accountability and their real job.

However, one cannot argue persuasively in favour of such a sub-division unless it can be demonstrated that (1) such a partitioning and the associated HR regimes will help ensure a better mix of reliability and innovation of the Canadian state; (2) such a partitioning of public sector employment (and the associated HR regimes) is technically feasible, socially acceptable, implementable, and not too politically destabilizing; and (3) such a partitioning will accommodate the legitimate strategies of key actors like the Clerk of Privy Council and groups like the Public Policy Forum.

(1) the new partitioning would help to make renewal real

Category 1 – For the super bureaucrats the main challenge is dedication to preserving the fabric of society. Their main work is to act as co-governors (to help decisions to be made directly or indirectly) and to ‘enable’ the implementation of whatever has been decided (in so far as governments have direct roles to play).

There is no simple way to guarantee such commitment and dedication. And it would be grossly naïve to presume that they will materialize organically as a grâce d’état. There is a need to remind them of their engagements in the same manner as it is useful, at times, to remind officials and citizens of the Magna Carta. This could be done through a clear yet general letter of appointment delineating the broad principles that should guide their action (in the light of the Constitution and other founding documents) in the case of uppermost super-bureaucrats, and providing more pointed details about the philosophy of the elected government when dealing with other lower order super-bureaucrats like deputy ministers.

The federal lower order super-bureaucrats (deputy ministers and deputy heads) have been designated as accounting officers under the new Accountability Act and answerable to the appropriate committee of Parliament on certain matters. This makes them the new ‘backstops’ with respect to the reliability of key financial processes of the federal government.

For all super-bureaucrats, a combination of trust and competence is crucial. For some, it also entails a fundamental loyalty to the government in power. The need to work closely with the government of the day, straddling the political/bureaucratic interface and overcoming past loyalties and past commitments, is a daunting challenge. Indeed, disloyalty at this level is nothing less than an abus de confiance and a cardinal sin.

Category 2 – For guardians, the biggest challenge is loyalty, and their main work is leadership and management.

They are charged, in a general way, with ensuring that the wishes of the elected government (as expressed in policy directions) are carried out in a way consistent with the laws of the land. It is fair to say, nevertheless, that the intermediation role they must
play (especially at the most senior levels) has not always been as easy as it might have been presumed to be. Loyalty may have come, in the minds of some guardians, to be synonymous with loyalty to the direction set by a federal political party that has dominated for long periods of time and/or to the institution of the PPS as opposed to the laws and rules of the land. While this sort of behaviour might be regarded as understandable, it is also reprehensible and may indeed erode the very foundation of the PPS system.

This group can be presumed to have taken an oath of loyalty, and to have agreed that such an oath weighs heavily in their burden of office. In such cases, letters of appointment would be yet a bit more precise (both on guiding principles and general directions favored) so as to ensure as few malentendus as possible.

Since the guardians are the lynchpins in the implementation of the policy and regulatory work of the government (for they design the organizational arrangement, and adjust the work environment appropriately) they help scope out the value adding and the nature of the risk taking of the key players. To do this, they must build and sustain the necessary trust in the key players. As James O’Toole would put it, leaders must “provide the “glue” to cohere independent units in a world characterized by forces of entropy and fragmentation. Only one element has been identified as powerful enough to overcome these centripetal forces, and that is trust. And recent experience shows that such trust emanates from leadership based on shared purpose, shared vision and, especially shared values” (O’Toole 1996: xvii).

Category 3. For professionals, the main challenge is the harmonization of professionalism with (legitimate) political orientations and directions.

It is the locus of policy implementation and the site of major risk taking. Most policy directions can easily be perverted at this interface. Yet this is also where the greatest danger exists that rigidity will stunt social learning and prevent policies from evolving as they should, in the light of circumstances. Professionals must find a balance between the legitimate expectations of the government and the legitimate constraints imposed by their professionalism.

In group 3, the greatest number of ideas and the most significant degree of innovation is necessary. These persons are not simple employees and yet they cannot be expected to be dealt with as if they were in the inner sanctum of government policy-making nor charged with safeguarding key processes. Personalized letters to set out their main challenge could only lead to micro-management on a scale that would sterilize their work and suppress the degree of innovativeness required from these professionals.

One must therefore put in place an HR regime for professionals that provides the requisite respect for the margin of maneuverability they need, the constant upgrading of skills and capabilities they require, and the use of judgment in their day-to-day operations that is mandatory.
Category 4 – For employees the challenge is reliability and fairness in the dispatch of their relatively routine work in the public household. The work is similar to work done in other sectors and may be tied to projects or arrangements that span weeks, months or years. There is no reason such employees could not be treated in the same way as in other sectors where many more dimensions of the working conditions are open to collective bargaining. Indeed, ensuring comparability with other sectors so as to facilitate the requisite amount of mobility is crucial even though it may entail some erosion of unwarranted privileges. In fact, this may be overdue. This might even include the use of regional rates of pay so as not to unduly distort local labour markets.

In a world of mass collaboration however, one should be careful not to unduly sanitize all aspects of group 4 activities. This is especially crucial for public sector employees who interface with the public. Front-line public sector workers have social learning responsibilities for the public sector. They are the first ones to detect anomalies or ill-fitting applications of standard rules. Too often, in the command-and-control world of big G, front-line workers allowed themselves at times to become tyrannical implementers and enforcers. In the small g world, they are meant not only to be sensitive to local circumstances but also to be enabled and required to ignite processes of revision and modification of rules that may have unfortunate unintended consequences.

In fact, over and beyond the usual incentive reward systems that can encourage such social-learning behaviour, one must also count on robust fail-safe mechanisms like ombudspersons capable of deterring tyrannical, unreasonable and abusive behavior that prevents effective mass collaboration in the governance regime.

Given the size of group 4 and the extraordinary variety of the functions allocated to its members, only system-wide approaches (with appropriate safeguards) can be effective. The existing regime may need to be modernized and reformed but, in some ways, it would continue to apply – even including the rather static position-based system that has been used from the beginning.

Private and social sector employees have developed a great sensitivity to clients over the years. This has been supported and rewarded by their employers. There is no reason why it could not be implemented in the public sector.

(2) This new partitioning is workable

Despite the fact that the propensity to look at public sector employment as inherently ‘different’ in toto remains alive and well, the reality of public sector employment already recognizes important differences among the diverse groups of employees. For example, the allocation of work to occupational groups does a rough job of distinguishing between different qualifications and capabilities, and the process of selection and promotion varies greatly from one class of employment to the other.

But the idea of reframing the approach to public sector employment by sharpening the boundaries of the separate segments (and entertaining the possibility of setting up
different accountability and HR regimes for them) has been opposed on ideological and technical grounds.

Ideologically, this partitioning has been perceived as an attempt to lessen the ‘higher nature’ of state employment and is fought in principle by those who believe that the state (always spelled with a capital S) is regarded as the fundamental societal “organism” with moral purposes that transcend those of its individual citizens as expressed in other sectors.

So, depending on the coefficient of Hegelianism harboured by the different passionate observers, tinkering with the state is perceived as less or more a case of lèse-majesté. For the soft Hegelians, there is more to the state than service provision but this does not prevent one from legitimately seeking more efficiency and effectiveness in alternative non-state or mixed delivery systems. For the hard Hegelians, any tinkering with any aspect of the state sphere that may reduce its scope or ambit can only be regarded with suspicion. There is not much one can do against such fundamentalism, but it should be made clear that such a position does not hold much water except at a theological level.

Technically, this partitioning entails the design of an alternative to the sort of system that has been in place for the last century or more. As a result, the forces of inertia and the vested interests in the old ways have come into play, and it has been argued that an alternative approach would be too complicated and impractical. Yet, it is our view that such a plural approach to public sector employment is technically feasible, socially acceptable, implementable, and not too politically destabilizing.

As mentioned earlier, there is already some partitioning of the public sector employment in sub-groups that have emerged organically as a result of the process of union recognition and the crystallization of communities of practice. So there is no reason to believe that one could not negotiate the recognition of these new categories that have some basic integrity with existing unions or public servant organizations, with central agencies, with the PSC, and with parliamentarians.

It would most certainly prove to be socially acceptable to all but the hard Hegelians. One may anticipate that the sort of clarification of roles of the different groups of public servants that such partitioning would entail might help greatly in educating the citizenry about the exact differentiated role of the public servants. It might also help them to appreciate the many ways in which government serves its purposes, and to get taxpayers to understand the rationale for the sort of working conditions that need to be negotiated for the different categories. Indeed, there is reason to believe that this new approach would be welcome.

On the matter of implementability, it is clear that tough negotiations are to be expected with the existing unions and the professional organizations of all sorts that represent existing fragments of the public service, especially if the existing regimes are to be significantly modified. But it should not be as difficult as some opponents suggest. Already, the myth of permanent employment (emploi à vie) in the public sector has all
but disappeared. So the bone of contention will be rooted much more in the different ways in which the different groups might be stewarded. And since some unions like PSAC and PIPS use collective bargaining quite differently and express quite different priorities, it should not be impossible to arrive at fair negotiated settlements that are quite different but that satisfy these groups.

The bottom line is that some of the present fracture lines have little merit and are largely the result of historical accidents. The possibility of rationalizing the partitioning of public sector employment somewhat differently to better reflect differences in the burden of office, if wisely negotiated with both employers’ agencies and employees’ representatives should not generate much political turmoil.

Will a refurbished public sector

- with super-bureaucrats as co-governors and enablers focused on protecting the fabric of society and thinking about the future
- with loyal guardians being entrusted with the protection of key processes
- with professionals ensuring an implementation of policies in a creative and imaginative manner through balancing their professional and public servant values
- and with employees becoming effective deliverers of services but with a sensitivity to local circumstances and to the mobilization of mass collaboration

meet the challenges we have identified in the earlier portions of the paper?

Our answer to this is clearly yes.

However, our view is that this will not necessarily be forthcoming as a result of a single touch of a magic wand, but as a result of tinkering and bricolage within each of these categories aiming at tipping points.

(3) partitioning would make room for the new initiatives underway

What has been regarded as a plague of separate on-going initiatives to tackle the “public service problem” may turn out to be a blessing in disguise. The different approaches likely to be adopted by the many committees looking into the matter these days may indeed lead to a variety of complementary initiatives that may not have been planned this way but may entail a broad process of transformation of the public service as we know it.

In speaking to members of APEX (the Association of Professional Executives of Canada) at its 2006 annual symposium, the Clerk of the Privy Council and Head of the Public Service, Kevin Lynch singled out five areas of focus for the PPS: a) clarity around roles, responsibilities and accountabilities; b) teamwork; c) the quest for excellence; d) leadership (matching people with work and meeting the renewal challenges); and e) the capacity to plan and think for the future (facing the policy challenges).
A partitioned PPS along the lines we have suggested makes it more likely that efforts to focus in these five areas will be successful. The clarity around roles, responsibilities and accountabilities increases dramatically if the frame used is one that provides for the partitioning into four categories, thereby permitting the devising of quite different HR regimes that match the fundamental differences in challenges and main jobs of work.

Each of the other four - teamwork, excellence, leadership, and planning and thinking for the future - seems particularly relevant for one or the other of the four categories we propose.

Teamwork is clearly of central importance for the professionals in category 3 where horizontality is one of the main challenges. Excellence is needed across the board but is of particular importance for category 1 – the group of co-governors of the country. Leadership is clearly a central task of the guardians of category 2 and its impact on the whole public service is phenomenal.

Finally, the capacity for planning and thinking for the future (facing the policy challenges) speaks both to the importance of the main challenge for the super-bureaucrats (especially the deputy ministers and associates) and to the need for paying attention to ensuring effective succession planning.

Partitioning the PPS in groups according to their burden of office may also help enhance the probability of success of some on-going HR renewal initiatives.

(i) The government has launched two initiatives aimed at “making renewal real”: the establishment by Lynch of a new deputy minister committee (led by Margaret Bloodworth) to deal with public service renewal and the establishment by Prime Minister Harper of an external advisory committee to himself and Lynch on its renewal and future development.

The efforts of these two new groups are aimed primarily at renewal of category 1 and 2 (the core public service) and its feeder groups, paying attention in particular to recruitment, development and retention at those levels and the necessary HR tools to do so successfully.

Targeting the PPS core and allowing variety in HR regimes for different categories would seem to make the task somewhat more tractable.

(ii) The Public Policy Forum project is focused on four thematic areas: values-based leadership; ideas/innovative thinking; excellent management of people and money; and accountability and public trust.

These themes would appear to be most relevant for category 2 (which represents the nexus for matching people with work and setting the appropriate work environment) and category 3 (where what is prized is the idiosyncratic knowledge of professionals with
their focus on innovation and learning and the importance of horizontal relationships and collaboration).

**The new partitioning as enabler**

We do not propose this partitioning as the ‘magic bullet’ to heal all ills of the PPS. But we do believe that our scheme is a useful prototype – something provisional that can probably be improved but might also serve as a basis for deliberation and as a powerful enabler of the necessary renewal.

The new partitioning with separate regimes for the four groups of public servants allows some of their central potentialities to blossom. It is conducive to new forms of complementarities and collaboration based on stigmergy – a method of communication in emergent systems in which individual actors or groups or parts of the system communicate with one another by modifying their local environment rather than through coercion and direct pressure (Wikipedia).

Group 1 is involved in a symbiotic co-governance with the political apparatus. An appropriate regime would focus on generating the requisite commitment to design governance arrangements likely to harmonize the drive to meet the objectives of the government and the constraints that must be respected if one is to maintain and protect the fabric of society. Such a commitment commands a loyalty to both these imperatives that is not easy to maintain, and it is difficult to imagine fail-safe mechanisms that would be anything but the opprobrium of not honoring fundamental moral contracts.

While it is clear that some loyalty is due to the elected government by all public employees, it is a much more creative, supportive and active loyalty that is required in Group 1. Indeed, in the case uppermost superbureaucrats they are loyal by playing a role of checks and balance on the government. And while such loyalty may have been loosely presumed to emerge organically in the past, as a sort of grâce d’état, it is now clear that a moral contract needs to be explicitly negotiated, and that collegiality as fail-safe mechanism may not suffice. The new regime might be able to provide the framework that, in large measure, is missing now.

Group 2’s burden of office, if properly circumscribed, has to do with ensuring adaptation of the governance apparatus to circumstances. Freedom to adapt to variety has to be released by the regime developed for this group, confronting individuals with the challenge of harmonizing local preferences to overall values.

The complexity of this harmonization of the dominant governance design with the richness of circumstances cannot be rigidly framed by linear rules and inflexible norms. The specific regime that must be put in place for this category needs to provide the basis for such arbitrages. It cannot allow for as much latitude as the one afforded to Group 1, but it must provide the requisite margin of maneuverability if the right alignments and ligatures are to be put in place. At the present time, the essentially deliberative and
dialogical nature of the activities of this group is not adequately reflected in what remains an unduly restrictive framework that does not make the highest and best use of the mind and imagination of the incumbents.

Group 3 is a world of communities of professionals facing a different world of trade-offs: the reconciliation, in communities of practice, of what is required by government decisions and choices, and the hard realities of what is technically feasible and socially acceptable from a professional point of view.

While new norms and codes are slowly emerging bottom-up and through transversal transfers of best practices, this group is quite ineffectively mobilized for the time being. Instead of being seen as the phalanx required to be on the front line every day and to translate the “will” of the government into “workable” practices (and consequently managing the interface where much of the social learning and the constant fine tuning of government’s work is carried out), this group has too often been required to operate in an unthinking and mechanical way by unduly restrictive frames. The legal blinders imposed on them centrally have even often unintentionally inflicted a great deal of damage and costly unintended consequences. A new regime would help make the highest and best use of this extraordinary intellectual capital.

As for Group 4, it is likely that a new regime that would allow collective bargaining to cover a much broader territory – as it does in other sectors – would not only serve them better but also allow for the development of more flexible and effective work arrangements.

Some may be skeptical about these new value-adding frontiers that might emerge through the exploration of new HR regimes. Our own view is that it reveals a failure both of imagination and will. While it is not appropriate to flesh out detailed blueprints for each of these four regimes (others are better equipped to build on this prototype and to suggest workable schemes), it is crucial to ensure that dynamic conservatism, intellectual laziness, and institutional self interest are not allowed to trump experiments in the design of new and more value-adding HR regimes. This is the challenge this paper wanted to put at the centre of current debates on the renaissance and renewal of the “public service”.

Conclusion

As far back as 1983, one may find in the Auditor General’s Report a chapter entitled ‘Constraints To Productive Management In The Public Service’ that noted “… one of our most troubling findings has been that many management problems persist in spite of efforts to overcome them. … (primarily due to) the impact of political priorities on the management process, the degree of administrative procedures with which managers have to cope, and the disincentives to productive management that are characteristic of the public service. … if some of these constraints were recognized and modified, and if a deliberate effort were made to establish an environment that encourages managers to achieve satisfactory results at reasonable costs, significant improvements could be made in achieving value for money” OAG 1983: 2.1, 2.4, 2.6).
This sort of cautious auditor’s language does not dare to call for innovation, but it is clear that if the environment may be said not even to encourage satisfactory results, *a fortiori*, it does not encourage innovation. Much of it can be ascribed to the rigidity of the administrative systems and in particular to the imperium of the accounting regimen.

What is called for is a softening of the notion of accountability.

On this front, accounting professionals in the Auditor General’s Office, like their counterparts in the United States General Accounting Office, may indeed be said to have “particular blinders … that may not permit … (them) to take the broader view of the tradeoffs associated with various formulations of … universalistic norms and prescriptions for accountability … sufficiently sensitive to various institutional contexts, public objectives and tradeoffs.” (Posner 2006).

The hard line financial accountability in good currency has deterred innovation. Yet today’s fluid environment and the emergence of the strategic state call for new ways to ‘satisfice’, to involve different kinds of people, with different skills, doing different kinds of things. This in turn requires different systems for effective ‘management’ since imagination and innovation are key drivers of this kind of work.

Such innovation and productivity-enhancing initiatives need to be nurtured and fostered through the freedom to follow one’s hunches in thinking, testing and discussing. But this kind of license can best be experienced by public sector actors in the context of issue domains where the nature of the issues is well understood, and with a full appreciation that, depending on the nature of the burden of office, the latitudes availed to individuals public servants may be greater or lesser than is currently the case.

The core public service would be expected to play its part, either safeguarding the fabric of society or protecting the integrity of key systems. They would not necessarily have a monopoly on the work itself: in the case in any advanced democracy, it would be the politicians at the end of the day who decide and are judged accordingly by the people.

But the core PPS would be expected to provide the basic infrastructure to ensure that such decisions can be made in the best interest of the country, and should be protected accordingly. And to the extent that representative democracy is enriched by a degree of participation by the citizenry, it is the role of the core public servants to ensure that the citizens are allowed to play this kind of governing role.

As for the non-core public sector employment, quite different rules might apply very effectively: lesser protection and privileges corresponding to their lesser burden of office. But in a truly refurbished public service, no one would be freed from some responsibility in the process of social learning and innovation. To those on the front line who may feel that their role is at times underestimated, we say that they are right. As Gilles Vigneault used to say in an old song “c’est pas toujours le capitaine qui voit premier venir le vent”.
Consequently, the new HR regime must take this responsibility into account. It is not impossible for it has been successfully implemented in other sectors.

To expect a complete transformation of the public service overnight would be utopian. Yet there are reasons to believe that the present predicaments have triggered a genuine search for a series of effective responses to these problems. Our argument has been that attacking the problem *par morceaux* may be the most promising strategy.

**References**


'Published in our (online) catalog' sounds fine to me, as 'in' is the right preposition for the word 'catalog' which is a published physical format. For example, you wouldn't say 'Published on our online magazine.' That just sounds awkward. I prefer 'in' for references to specific physical publication formats even if they are actually on the internet, i.e magazine, catalog, guide, etc.