Navigating the Future: A Case Study of *Growing Victoria Together*

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In an increasingly volatile, uncertain and complex world governments internationally are seeking new frameworks to think about future directions which can guide policy choices that can be turned into realities. This article presents an insiders' case study of the initial development of the Victorian Labor government's Growing Victoria Together, *launched in November 2001; it expresses the vision, policy priorities and its key progress measures. It has been developed to guide medium-term policy choices, communicate directions to citizens and engage stakeholders to think collaboratively about the future. The article notes the emerging international interest in alternatives to public policy paradigms based on economic rationality, market decision-making and organisational managerialism and outlines the steps and actions involved in developing its public release and the first stages of implementation. It concludes by reflecting on lessons which can be learned from this experience for exploring new strategic policy frameworks.*

After Economic Rationality, Market Fundamentalism and Managerial Certainty

Three important international trends are leading to new debates about public policy and the roles of government after a period of over 20 years in which market ideas and instruments have dominated the thinking of many policy-makers.

First, there is increasing recognition of the interdependence of policies and in particular the need for policy settings that are sustainable — economically, socially and environmentally. The economic policy settings implemented in most industrialised societies over the last 20 years have been associated with significant increases in productivity and economic growth (as measured by GDP). They have also been linked to significant increases in inequality, with a growing gap between rich and poor; included and excluded; secure and insecure (Stilwell 2000; Tanner 1999; Hamilton 1998; Nieuwenhuysen *et al.* 2001). At the same time there has been increasing recognition of the need to recognise and address the full range of environmental externalities — and the full environmental, economic and social costs —

arising from the assumption that energy and waste disposal resources are infinite (Coombs 1990; Diesendorf and Hamilton 1997; Eckersley 1998).

A more balanced understanding of economic, social and environmental logics leads to the realisation that, in the medium-term, it is neither desirable nor possible to continue down a policy path based on maximising economic growth at all costs and then hoping to fix up the social and environmental costs later. The detailed, practical implications of sustainable, 'triple-bottom-line' development remain a work in progress but the core argument is compelling (Beder 1993; Elkington 1999; OECD 2001; Yencken and Wilkinson 2000). It makes sound economic, social and environmental sense to develop ways of working, ways of doing business and ways of making policy which start by valuing and understanding the complex relationships between environmental, social and economic logics, values and forces.

Second, the increasing volatility and uncertainty of a globalising, fragmenting world has led to renewed expectations that government will play a significant role in meeting the complex challenges of balancing freedom and

security (Hutton and Giddens 2000; OECD 2001; Bauman 1999; Dror 2001). These expectations have been reinforced by the increasing transparency and rapid circulation of information about the actions of governments. This has provided individuals and organisations with more detailed understandings of the consequences of policy choices and increased expectations that governments can and should be held accountable for their actions. At the same time there has been a widely documented fall in the levels of trust which citizens express in governments of all political persuasions.

Alternative decision-making paradigms based on networks, partnerships and alliances between public, private and community sector organisations may not have the superficially comforting simplicity of market fundamentalism (see Davis and Rhodes 2000). But the complex challenges of combining democratic legitimacy, social inclusion, environmental sustainability and economic prosperity will not be solved by a simplistic faith in competitiveness — any more than by simplistic faith in central planning or local self-help.

The third public policy legacy of the last 20 years to have come under significant criticism is the managerialist faith in hierarchical, rational planning mechanisms linking mission statements, goals, objectives, programs and performance in straightforward chains of cause and effect (Rhodes 1997; Saul 1997; Bogason 2000; Considine 1994; Yeatman 1997). Numerous critiques of managerialist public sector direction setting and change management strategies have demonstrated their limitations in a world where the knowledge and capacity needed to predict and address increasingly complex policy problems comes from many sources. A world of complex relationships requires learning a great deal more about new ways of involving and engaging citizens, communities, community organisations, businesses — and government — in policy-making and implementation (OECD 2001; Edgar 2000).

The alternative to public policy-making driven by economic rationality, market forces and managerialism does not lie in nostalgia for a vanished world of administrative rationality and bureaucratic processes. The structure of governance we have inherited from the 19th century (including departments — or 'bureaux' — and their programs) is itself part of the

problem. The departmental dinosaurs are too inwardly focused and too slow moving to be a sufficient basis for addressing the many new policy challenges (eg sustainability, innovation, social inclusion, social capital, citizen engagement) which spill across traditional organisational and conceptual boundaries.

In an increasingly interconnected, volatile and globalised policy environment, governments and policy-makers therefore face three-linked challenges.
1. Developing and articulating a sense of direction which integrates economic, social and environmental goals and is simple and focused enough to form the basis for seeking shared understandings and agreements with citizens and other stakeholders.
2. Improving the capacity of governments, in partnership with civil society and private sector organisations, to set clear directions, manage complex policy challenges and be appropriately accountable for their actions.
3. Drawing upon a broader base of knowledge, experience and expertise by involving and engaging citizens, communities and stakeholders in policy-making and implementation.

These were the three challenges identified by ministers which led — down a winding and at times contested path — to the development of the Victorian government's policy direction statement, *Growing Victoria Together*.

Initial Work on *Growing Victoria Together*

The Bracks Labor government took office in Victoria in October 1999, following an election result which surprised the many commentators who had been expecting the comfortable re-election of the Liberal-National Party government of Premier Jeff Kennett. Over the previous seven years the Kennett government had conducted a series of ground-breaking experiments at the more extreme end of market-based economics, combining deep cuts to public expenditure with an extensive program of privatisation, competition and outsourcing (Alford and O'Neil 2001).

Firmly burned into the minds of incoming government ministers was the memory of the way in which the media had characterised the previous Cain and Kirner Labor governments

(1982–93) as financially irresponsible (see Considine and Costar 1993). The impact of this legacy was to create a culture of cautious reform in which 'balancing the books' remained a paramount objective.

The new government faced four other significant constraints. First, it was a minority government dependent on the ongoing support of at least two of the three independent members of parliament. Second, the Victorian Upper House (the Legislative Council) remained under the control of the Liberal and National parties. Third, the members of the newly appointed ministry were inexperienced, some without previous experience of being in parliament, much less running a department. Fourth, the skills and capacity of the Victorian public service had become increasingly focused on outsourcing and contract management with a diminished capacity to explore and develop broader options and processes.

The initial directions of the Bracks government focused on the implementation of the independently costed election policy document known as the Labor Financial Statement (LFS). The focus of the LFS was as a framework for initial, 'first-term' directions rather than a comprehensive long-term policy agenda. In order to provide a focus for communicating the government's broader directions, the following 'four pillars' were identified by the premier as overarching themes:

* Financial responsibility

* Revitalising democracy

* Restoring services

* Growing the whole state, not just part of it

The initial legislative program focused on democratic accountability issues through restoring the powers of the Auditor-General and the independence of the Director of Public Prosecutions. The government's first budget (2000–2001) included new expenditure commitments of $426 million, primarily aimed at improving education, health, police and community services. The budget also included a $1 billion 'Growing Victoria Fund' to support new infrastructure investment.

A major focus of the first 12 months was the initiation of an extensive range of policy reviews on issues such as public education, preschool services, primary health and community services. A range of broadly based consultation processes were also trialled including community cabinets, policy summits and 'roundtable' discussions between the premier, ministers and social, environmental, business and trade union stakeholders.

In March 2000 the 'Growing Victoria Together' Summit, held at Parliament House, and chaired by former prime minister Bob Hawke, brought together 100 participants from business, unions, community organisations, state and local government.

Despite an understandably high level of initial scepticism from both the media and participants, there was a broadly held view that the event provided a useful basis for key stakeholders to review common aspirations and ways of working. The opening paragraph of the summit recommendations noted that 'the Summit agrees on certain fundamental principles and processes for achieving our shared objectives of *Growing Victoria Together*. We have been able to do this because of: first a mutual recognition of the legitimate aspirations of the various interest groups represented at the Summit and second, a shared realisation that these aspirations are most likely to be achieved by a cooperative approach to maximising economic growth within a just and inclusive society'.

Importantly the summit recommendations also included a commitment to develop a 'triple bottom line approach to policy-making' and 'to establish a Victorian Economic, Environment and Social Advisory Council' to provide ongoing advice and input from key stakeholder organisations.

By mid-2000 a number of forces were converging to create pressure for work to commence on the next steps in setting future directions. The emphasis on consultation had pleased some stakeholder groups, tired of the more directive processes of the previous government. Other groups, including much of the media, were raising expectations about the need for the government to 'get on with it' and articulate a clearer sense of purpose and direction. This was not a simple challenge given the lack of a clear groundswell of views from the ALP policy process, key stakeholders or public opinion pushing the government towards a particular vision.

Nonetheless ministers and senior public servants were increasingly aware that much of the substantive content of the Labor Financial

Statement would soon be implemented, leaving the 'four pillars' as a limited foundation for setting and communicating future priorities.

A second force for change was the growing recognition across government of the limitations of the output structure as a planning tool for budgeting and performance measurement. It was becoming apparent to ministers that the output structure was neither designed for nor capable of being used as a whole-of-government strategic planning framework. Like all output structures the architecture is both complex and dense, with over 150 outputs across departments and over 1,800 measures of performance. While useful for tracking the ways money has been spent and measuring technical efficiency, such architectures are not useful for long-term planning. Nor do they provide a sufficient basis for transparent communication about the ways in which government action is actually making a positive difference to the lives of individuals and communities.

The logic of developing a longer term integrated planning framework was becoming clear. Such a framework could provide a sense of vision and direction which the government could use to guide the public sector and work with stakeholder and community organisations. It could frame ministerial and departmental discussions about policy and resource allocation priorities and encourage an approach to thinking about the future which started from a broad discussion of outcomes rather than from the standpoint of departments, programs or outputs. It could also form the basis of a communications strategy for the government to express its aspirations to Victorians.

This combination of factors provided the stimulus for the premier to request work to begin within the Department of the Premier and Cabinet on three economic, social and environmental policy frameworks. The choice of these three dimensions was consistent with the logic of a triple-bottom-line approach. Most government activities could be aligned with one or more of these policy areas and responsibility for each of the three frameworks could readily be allocated across ministerial portfolios and departments. Other options, involving the development of cultural, fiscal and governance were considered. However this would have added additional complexity and for some additional frameworks (cultural and governance)

there was no clear alignment with ministerial or departmental responsibilities.

Rather than risk losing mandate and momentum at an early stage the decision was taken to leave the issue of integration until the basic frameworks were constructed. While in many ways this seems contrary to integrated planning there was no point seeking an integrated approach if the process was to fall over at the starting line because of perceived complexity. By commencing with separate frameworks ministers had the opportunity within their specific structures (such as cabinet sub-committees) to focus on their particular issues but do so in the context of cabinet oversighting the process.

To ensure the opportunity for an integrated approach the same basic template was constructed for each of the frameworks and a set of broad outcomes agreed. By commencing with agreed whole-of-government outcomes (via cabinet) and using the same template, the logic of integration was embedded in the process. Integration was achieved by the end of 2000 pre-empting a potentially destructive competition for dominance between the economic, social and environmental frameworks. It was precisely this kind of bitter competition for pre-eminence which had bedevilled the relationship between the economic and social justice strategies of the previous Cain and Kirner governments (see Wiseman 1993).

Importantly there was strong and continuing support for the integrated policy framework approach from the premier and senior ministers as well as from the secretary of the Department of Premier and Cabinet. This support, expressed through relevant cabinet and cabinet sub-committee decisions endorsing key stages in the development of the framework, provided the essential mandate and momentum for work to proceed.

An important threshold decision was the balance to be struck between 'top-down' and 'bottom-up' policy processes. The various Australian and international experiments in developing integrated, whole-of-government strategies and progress measures have varied along a spectrum ranging from centrally managed, compliance models (eg the UK Blair Labor government) to highly decentralised community consultation models (eg the Tasmania Together process).[1] The choice made

by ministers in Victoria was to follow a middle path, drawing on the extensive range of policy consultations and community cabinet processes, but not establishing a separate, dedicated and ongoing community consultation mechanism.

Much of the early work on *Growing Victoria Together* involved establishing the mandate and ownership of a process from the key stakeholders and building the underlying ideas and key directions into the core decision-making processes of government. The critical organisational structures and relationships involved in the initial development of *Growing Victoria Together* included:

- The Policy Development and Research Branch of the Department of Premier and Cabinet, established in mid-2000 which coordinated policy input, liaison and communication tasks.
- The Framework Interdepartmental Committee ('Frameworks IDC') convened by a deputy secretary of the Department of Premier and Cabinet and involving a senior representative from each department which provided a mechanism for ensuring that all departments were kept informed and involved.
- Chiefs of Staff meetings, convened by staff from the Premier's Private Office, which provided a mechanism for ensuring that ministers' private offices were kept informed and involved.
- The Victorian Economic, Environment and Social Advisory Committee, which provided an ongoing forum for checking views of key stakeholders and provided the basis for connecting the network into a much broader constituency.

The importance given to creating a short, sharp document and to winning real ownership from ministers and departments led to a long, arduous writing and editing process with dozens of substantial iterations. In total there were over 90 drafts generated. Content was informed by a number of sources including government election policies, the views of ministers after 12 months in government, the recommendations of the *Growing Victoria Together* Summit, policy review and consultation outcomes, policy research checking whether proposed content and language resonated with Victorians from different backgrounds and comments from

members of the Victorian Economic, Environmental and Social Advisory Council.

During the period from October 2000 to October 2001 when the *Growing Victoria Together* process and content were being refined, the process was already having a significant impact on the corporate and business planning of departments. The significance of *Growing Victoria Together* was also reinforced by including references to maintaining the momentum in performance agreements for senior executives. This had the effect of gaining the attention of many senior staff who otherwise may have maintained a 'wait and see' attitude.

The *Growing Victoria Together* Booklet[2]

The *Growing Victoria Together* booklet, launched by the premier in November 2001, had four key purposes:

- To guide the strategic policy choices of the government
- To communicate the government's integrated economic, social and environmental directions to Victorians
- To provide a medium term (5–10 year) policy framework for the Victorian public sector
- To provide a basis for engaging stakeholders in implementing future directions and actions.

The booklet begins with an introduction from the premier noting that '*Growing Victoria Together* expresses the government's broad vision for the future. It links the issues important to Victorians, the priority actions we need to take next and the measures we will use to show progress … *Growing Victoria Together* balances economic, social and environmental goals and actions. It is clear that we need a broader measure of progress and common prosperity than economic growth alone. That is the heart of our balanced approach — a way of thinking, a way of working and a way of governing which starts by valuing equally our economic, social and environmental goals.'

This is followed by a summary of the Victorian community's strengths and challenges leading to the following broad vision statement:

'By 2010 Victoria will be a state where:
- Innovation leads to thriving industries generating high quality jobs;

- Protecting the environment for future generations is built into everything we do;
- We have caring, safe communities in which opportunities are fairly shared;
- All Victorians have access to the highest quality health and education services all through their lives'.

The bulk of the document consists of outlining the progress measures and initial priority actions in relation to 11 'Important Issues for Victorians'. The issues and related progress measures are summarised in Table 1.

The progress measures are the 'sharp end' of *Growing Victoria Together*. A good deal of the work involved in finalising the content of the document consisted of reaching agreement on reducing hundreds of suggested measures to a smaller number of 32. The criteria used for choosing the progress measures was that they:

- provide a sensible and integrated basis for reporting on progress in addressing the social, economic and environmental issues important to Victorians;
- be linked to the capability of the state government and be achievable over time;
- be able to be measured using readily available, valid and reliable data;
- be able to be expressed in plain language;
- be able to be used to show progress for particular places and groups; and
- combine both qualitative and quantitative measures.

While there are many templates for composite suites of social, economic and environmental indicators, most are either technically pure but have little influence on policy or are produced largely for public relations and communications purposes. The inevitable trade-offs involved in achieving agreement on a suite of indicators meant that the specificity of the measures is extremely mixed, ranging from precise benchmarks to broad 'improvement targets'. The key trade-offs involved:

- keeping the list short to ensure that the overall package of measures provided a reasonably sharp focus for setting future priorities.
- Ensuring the list was supported by all ministers and therefore reflecting a balance between indicator numbers and portfolios.
- Being sharp on those indicators where government has major influence (such as

education) and more open ended in those areas of less influence (such as employment indicators).
- Choosing indicators that would resonate with the public.
- Being cautious in areas where cause and effect was uncertain (eg the social cohesion indicators).
- Whether to include place and population 'drop downs' (eg by local government area) for all the indicators versus the degree of difficulty in actually doing this.

The final set of 'measures of progress' represent a snapshot in time of the policy landscape the government considered it should and could influence and how.

Communicating, Implementing and Engaging

The external communications objective of *Grow-ing Victoria Together* was initially addressed through the public launch of the booklet which was mailed out to a wide range of community, business, trade union and local government organisations as well as being available through local libraries and local government offices. Advertisements were placed in major daily newspapers informing readers of the availability of the booklet and a website was established providing downloadable versions as well as translations. Initial reactions from key stakeholders could best be summarised as a mixture of cautious support for the broad directions and intent combined with appropriate scepticism about the prospects for statements of direction being converted into substantive outcomes.

For the public sector, the significance of *Growing Victoria Together* lay in its capacity to inform and guide policy and resource allocation choices. The task of selecting and agreeing on progress measures had already had the valuable effect of focusing departmental attention on discussion about future priorities. Following the public launch of *Growing Victoria Together*, departmental secretaries were asked to ensure that their staff and stakeholders were fully briefed on its content and purpose as well as beginning to address the following implementation questions:

- How should progress measures be sharpened into benchmarks and/or continuous improvement goals?

Table 1: Important Issues and Demonstrating Progress Measures Included in
Growing Victoria Together

Important Issues	Demonstrating Progress Measures
Valuing and investing in lifelong education	Victorian primary school children will be at or above national benchmark levels for reading, writing and numeracy by 2005. Ninety percent of young people in Victoria will successfully complete Year 12 or its equivalent by 2010. The percentage of young people 15–19 in rural and regional Victoria engaged in education and training will rise by 6 percent by 2005. The proportion of Victorians learning new skills will increase.
High quality, accessible health and community services	Waiting times and levels of confidence in health and community services will improve. Health and education outcomes for young children will improve. Waiting times for drug treatment will decrease as will deaths from drugs, including tobacco and alcohol.
Sound financial management	An annual budget surplus. Victoria's taxes will remain competitive with the Australian average. Maintain a Triple A rating.
Safe streets, homes and workplaces	Violent crime and fear of violent crime will be reduced. Road accidents and deaths will be reduced by 20 percent over the next five years. The propor-
Growing and linking of all of Victoria	tion of freight transported to ports by rail will increase from 10 percent to 30 percent. Rail travel times will be reduced to Ballarat, Geelong, Bendigo and the Latrobe Valley. Travel in Melbourne taken on public transport will increase from 9 percent to 20 percent by the year 2020.
Promoting sustainable development	Renewable energy efforts will increase. Energy consumption in government buildings will be reduced by 15 percent and the use of electricity from Green Power by government will be increased to 5 percent by 2005. Waste recycling efforts will increase and the use of land fill as a waste disposal method will be reduced. Waste water reuse in Melbourne will increase from 1 percent to 20 percent by 2020.
More jobs and thriving, innovative industries across Victoria	Victoria's productivity and competitiveness will increase. We will see this through increasing GDP per worker. There will be more and better jobs across Victoria. The proportion of Victorians learning new skills will increase. A greater share of innovative R&D activity will be in Victoria.
Building cohesive communities and reducing inequalities	The extent and diversity of participation in community, cultural and recreational organisations will increase. In a crisis there will be more people. Victorians can turn to for support. Inequalities in health, education and well being between communities will be reduced.
Protecting the environment for future generations	The Snowy River will be returned to 21 percent of its original flow within 10 years and over time to 28 percent. The quality of air and drinking water will improve. The health of Victoria's catchments, rivers and bays will improve. The area covered by native vegetation will increase. There will be a real reduction in the environmental and economic impact of salinity by 2015.
Promoting rights and respecting diversity	The proportion of Victorians aware of their legal and civil rights will increase. More Victorians from all backgrounds will have the opportunity to have a say on issues which matter to them.
Government that listens and leads	More Victorians will be consulted on issues which matter to them. There will be regular reports on progress in improving the quality of life for all Victorians and their communities.

- Do you have the data to measure progress? If not, what action is needed?
- What does available data show about trends?
- Will existing policy settings and proposed priority actions achieve progress? By when? What else needs to be done?
- What are the implications for regions and population groups?
- How will connections to resource choices, corporate and business planning be shown?
- How will you engage and work with other departments and stakeholders to address cross-cutting issues?

At the launch of *Growing Victoria Together* the premier also made a commitment to working with communities and stakeholders to keep improving the progress measures and to identify ways of working together on important issues. Community cabinets and the Victorian Economic, Environment and Social Advisory Council were identified as important forums for these

discussions. All ministers were also asked to identify ways of working with local communities and advisory bodies to take *Growing Victoria Together* forward.
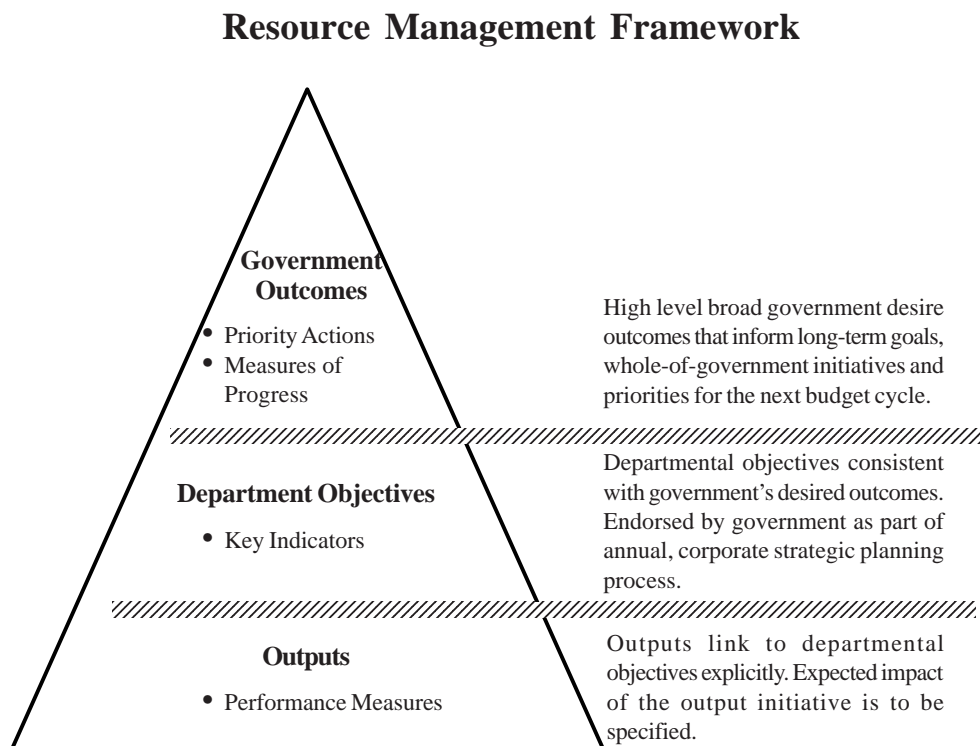
During the first half of 2002 the 11 *Growing Victoria Together* 'important issues' were used as the framework for organising discussions about budget choices and for communicating the key messages for the 2002–03 budget. This was the first time in Victoria that 'outcomes' had been used to directly guide budget structures and processes. The budget papers also include the first public statement showing the alignment of all departmental objectives with the *Growing Victoria Together* important issues and demonstrating progress measures.[3]

By mid-2002 the *Growing Victoria Together* development process had led to the production of a short, simple, integrated policy direction statement which had sufficient ministerial ownership and support to be publicly launched and distributed. As the premier noted to the Parliamentary Public Accounts and Estimates Committee, 'The Growing Victoria Together framework … released by me in November 2001 outlines our government's vision for Victoria over the next decade and identifies important issues which will guide resource allocation over the medium to long term … It provides a triple bottom line framework to balance economic, social and environmental actions in order to build a fairer, more sustainable and more prosperous Victoria'.[4]

The important issues, priority actions and progress measures had begun to be used by departments as the high-level filter guiding resource allocation, corporate and business plans, and ministers had begun to consider ways of engaging communities and stakeholders in discussions about next steps. The most significant steps underway include the following.

1. The alignment of the output and performance reporting systems of government with *Growing Victoria Together* outcomes.

Resource Management Framework

High level broad government desire outcomes that inform long-term goals, whole-of-government initiatives and priorities for the next budget cycle.

Departmental objectives consistent with government's desired outcomes. Endorsed by government as part of annual, corporate strategic planning process.

Outputs link to departmental objectives explicitly. Expected impact of the output initiative is to be specified.

Figure 1: Illustration of the way the alignment framework between the Growing Victoria Together and Departmental objectives and outputs has been portrayed and understood

Figure 1 illustrates the way in which the alignment framework between the outcomes, objectives and outputs has been portrayed and understood.

2. The incorporation of *Growing Victoria Together* important issues, actions and measures into the corporate and business planning of agencies. This includes work towards developing cross-cutting measures (eg sustainability) to be reflected in the corporate and business plans of all agencies and which specifically demonstrates the contribution of those agencies to these outcomes. All departments are now developing triple-bottom-line approaches to policy making and reporting with the expectation of a state-wide set of triple-bottom-line measures being developed over the next 12 months.

3. Finalising agreement on the indicators and data sets for the measures of progress to enable public reporting on *Growing Victoria Together* outcomes to commence.[5] This involves the standardisation of data sets (scope, definitions, counting rules) to enable consistent reporting within and across departments. In some instances this has required the commissioning of new research and data collection work. In the area of 'social capital' measures, for example, Victoria now has the first extensive baseline study in Australia with over 20 indicator data sets to support the measure of 'the number of people one can turn to in a crisis'. The methodology used in the study is consistent with both international and national developments (including recent work on this topic by the ABS). Work has also commenced on identifying an appropriate suite of medium-term 'sustainability' indicators at both state-wide and regional levels.

4. The engagement of population groups and places on the 'drop down' implications of *Growing Victoria Together*. Agencies with a specific responsibility for population groups are working on ways to make *Growing Victoria Together* relevant to the specific issues and aspirations of, for example, indigenous and aged people in Victoria. This includes discussions between the population groups on key common measures of progress such as health status and education

outcomes. A number of pilot projects have also been commissioned to support learning about the best ways of developing progress measures and direction statements at regional and local community levels.

5. The development of enhanced skills capacity in the VPS to support *Growing Victoria Together*. This includes learning about different approaches to policy development (eg moving from risk management to managed risk taking); policy development techniques (for example community consultation and scenario planning strategies) and new understandings of the relation between policy issues (the implications of new thinking about sustainability and triple-bottom-line approaches). In addition to a range of cross-government policy forums and skill development initiatives work has also begun on the development of a Graduate School of Government to provide a focus for significantly upgrading public service skills and capacities.

First Steps on a Longer Path: The Potential Significance of *Growing Victoria Together*

The track record of whole-of-government strategic plans and 'the vision thing' is littered with stories of failure. Many never make it into the light of day. Many that do become 'shelf documents' with little impact on thinking and action. In this section we identify the key factors likely to engender support and therefore the probability of implementation of *Growing Victoria Together*.

While on first glance *Growing Victoria Together* can appear to be little more than a rather simplistic government public relations document, there are a number of features of the document and the process behind it which give it greater significance.

1. *It has a medium-term timeframe.* The 5–10 year medium-term timeframe deliberately opens up discussion about policy goals and actions extending beyond the next budget — or the next election — to provide the basis for a discussion about the actions needed to address underlying causes and longer term challenges.

2. *It integrates economic, social, environmental and governance issues and out-*

comes. As the premier has noted this is the Victorian government's approach to implementing a triple-bottom-line policy-making which balances a range of issues and outcomes — not just GDP growth and Triple A rating. 'Getting the balance right between economic, social and environmental goals is our greatest challenge. The *Growing Victoria Together* framework lays down an agenda for meeting that challenge'.

3. *It includes a small number of tangible measures of progress for which government can be held accountable*. As noted above, agreement on a small number of progress measures provides an important basis for demonstrating government is serious about public accountability for progress in achieving outcomes on the issues important to citizens, stakeholders and communities. Importantly it shifts the focus onto tangible ways in which life will be improved for people in particular communities — rather than relying on overly abstract appeals to freedom and security, justice and rights.

4. *It is informed by a range of knowledge sources*. The content and language of *Growing Victoria Together* draws on the outcomes of a broad range of consultative and policy research processes which go beyond and challenge the knowledge domains of normal departmental and program boundaries and frames of reference.

5. *It has significant ministerial and public sector ownership*. The time-consuming process of winning ministerial ownership has been crucial in order to convince departments to take directions seriously. There are now numerous policy champions for *Growing Victoria Together* within the cabinet and the public service as well as among the broader institutional stakeholders.

6. *It is a short simple communications document which can provide a starting point for talking with stakeholders and communities about future directions and priorities*. Detail, length and technical policy jargon have been deliberately avoided in favour of a short document written in straightforward accessible language to encourage broad readership and genuine dialogue with community and stakeholder organisations.

Growing Victoria Together is not a blueprint for every action to be taken by government. It is a short, simple overview of the work needed to address the most important issues facing Victorians along with ways of demonstrating progress. In this sense it is an initial step on a longer path — a signpost not a road map. There will clearly need to be many more detailed policy documents specifying actions needed to address particular issues.

Most attempts at substantial public policy change are a gamble (Dror 2001). Structure, culture, process, capacity are all obstacles to be overcome. *Growing Victoria Together* is an approach to changing public policy directions and governance grounded in the present but with some clear pointers to new ways of thinking and working in public discourse.

The real significance and usefulness of *Growing Victoria Together* will be proven over time given that, as the premier has noted, 'the biggest challenges of the *Growing Victoria Together* framework are how to implement it, how we measure progress and how we report to the public on those measurement arrangement'.[6] However, the iterative development of a broadly owned, short and simple statement of medium-term directions, priority actions and progress measures is an important action which does open up a range of possibilities for different approaches to public policy-making. In particular by moving outside of program, departmental and output frames of reference the opportunity has been created for a more focused policy discourse on outcomes, on interdependence and on capacity to govern.

This is not to be starry-eyed about the problems and risks of such strategies. Our argument is that such strategies are best understood as a staging post between views of public administration and policy based on competitive and managerial advantage to views of public administration and policy based on collaborative and network advantage. Whether they are candles in the wind others will judge.

Some of the more obvious potential problems and obstacles include:

- A lack of buy-in from communities and from line departments — rendering the whole strategy a mirage.
- Lack of skills in the public sector to follow through on the strategies or measure progress.
- A failure to properly understand cause and effect and therefore the trajectories between the present and the future.

- Identifying indicators which are broad and loose and may be difficult to measure or hold people accountable for actions.
- A slide back to valuing quantitative analysis and policies at the expense of qualitative policies and measures.
- Inability to influence the rigidities of program and output structures to achieve 'cross-cutting' objectives.
- A failure to understand the seductive hegemony of managerialism and economic rationalism.

These and many other types of obstacles have been considered as part of the thinking around the strategy and, for example, some simple measures to gain public sector buy in include:

- Building *Growing Victoria Together* into the performance agreements of staff.
- Skills development workshops.
- Identifying key champions to promote and support the strategy.
- Ensuring indicators and data sets can be linked to departmental outputs and planning instruments.
- Identifying key partners in planning and delivery (such as local government).

Playing to strengths but with an eye to risks is all part of the craft of modern public policy administration. At the end of the day policy is often a result of a series of twisted conjunctures with inherent puzzles and paradoxes. This the case with *Growing Victoria Together* where within an essentially managerial template (performance management) there has been a shift towards a more strategic and integrated orientation to public policy which sits parallel to the dominance of programs and outputs.

Public Policy Directions in a Time of Flux: After Bureaucratic and Market Rationalism

While the debate remains hotly contested, there is increasing evidence that the dominant policy triumvirate of economic rationality, market fundamentalism and managerialism has begun to fracture in the face of evidence demonstrating its failure to provide adequate responses to the central policy challenge of our time: simultaneously delivering sustainable, fair and democratic prosperity in the context of accelerating global flows of information, resources and people. Table 2 provides a summary of some of the key questions about policy-making and governance which are arising in this period of flux.

While the experience of developing and implementing *Growing Victoria Together* has provided a valuable opportunity to begin to test and reflect on some of the alternative ways forward in relation to these questions and challenges the strongest lesson of all is that this is very much a time in which, while the old world shows signs of passing away, the new world is still some way from being fully formed or named.

At a practical level (and following the Labor government re-election in December 2002) two new departments were formed, the Department for Victorian Communities (DVC) and the Department of Sustainability and the Environment (DSE). These new departments have their origins in *Growing Victria Together*. DVC has a focus on people and place — sustainability of communities — while DSE has a focus on sustainability of the built and natural environments. The *Growing Victoria Together* process (with its focus on community cohesion and sustainability) highlighted the inadequacies (such as disconnected strategy and funding programs) of existing programmatic responses to these important issues. Both departments have a spatial focus and an associational focus in terms of developing network governance models within the public sector and with other sectors.

In this sense *Growing Victoria Together* is very much a work in progress, a compromise and a staging post between the bureaucratic and market governance logics of the past and the more accountable, fluid policy network logic of the future. It can be viewed on the one hand as an awkward hybrid between the performance management guru's fixation on compliance targets and the public relations experts search for simple messages. More positively it can also be seen as a testing ground for exploring ways of breaking the shackles of market and bureaucratic rationality by seeding ideas and practices which challenge entrenched governance cultures and behaviours and by fostering an orientation to public policy which looks outwards and to the future.

Table 2: Public Policy Directions in a Time of Flux: Emerging Ways of Thinking about Policy Logics and Processes

Key questions about policy logics and processes	… from the apparent simplicity and rationality of bureaucratic and markets rationality	… towards balance, accountability and engagement in complex policy environments
What should be the relationship between eonomic, social and environmental goals?	Economic growth first — then trickle down and fix up the environment	Fair, sustainable prosperity — through balancing economic, social, environmental outcomes
What can and should government do about distributional issues?	Inequality and exclusion irrelevent and/or inevitable	Inequality and exclusion important and changeable
What should be the dominant logic in decision-making and resource allocation?	Market and price signals	Reconsideration of relationship between market and new ways of engaging citizens, communities and and stakeholders in decision-making
What should be the relationship between market, state and civil society?	Market dominant	Reconsideration of market, public sector and community sector roles and relationships
What should be the dominant public sector organisational principles?	Rational planning and top-down goal setting plus outsourced implementation and delivery	Coordinating and connecting multiple sources of knowledge, experience and expertise
What should be the main roles of the public sector?	Planner/purchaser/contractor	Planner/catalyst/developer/provider/ enabler/broker/purchaser/contractor
What should be the relationship between policy and resource allocation?	Budget focus on outputs — no clear connection to outcomes	Clear and integrated connections between budget strategy, outputs and outcomes
What are the most important public sector skills and knowledge sets?	Strategic planning, contract management, risk management	Identifying, sharing and using knowledge; creativity, innovation and managed risk taking; managing complex issues and relationships; engaging stakeholders
What should the balance be between leadership and listening in decision-making?	Leadership key	Balance between listening and leadership is important
What range of voices should be involved in policy decision-making?	Narrow — professional bureaucrats and their immediate networks	Broad range of public sector, community and stakeholder networks

Notes

1. See HM Treasury (2000) White Paper on 2001–2004 Public Service Agreements, UK government, London and Tasmanian government, Tasmania Together, Report No. 1, June 2002 and see <www.tasmania together.tas.gov.au>.

2. Government of Victoria, *Growing Victoria Together*, Melbourne 2001. Copies of the *Growing Victoria Together* booklet along with related documents and links can be found at <www.growing

victoria.vic.gov.au> or from Information Victoria, 356 Collins Street, Melbourne.

3. See Budget Paper No. 3 Victorian Government, May 2002.

4. Premier Steve Bracks, Public Accounts and Estimates Committee Inquiry into 2002–2003 Budget Estimates, Melbourne, 17 May 2002:2.

5. As the premier has noted: 'the real challenge [of Growing Victoria Together)]is to measure progress to ensure that the whole of government effort is aligned to achieving those outcomes … That is

why we have ensured that as part of Growing Victoria Together there will be a report back each 12 months to the Victorian public on the progress to date … For example in education one of the measures we have set for ourselves is to achieve 90 percent completion to Year 12 by 2010. Clearly as part of the reporting back arrangement, each year we will report on progress towards achieving that aim, by asking "Has there been a measurable improvement and, given that it has been measured, how did that improvement occur?"' Premier Steve Bracks, Public Accounts and Estimates Committee Inquiry into 2002–2003 Budget Estimates, Melbourne, 17 May 2002:10.

6. Premier Steve Bracks, Public Accounts and Estimates Committee Inquiry into 2002–2003 Budget Estimates, Melbourne, 17 May 2002:10.

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