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Red Tape Reduction:

Guidelines Aren't Enough

Execution Issues in Public Sector Efficiency and Red Tape Projects

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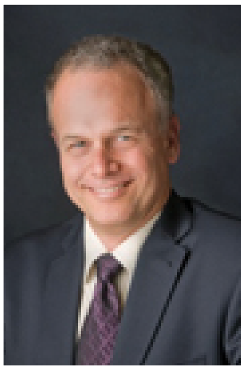

A Message From Rogers Carlisle

This Whitepaper is the result of years of consulting to Public Sector clients in process improvement and red tape reduction. That experience has delivered practical lessons in the important task of reducing the adverse impact red tape has on citizens, while still allowing Government to achieve its objectives.

At Rogers Carlisle, we commit to being direct and honest. That means we often deliver unpleasant truths.

While many of the lessons listed here are practical project suggestions, several identify core cultural concerns within the Public Sector, particularly relating to performance management and supervision, leadership support of frontline managers, effective use of technology and , above all, project execution.

Central to efficiently reducing red tape is what we call ***managerial courage:*** *the willingness to take on responsibility, to change what needs to be changed, to get stuff done and to manage poor performers.*

Managerial courage only comes with leadership support, including the support of Ministerial Offices as much as agency leadership teams.

If red tape reduction is to be more than a PR exercise with notional savings of questionable impact, Public Sector leaders must take on the cultural challenge, and support those hard-working, responsibility-taking public servants who are willing to follow them.

James A Falk
Director

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Scope and Intent

This Whitepaper addresses execution issues for red tape reduction projects under Better Regulation programs that quantify red tape impacts. It is aimed at providing project execution ideas and advice for:

- Australian Government Deregulation teams responsible for red tape reduction under the Australian Government Guide to Regulation 2014, and
- State government departmental and better regulation teams.

Much of it focuses on *reducing existing red tape*. Regulatory Impact Statement processes address, at least partially, red tape minimisation for new regulation. However, they do not address execution issues for reducing existing red tape.

This paper is not designed to be academic. For that reason it is written informally and does not include footnotes. However, footnotes are available on request.

The model in Appendix 3 that sets out points of support in the red tape reduction process is only directly applicable to Australian Government processes.

Executive Summary

Strategy, policy, measurement and reporting structures may be well designed within the Australian and State Public Services. However, where red tape reduction and efficiency initiatives have failed in the past is at the level of execution.

Addressing this requires a combination of structural, cultural, capability and personnel changes. This particularly applies to areas of supervision, and process, project and change management. It also highlights the necessity for putting the right people, with the right skills and values, in the right roles. This requires more flexibility in selecting, shaping, managing and changing project teams.

It also requires a real willingness and commitment from Executives to drive the cultural and process changes necessary to make red tape reduction effective, and have concrete, noticeable impact on ordinary people.

A short summary of each of the areas discussed in this paper is shown below.

Area	Key Points
Embed Red Tape Reduction in Structure	• KPIs in Executive Agreements and individual Work Plans • Integrate with Business Planning, new policy processes, project management • Single Executive sponsors for red tape projects
Address the Certainty of KPI Gaming	• Don't rely on KPIs, build checks into process • Monitor parameters and calculations • Use qualitative checks with stakeholders
Recognise 'Personnel is Policy'	• Right person, right role in commitment to policy • Must have execution personality and capability • Executives must have project mgt savvy
Seek Outcome, Not Process	• Detail is everything • Build expectations of supervision and accountability • Beware focusing too much on method • Make delivery personal and eliminate excess oversight
Address the Good Bloke Culture	• Managerial courage - supervision and delivery • Sanction poor performers • Support hardworking staff • Stop grievance game-playing
Fund & Realise Technology Benefits	• Realise benefits of existing systems first • Poor IT skills and capabilities • Accept cash spend for IT solutions
Review Processes for Failure Demand	• Broken process creates work, red tape, and swallows extra resources • If you don't know it, you can't fix it • Know processes end-to-end

Executive Summary

Area	Key Points
Manage Interactions with Efficiencies	• Improving efficiency can reduce red tape • BUT red tape reduction not equal to efficiency • Absence of process management capability
Take Change Management Seriously	• Change management program with local champions and specific change expertise • Network across depts, to central agencies and other governments • Punchy, plain English communications • Provide resources, starting points and support • Absence of change management capability
Avoid Over-Engineering	• Choose delivery over documentation, reject academic bureaucracy • Build minimum viable process • Integrate with project management reviews • Be flexible
Get Broad Input, From Top and Bottom	• Executive and staff-driven initiatives • Bottom-up ideas capture based on Kaizen experiences • Use stakeholders but beware of capture • Ask the excluded, including small businesses, and dissuaded new entrants • Sprint/Ship-It workshops
Work in Phases and Build Quick Wins	• Deliver fast based on what people already know - deliver before basic process is built • Workshop early, be willing to workshop ad-hoc • Manage change, then manage it more
Create Rapid Feedback Loops	• Funnel stakeholder feedback direct to red tape teams • Communicate reduction successes internally and externally • Check red tape benefits actually realised • Give idea originators formal Executive feedback.
Address Red Tape from the Political Process	• Identify Ministerial Office-driven red tape • Identify workarounds creating red tape driven by time frames • Minimise use of Short Form RIS and hold Min Office accountable • Use rapid Policy Smash to identify red tape issues and unintended consequences when Short Form RIS insufficient • Accept phase 2 adjustments to regulation will be necessary where rushed through.

Get Execution Right

Execution Challenges for Red Tape Reduction

1. Embed Red Tape Reduction in Structure

ENSURE SOLID KPIS IN EXEC AGREEMENTS

As a minimum Key Performance Indicators (KPIs) for red tape reduction must included in Executive Contracts and Performance Agreements.

However, in our experience public sector KPIs are rarely designed as rigorously as necessary. This requires some degree of **external checking on KPI development**, even if Contracts are the formal responsibility of the agency CEO.

The same issue applies for Performance Agreements for second tier and lower management.

INTEGRATE WITH BUSINESS PLANNING & REPORTING

Reporting particular initiatives in an ad-hoc way creates unnecessary rework. Red tape reduction must be part of the general planning and reporting process. This integrates it as part of "what we do around here" .

ADD TO INDUCTION, INDIVIDUAL WORK & DEVELOPMENT PLANS

A red tape KPI should be part of Work and Development plans for staff at all levels. Performance against that KPI should be considered in six monthly performance reviews.

All formal induction processes (if present at all), must include an introduction to the ideas of credible regulation and red tape reduction.

INTEGRATE IN NEW POLICY PROCESSES

All new policy proposals must, as a matter of standard process, include an analysis of red tape impacts.

The Australian Government Guide to Regulation 2014 embeds this requirement.

INTEGRATE IN PROJECT MANAGEMENT

Where formal project reporting or a Project Management Office exists, it provides an opportunity to review all project activities for red tape reduction.

A red tape check at project design or implementation stage can capture unseen opportunities.

EXECUTIVE SPONSORS FOR RED TAPE PROJECTS

No project succeeds without Executive support, and meeting expected targets will require an organisation-wide effort. These criteria mean formal Executive sponsorship is essential for red tape projects. There should be a clear single person in each Executive with sponsor responsibility for each red tape project.

To ensure commitment, there should be mandatory Executive management sign-off for all red tape projects.

CAREFUL WITH KPIS

The experience of the Blair government's attempt to use KPIs to drive change in public sector delivery was a disaster.

Public sectors across the world have a history of meeting KPIs without actually delivering their objectives, and of gaming the system.

It is a recurring delusion of new governments that they just need to "get KPIs right" and it will work.

It is part of the solution, and KPIs have to be very well designed as a starting point. But they are no panacea, and neither are bonuses linked to KPIs.

2. Address the Certainty of KPI Gaming

DON'T RELY ON KPIS TO DO THE WORK

There is plenty of evidence of KPI gaming in the public sector. This is particularly well-researched in the UK following the KPI problems of the Blair/Brown Labour Govt.

Because of this, meeting KPIs cannot be the only measure of success. While formal audit is important, qualitative assessment from stakeholders and independent analysts is essential to drive real, concrete change.

Without it, the risk is token box-ticking.

MONITOR STANDARD PARAMETERS

Red tape programs have to set standard parameters for estimating red tape impact and notional savings.

These are important because of the incentives they set, and because their values unavoidably skew effort towards areas that maximise calculated savings.

Program leaders must regularly review parameters to ensure they don't provide incentives for low impact activities.

BEWARE LARGE NUMBERS, SMALL IMPACT

If the objective of reducing red tape is to minimise its effect on behaviour, then current methodologies can be a problem.

They reward high volume, small impact red tape changes because the total measured impact is very large.

But that reduction may not affect behaviour or choices for individuals or companies at all.

Equally, reducing red tape in an area with a small number of stakeholders may not deliver a large topline red tape saving. But it may dramatically affect the choices of those stakeholders, and the functioning of a particular micro-economy.

REMEMBER GOODHART'S LAW

A basic observation from banker Charles Goodhart:

> "When a measure becomes a target, it ceases to be a good measure."

NEVER ACCEPT CALCULATIONS ON FACE VALUE

The devil is in the detail. All red tape reduction programs must include formal audit, not just of calculations and adherence to process, but of the type of stakeholder, the impact on choices and behaviour, and what is achieved compared with possible opportunities. In short, whether it has made a real difference.

BUILD CHECKS INTO THE PROCESS

There must be ongoing reasonableness checking that relies on questions like:

- how is independent stakeholder feedback?
- are cost savings consistent across agencies?
- are savings crammed close to the reporting deadline approaches
- does anyone miss their target? Why not?

TYPES OF KPI GAMING

- **Ratchet effect**: expected annual increases in targets drive managers to restrict performance in current year.
- **Threshold effect**: uniform performance standards give no incentive to excellence, encourage reduction of performance to target level.
- **Output effect**: distort outputs to meet targets, or manipulate reported results.

3. Recognise 'Personnel is Policy'

If you haven't got the right person in the right role for a major reform project, it will fail. Not only does this relate to skill-set, but also to commitment to the policy concept.

COMMITMENT TO POLICY

While many staff are committed to regulatory reform and credible, best-practice regulation, some are not.

Risk-based regulation, or concern over stakeholder experience, may not resonate with some people or within some divisions.

Anyone given responsibility for red tape reduction must believe red tape is a problem, and that client interests, including those of corporations, are valuable considerations for the public sector. If they don't, they're not right for the job.

SEEING THE PROBLEM

An inability to see or measure red tape impacts may lead some to deny that there are opportunities, or any real effect on businesses and communities.

This may be due to red tape being normalised within the culture, or a lack of process thinking or customer focus.

EXECUTION CAPABILITY

Anyone given responsibility for delivery must have delivery skills - project and stakeholder management, emotional toughness, capacity to manage poor performers, and similar.

As several audit reports and Parliamentary enquiries have found, in many parts of the Australian and State public sectors core project capabilities are poor.

Project and change management skill is a key predictor of project success, not just in IT, but in all major change projects.

GOOD EXECUTION NEEDS WORKPLACE FLEXIBILITY

- Workplaces have to be flexible to get right people into the right role
- Project roles do not suit the headcount allocation methods common to the PS
- Changing project circumstances require the capacity to change roles quickly

EXECUTION PERSONALITY

Good project managers are a different breed from line managers. They tend to have an approach that differs from public service manager culture.

Personality counts. Good project managers manage people well, but do so in a framework of urgency, single-minded focus, hard-decision making, and placing outcome-above-relationship.

Project managers without execution personality will almost certainly run projects that slip.

EXECUTIVE PROJECT AWARENESS

Executive management decisions can doom a project from the start.

If they add reform responsibilities to assorted line managers, or allocate work to the least-occupied team member, it is a sure way to subvert the project.

Projects need project managers and dedicated resources. Project tasks cannot be added to an already full day's work, and line managers cannot simply 'become' good project managers. Executives need to accept and act on that fact.

4. Seek Outcome, Not Process

An accountable culture is an execution culture. Without execution at all levels of the public sector, internal reform is doomed. Without personal accountability, execution is doomed.

POLICY IS SOMETHING, BUT DETAIL IS EVERYTHING

Like innovation, policy reform is only meaningful when it is finally executed successfully. Intent and design alone do not make anything happen.

It is at the operational level that real change occurs - and that is a long way from Ministers' offices, and executive management meetings.

Political and executive management must commit to operational detail and to valuing the staff who get their hands dirty with it.

Without that commitment, red tape will follow the path it has for decades: announcements, policies, programs, and continual growth.

SUPERVISION AND ACCOUNTABILITY

Reform at the top isn't enough.

Much of the weakness in public sector delivery occurs at middle and lower levels, where execution, supervision and performance management skills are weaker and poorly supported.

Too often a few responsible, good performers carry the can for those around them.

Changes to cultural expectations on supervision and team management are vital. Managers need to embed concepts of supervision, daily performance management and work allocation and address any cultural resistance.

To build execution agencies must build a culture that accepts personal accountability.

QUESTIONING, ANALYSIS & FOLLOW THROUGH

- Hard questions about regulations and process
- Refusal to accept box-ticking
- Doing the work to know processes
- Reporting on what matters, not just what can be easily measured
- Link policy to people, people to process, reporting to outcomes
- Accept imperfect process for outcomes

BE RESILIENT TO FIRST-TIME FAILURE

Technological, business and policy innovation have one thing in common: they rarely work first time.

There is, however, a cultural tendency to announce every public sector initiative as a success, and to waffle into a lack of accountability.

Public servants have a legitimate fear that being open about failure may result in an unfair, kick-down response.

All reform projects, like projects in general, must be open about failure risks, and leadership must openly say that if an initiative fails, the objective will stand and the reform will continue.

BEWARE METHOD FANATICS

Methodologies are useful. Dogmatism isn't. Whether it's Lean or Six Sigma, or a Regulation Reform structure, delivering a perfect method can be at the cost of practical change.

Perfect methods are the enemy of quick wins that build momentum. Perfect methods often

4a. Seek Outcome, Not Process Continued

result in internal red tape to reduce client red tape.

Assessment of progress should be on real achievement, not adherence to method. Flexibility in delivering reform builds confidence in staff that it is about doing something, not seeming to do something.

MAKE DELIVERY PERSONAL

Good execution requires personal responsibility for all elements to be delivered - one name must be next to every deliverable. No committee responsibility. No general agency responsibility. One person.

The flipside of this is that responsible individuals must have the power and resources to get the job done, and the management support to overcome cultural resistance.

Without providing the resources and support, making it personal is just bullying.

That puts more onus on Executive management to have basic project management knowledge and the willingness to prioritise initiatives and resources to support project delivery (see Recognise Personnel is Policy).

STRIP LAYERS OF OVERSIGHT

It is counter intuitive, but the more reviews and oversight there are, the less accountability. Good execution requires a **minimum viable hierarchy (MVH)**.

An MVH reinforces the personal accountability of a project manager or Executive. It increases the capacity to innovate. It encourages those responsibility-taking public servants that they actually *can* get something done.

It is also a huge change in public sector culture that is unlikely to occur broadly across a department. Rather, it is more achievable to build it within red tape projects alone.

5. Address The Good Bloke Culture

No policy or project can be executed effectively where being a "good bloke" dominates managerial culture.

COMMIT TO RIGHT PERSON, RIGHT ROLE

No hoarding headcount in expectation of future budget cuts. No 'finding John some work' because he's a nice guy. No matching roles to unattached staff.

Major reforms - and red tape reduction is a major cultural and operational reform - need the right person. Without them, projects fail.

BUILD AN EXPECTATION OF PERFORMANCE

From the top down leaders have to establish a culture of accountable performance. While an HR performance system is helpful, it isn't where the action is. What counts is **empowering managers and supervisors** to say, on-the-spot, that isn't good enough, your work/effort/attitude is unacceptable.

Without it, any performance management system is just another box to tick.

SUPPORT SANCTIONS ON POOR PERFORMERS

Where managers act on poor performance, leadership must support them - strongly - during any ensuing workplace and union issues.

Managers and supervisors must also be supported during spurious bullying and other grievances.

SUPPORT STAFF WHO CARRY THE LOAD

Where poor performers exist, often their peers or managers carry an unfair load. This is the hidden inequality of poor public sector performance management.

The responsibility-taking and work ethic of these people is being taken for granted. They must be supported, efforts recognised, and an effort made to allocate and manage work effectively. If that cannot be done with existing staff, then staff must change.

BUILD MANAGERIAL COURAGE

Too often project execution fails due to an unwillingness to confront poor performers, to have difficult conversations, or to deliver the unvarnished truth to teams and senior management.

Risk-averse managers who aren't given support from their leaders will avoid all of these tasks.

To build this courage leaders and supervisors have to embrace their duty as managers, rather than their social duty to be a 'good bloke'.

This is an important cultural change that is central to public sector productivity in general and red tape reduction in particular.

BULLYING AND GRIEVANCE PROCESS AS INDUSTRIAL WEAPON

It may be rare but poor performers who are managed appropriately can resort to bullying and grievance procedures.

In one case the team at Rogers Carlisle was engaged to examine workloads in a Finance team. One member claimed she was bullied and overworked, and had raised numerous grievances against her supervisor based on workload and unfair performance management.

After close study we found she did 3 hours work a day.

6. Fund & Realise Technology Benefits

Red tape initiatives that require a cash outlay may be difficult to deliver: for example, using IT to create e-processes, or taking resource time to map processes or benchmarking to identify opportunities.

REALISE BENEFITS OF EXISTING TECHNOLOGY

IT solutions are pointless unless agencies realise their benefits of process change and automation. Trying to realise benefits has been a focus of IT project delivery since the 1990s.

The Rogers Carlisle team has seen a recurring failure in the public sector to realise benefits of existing technologies, and of new IT installations.

Partly this is due to an unwillingness to fund external bodies to ensure delivery; partly due to weak IT project management skills.

And partly it is due to a perceived lack of trustworthiness of data management when it is out of a particular department's hands.

Many systems, particularly ERP and web-based systems, have tremendous capacity for process improvement and red tape reduction, and that is often not being tapped.

SUPPORT CASH SPEND FOR NOTIONAL RED TAPE SAVINGS

Agencies may have difficulty delivering real red tape savings within a tight budget. Sometimes funding may not be available for even a small IT spend that has red tape impact.

For example, for an agency that has recurring application, licensing, permit or similar activities, online forms prepopulated with client data can dramatically reduce red tape.

If they are repeat authorisations, they can be automatically funnelled to a lighter process.

The cash spend to create such online forms is not huge, but it may be unaffordable for all but the largest agencies.

INSOURCE WORKLOAD PUSHED TO CLIENTS

Realising benefits of existing technology can often allow agencies to 'pullback' activities undertaken by clients at minimal cost. The key factor is access to high quality and timely IT development that is well managed.

IT PROJECT CAPABILITY

All this requires much improved IT contracting and project management capability.

WHEN SAP IS SHELFWARE

In one case an agency with regional offices had installed SAP for accounts payable and receivable processing.

When the team looked at the process, it found:

- data entry at regional offices into SAP
- total repeat data entry into shadow spreadsheets at regional offices
- scanning of paper documents at regional centres, delivery to head office, where they were rescanned
- total repeat data entry into shadow spreadsheets at head office
- locked reports out of SAP so regional offices couldn't examine past AP and AR transactions
- poor or absent report design out of SAP.

Failing to realise the IT benefits not only added to client red tape experience, but also to basic productivity issues.

7. Review Processes for Failure Demand

Failure Demand is a special type of process breakdown. It occurs when an agency's process - whatever it is - spits something out because it:

- doesn't have enough information
- hasn't met the time limits
- hasn't been authorised as required
- has been incorrectly processed by staff earlier in the chain, or
- is incorrect in some other way.

This means the client has to spend more time to redo what they have already submitted, and the agency staff have to process that submission more than once.

This type of rework is completely avoidable if the process is designed well from the start. Nothing should enter the process if it isn't right, or lacks information.

FAILURE DEMAND ADDS TO RED TAPE BURDEN

The rework the client has to do, and the extra waiting time they experience while the agency re-processes their submission both contribute to red tape burden.

In this case analysing a client-facing process can identify immediate red tape savings simply by reducing failure demand.

FAILURE DEMAND CREATES INEFFICIENCIES AND ADDS TO COST

A process that creates failure demand drives staff to do things more than once. If designed effectively to reduce failure demand from the start, throughput can be increased *with fewer staff.* See Box opposite.

KNOW PROCESSES END2END

At a broader level, this requires line managers and above to know their processes End-to-End, and to ensure one person has ultimate responsibility for it. This requires a level of process awareness across department silos and across manager responsibilities, something both public and private sectors do poorly.

When a process is known, it can be mapped, reviewed, trimmed and automated, with positive effects on efficiency and red tape. When it is unknown, any change is as likely to make things worse as it is to make them better.

See also Manage Interactions with Efficiencies.

ADDING STAFF TO A PROCESS WITH FAILURE DEMAND CAN CREATE WORK

Sometimes adding staff to reduce process backlog can end up increasing workload and making no difference, even if client demand remains the same.

Consider a process that rejects 30% of inputs half-way through and that requires the client or frontline staff to change or add information.

Adding more frontline staff gets more submissions into the process from the backlog, and creates more that fail halfway through and have to restart.

The irony: the extra work the new staff push into the process can be matched or exceeded by the increase in failure demand, and the backlog can stay the same.

7. Manage Interactions with Efficiencies

RED TAPE AND EFFICIENCY PROJECTS CAN BE CONFUSED

Project managers have to be clear about the difference between efficiency improvements and red tape reductions. They interact, but are not the same.

Red tape reduction focuses on the impact on *client* of charges, compliance costs and time, administrative costs and time. It is not a measure of how efficiently an agency is operating.

Efficiency focuses on what an agency achieves with given resources.

Because efficiency projects often reduce process time or cost, they can have a positive effect on red tape levels. But it is not necessarily so.

IMPROVE PROCESS CAPABILITY TO REDUCE RED TAPE

Basic process efficiencies can reduce red tape by reducing process time. For example, addressing

- backlog management
- excessive handovers
- excessive checking steps
- failure demand, rework and re-entry
- inadequate work allocation/multi-skilling
- headcount hoarding that leads to make-work

can all reduce wait time and administrative costs for clients. However, staff do not currently have the skills to deliver this.

EFFICIENCY CAN INCREASE RED TAPE

Equally, agencies can achieve more with given resources by pushing workload onto clients. The simplest way this can occur is to make all form-filling and form-correction the responsibility of the client, with no help from the agency. More can be done with the same staff, but at the expense of more red tape.

RED TAPE REDUCTION CAN INCREASE WORKLOADS

This is the reverse of the issue above: taking regulatory work away from clients in a poorly-designed and manual way can increase work for the agency and reduce efficiency. If done badly enough, it can even increase red tape delay costs for clients.

RED TAPE REDUCTION CAN REDUCE WORKLOADS

The classic example of this is self-service automation with validation checks and pre-populated fields. This reduces red tape for clients because of accuracy, speed, and an absence of repeat entry; it increases efficiency because agency staff don't have to deal with failure demand, or with the same volume of day-to-day processing.

This approach has been highlighted in regulatory reform - see, for example, NSW Quality Regulation Initiative.

CLEAR PROJECT COMMUNICATION

The differences between efficiency and red tape projects must be communicated when rolling out a red tape reduction project, to:

- reassure that it isn't about headcount
- explain what expected impact on efficiency the red tape project will have
- explain how changed workloads (if any) will be managed.

8. Take Change Management Seriously

BUILD A CHANGE MANAGEMENT PROGRAM

No project that includes process and culture change succeeds without a change management plan and leadership commitment to fund and execute it.

DEVELOP LOCAL EXPERTS OR CHAMPIONS

In large or multi-geo organisations, an individual on site is essential for maintaining project engagement, focus and energy.

MAKE CHANGE MANAGEMENT SEPARATE FROM THE TECHNICAL RED TAPE PROJECT

Line managers, local champions, or internal economists responsible for calculations are not the right people to run change management. Another example of right people, right role.

LINK RED TAPE PROJECTS TO GOVERNMENT PRIORITIES

Clearly show how red tape reduction projects are driven, supported and expected given government priorities.

LEARN FROM BETTER REGULATION GROUPS

Better Regulation agencies can help present and add weight to the project launch, and should be engaged closely on measurement and reporting.

Equally, create a close relationship with the Better Regulation groups to share what they have learnt though other agencies, and proactively help you communicate to your staff.

BUILD BETTER COMMS

To make the roll out to staff most useful, we recommend simplifying the language and using summary documents of no more than 2 A4 pages.

PLAIN LANGUAGE COMMUNICATIONS

One NSW agency uses plain language catchphrases to help rollout:

- *Get rid of it* - identify and remove red tape
- *Keep it simple* - streamline language, administration, reporting and compliance
- *Do it smarter* - use technology and share information
- *Keep an eye on it* - get feedback, report on benefits, monitor progress and assess.

REASSURE THAT RESOURCES ARE AVAILABLE

Reassure Division staff by offering practical elements like checklists, quick reference cards, spreadsheet tools and basic process descriptions, ongoing help, and plain English guidance and support materials.

SAMPLE AWARENESS QUESTIONS

- Do clients have to repeat this step?
- If we approved that, do we need to check this?
- If we don’t look at this information, why are we asking for it?
- Why is this form longer than that one?
- How many separate times have we asked the client for this?
- Is this just shifting red tape?
- How often does the client have to contact us?
- How does our process compare with other agencies’ similar processes (number steps, touchpoints, wait time)

9. Avoid Over-Engineering

CHOOSE DELIVERY OVER DOCUMENTATION

The object is reduced red tape burden, not a report on red tape burden, or a process diagram.

REJECT ACADEMIC BUREAUCRACY

Finding a public sector precedent and footnoting project design is not a deliverable. Build it simple, rely on what works for operations, and be willing to change even if it means doing something new.

INTEGRATE WITH PROJECT MANAGEMENT REVIEW

There can be multiple project lines under different initiatives within different divisions, without any unifying oversight. If you add small scale projects under Business-as-usual then it creates a dispersed project environment that makes it difficult to capture red tape opportunities.

We endorse very strongly the use of a PMO for improved project management, and as a key 'funnel point' for identifying red tape opportunities.

BUILD MINIMUM VIABLE PROCESS

Never create a complex process and internal burden to capture red tape reduction opportunities. However, structure is necessary to ensure a funnel-effect for projects and programs with possible red tape benefits, and engagement with Champions who can encourage, support and report on those projects.

All processes eventually fail and this process must be flexible enough to deliver what is required even if it isn't operating as designed.

MINIMUM VIABLE PROCESS

A minimum viable process is one that has enough features to be implemented, but no more than that.

Derived from concepts of Minimum Viable Product and Lean Startup, it means that you can have something operating quickly and get real feedback on whether the process design is on the right track - before it is too late.

USE LOCAL STAFF WHERE POSSIBLE

Detail counts. Local operational staff know what is happening better than anyone else. If they work with local, trained Champions, results will have an effect on the ground.

USE OTHER AGENCY MATERIALS

Steal without qualm (but with permission). Use what works, because that's what matters.

LISTEN

Ensure informal contact methods are available for all levels of staff and external stakeholders.

GET PROCESS AND RESPONSIBILITIES RIGHT BEFORE LOOKING TO TECHNOLOGY

Jumping to a technological solution before key processes and responsibilities are established is a common cause of process project failure.

Two decades of ERP projects have reinforced the importance of identifying your process needs and making technology fit them, rather than the reverse.

10. Get Broad Input

TOP-DOWN AND BOTTOM-UP

To meet red tape targets, use both Executive/ Manager-driven initiatives and bottom-up ideas from people closer to the frontline. This is in keeping with best practice and experience from long-term continuous improvement programs. This requires:

- Keeping red tape issues front-of-mind in all projects, policy and program work
- Building cultural awareness of red tape reduction
- Reassuring staff that suggesting an idea will not lead to being loaded up with extra work
- Reassuring staff that appropriate processes, executive support and resources will be available to get things done if they do take on a project
- Allocating or finding appropriate resources to create, rollout and maintain a change management program.

CREATE REDTAPE REDUCTION PROCESS

Provided it is a **minimum viable process,** there should be clear procedures for capturing Executive and frontline suggestions for red tape reduction.

Equally it should embed external stakeholder feedback.

This also relies on identifying individuals from Executive, to division, to local Champions who are responsible for the program and who is responsible for project delivery.

Red tape Champions should advise, support and vet proposals from the frontline.

Change management programs should communicate and support any new process.

Any process must be integrated with other existing project, review, feedback and regulatory processes. See Avoid Over-Engineering.

BOTTOM UP THAT WORKS

Toyota is an often-quoted example of a firm using bottom-up continuous improvement. That it works for service industries is clear in the way Toyota Financial Services has implemented Kaizen and Toyota Business Practice world-wide.

Continuous improvement is embedded in all KPIs, each team is expected to contribute a project every 6 months, and Kaizen teams are led by the innovator, not managers.

BEWARE STAKEHOLDER CAPTURE

Getting feedback from existing stakeholders is good. Allowing them to use feedback to protect their market positions or further political goals is not.

ASK THE EXCLUDED, LIKE SMALL BUSINESS

While it is difficult to do, listen to the voices of small business and of possible market entrants who have been dissuaded by red tape imposts.

CREATE SPRINT/SHIP-IT WORKSHOPS

Among the most successful innovation tools in leading IT firms is the Sprint or Ship It day. This is very similar to some Kaizen continuous improvement concepts.

It involves a set period (hours or a day) where a self-organised team creates and delivers to completion an innovation they’ve come up with independently.

Innovations are vetted before being implemented. All innovations are presented organisation-wide and the best receive awards.

11. Work in Phases and Build Quick Wins

RUN AT LEAST TWO PHASES

Immediately build quick wins for red tape reduction. Use a low process, informal identification workshop before any formal process is in place.

This allows responsible staff to communicate the concepts and importance of red tape, and capture initial ideas and 'low hanging fruit'.

A second phase would implement formal structures and KPIs, and build an ongoing process to capture opportunities. Ongoing management could be viewed as another phase.

Each phase may be the responsibility of different areas. For example:

- quick wins may be delivered by Change management and/or Strategy teams
- formal structures may be built by Strategy/ Planning or similar teams, handing over:
- ongoing processes and reporting to be managed by Change, Economics or Regulatory teams.

USE WHAT PEOPLE ALREADY KNOW

Most subject matter experts already have ideas for red tape reduction before any formal process is in place.

To build momentum and deliver results quickly, capture that information informally and get started before formal projects and processes are in place.

WORKSHOP EARLY

Project momentum usually comes from three sources:

- understanding why the project matters
- seeing leadership cares about the outcome
- delivering progress quickly.

Immediate workshopping with key people allows outgoing communication and immediate capture of their pre-existing reduction ideas.

REMEMBER OUTCOME, NOT PROCESS

- Project momentum matters
- Success is the best change communication
- There's always 'low hanging fruit'
- Quick wins can inform your process design

BUILD CAPTURE PROCESS

Capturing red tape reduction ideas should be part of day-to-day business. Local 'Champions' should always be available to encourage and receive ideas. Project processes should have built-in red tape checks. Red tape reduction initiatives should be a standing Executive Agenda item.

Clearly this will be easier if there is some type of agency Project Management Office (PMO) that oversees all project activity.

PLAN FOR AD-HOC WORKSHOPS

No process is perfect. Ad-hoc workshops through the reporting period can re-energise and support low-doc reduction ideas.

MANAGE CHANGE, THEN MANAGE MORE

All reform programs require change management. Leadership support, regular communications, tools and resources, quick reference guides, training for champions and so on. Without it programs are certain to fail.
See Take Change Management Seriously

12. Create Rapid Feedback Loops

Feedback loops are an essential part of any formally-designed red tape reduction process.

They capture essential reform information from external and internal stakeholders, and maintain motivation for internal staff.

FUNNEL STAKEHOLDER CONCERNS TO TEAM IMMEDIATELY

Where stakeholders - clients, operational staff or others - have:

- complaints about the level of red tape in a process, or
- concerns about a single red tape reduction initiative

it is a great opportunity to get it right. Red tape capture processes must ensure face-to-face, phone, mail and email contacts are funnelled immediately to the red tape team.

Because it is so useful, regular consultation with stakeholders - large and small - is a key part of red tape reduction.

COMMUNICATE REDUCTION SUCCESSES

Where red tape is successfully reduced, tell your stakeholders, especially external ones. Let them know that the agency has addressed their concerns, let them know that there has been real action. It will encourage further contribution to red tape reduction projects.

CHECK REDUCTION BENEFITS ARE REALISED

Most regulation frameworks require some sort of Post Implementation Review that analyses actual costs and benefits of an implemented regulation.

Where this is not required formally for red tape reduction, it should be done anyway.

The objective is to reduce the impact of red tape on clients, and minimise red tape's effect on their behaviour. There must be real change, not merely notional change on a report.

FORMAL FEEDBACK TO IDEA ORIGINATORS

Whether ideas are generated internally or externally, Executive Management responsible for red tape reduction should formally contact the originator of the idea.

For internal staff it is a motivator, and recognising efforts helps encourage ongoing commitment and a belief that the change is being taken seriously.

For external stakeholders it is both good communications management and another way to show core commitment to the objective.

13. Address Political Process Red Tape

STATUTORY REQUIREMENTS CAN DRIVE RED TAPE

Where statutory requirements are specific, agencies can have little wriggle room to reduce red tape. This can be a large percentage of red tape burden.

To address the real issue departments have to engage with political processes and with Ministerial Offices.

Agencies must have in place a focused committee that identifies and reports on red tape burden they cannot address due to statutory requirements.

RUSHED POLICY AND UNINTENDED CONSEQUENCES

Despite most jurisdictions having Regulatory Impact Statements and/or Better Regulation Statements, policy can still be rushed, and unintended consequences abound.

More red tape can be among those unintended consequences.

Where a RIS is legitimately waived, a Policy Smash approach can be valuable.

Ministerial Offices must accept that in these circumstances, agencies will identify regulatory changes after the regulation is implemented.

WORKAROUNDS CAN DRIVE EXTRA LAYERS OF RED TAPE

Where ad-hoc policy change is driven by a political timetable, agencies may resort to process workarounds to have it in place in a timely way.

Process workarounds are always inefficient; in most cases, they also add to red tape through administrative burden and delay time.

THE MINISTER'S OFFICE SUPPORTS REAL, NOT PAPER CHANGE

Fear of political embarrassment can result in:

- kneejerk political responses that generate red tape because of poor regulatory design
- valuing box-ticking, adherence to method or the size of notional savings over real impact on clients
- attempts to reduce red tape without spend or headcount reductions.

Offices can also be hands-off and unwilling to support, encourage and review necessary changes that lead to successful execution.

The political leadership has to take responsibility not just for policy settings, but also for the incentives and disincentives for real red tape reduction they set by their own behaviour.

POLICY SMASH - MOVING BEYOND THE RHETORIC AND THE RIS

The Policy Smash process is a focused workshop to look at draft regulation. It is made up of outside participants with the aim of:

- Mapping unintended consequences
- Identifying how to subvert the regulation
- Modelling the response of the regulated
- Applying Game Theory to cycles of regulation
- Identifying impact on the un-consulted.

The aim is to break the regulation so it can be redesigned before implementation.

Appendix 1: Source List to Reduce Red Tape

This is a red tape reduction starter list for Department Deregulation Units. It isn't comprehensive. It just indicates the sorts of activities that may reveal ways to reduce existing red tape.

Source	Rationale
People	
Regular workshops open to operational staff	Six monthly workshops to maintain energy and grab quick wins
Executive Management meetings	Standing Agenda item to fast track Executive ideas to Champions
Statutory reviews of regulation	Ongoing schedule of legislative changes and red tape impact
Ensure ongoing client feedback on red tape reduction projects	Find out if they worked and find out if more opportunities remain
Online survey and feedback structures for clients	Provides timely opportunity for feedback direct to database categories
Provide red tape measurement tool to sample clients	Excel reporting sheet for a process. Making it easy to record issues makes it more likely they will be reported
Engage with peak bodies and forums	Formal processes build relationship and increase likelihood of meaningful feedback
Ask clients where and how they have provided information before	Give clients a chance to tell you where you're doubling up on them
Proactively provide clients the information they need if you have it	Example: Provision of data to users before it is required, at no cost.
Data Collection and Analysis	
Build core reporting tools to provide data-driven decisions	Examples: number of steps, touchpoints, wait time, amount of customer follow-up
End-to-end process mapping	If you don't have data on your process, you don't know if it's an issue.
Internal benchmarking	On key areas of external interaction to highlight touches, paper load, rework for clients etc
External benchmarking	Compare regulatory load for similar items, and if different, review as opportunity. Example: for two similar-risk licences: one page form versus 14 pages.
General review UK and Netherlands experience	Extensive research and reform data available on red tape reduction in these jurisdictions. Links available.

CONTINUED: SOURCE LIST TO REDUCE RED TAPE

Source	Rationale
Mine customer complaints data and reports	High volume categories can indicate opportunities, while detailed complaints can expose process failure
Quantify number of touches in each process	Minimising touches minimises time, error, and perceived red tape
Risk-based analysis of information requests	Do we need this information to make any decision or assess any performance?
Trace how reports are used to find out if they actually are used	Any unused report is red tape or inefficient
Identify all process barriers to e-processing (face-to-face, sign and scan, print, fax, signature requirements etc)	Process inertia and fear of legal risk can stop e-processing unnecessarily
Unrelated efficiency projects	Internal efficiency can generate external red tape improvements
Build database of red tape reduction activity as examples for operational staff	No need to reinvent the wheel
Proactively monitor possible legislative change for red tape reduction opportunities	Integrate red tape reduction with legislative forward planning
Find internal process failure: we don't ask for everything we need, or solve the issue the first time	Process failure forces unnecessary repeat contacts and extra time for clients
Common, Reusable Resources and Data	
Standard form design across divisions/agencies	Small variations create rework for clients and block information sharing.
Standard report structure and information	Small variations mean clients have to deliver multiple reports.
Information sharing across divisions: create information sharing policy, protocol and targets	Unless facilitated and driven, no division has an incentive to make it happen
Single shared info entry portal agency-wide	Database behind a web form allows for instant information sharing and single entry for clients
Sector partnership and capability building approach	Extension of using guidelines to minimise submission error Provide Training manuals, advice, courses through peak bodies to minimise regulatory error that creates multiple touches or cycles
Align reporting schedules and information, internally and with other agencies and jurisdictions	Make unrelated renewals, returns and reports coincide to share information and submission processes

CONTINUED: SOURCE LIST TO REDUCE RED TAPE

Source	Rationale
Standardise evidentiary requirements across all interactions	Use the same ID, audit type etc for all bodies and interactions
Single online user ID for multiple engagements etc	Member ID accesses information previously entered
Target one-time client delivery of a piece of information	Making this target public invites clients to inform you when they tell you information twice
Standardise process, schedule, and touches across regions to best practice	Addresses regional red tape variation
Other Items	
Move to area/person/entity licensing rather than site/activity	If someone is trustworthy in one circumstance they should be in a similar circumstance.
Provide plain English support to simplify language in forms and applications	Operational staff may not have plain English skills. Give them help.
Reduce qualitative applications/reports and focus on quantitative information	Text requires more effort and thinking than tickbox, range-identification, or spreadsheets.

Appendix 2: Red Tape Heat Map

As part of the red tape reduction process we recommend an early workshop to make a Red Tape Heat Map of the organisation.

The purpose of the heat map is to:

- Identify systematically all areas of activity within the organisation likely to provide red tape reduction opportunities
- Provide a basis by which you can prioritise red tape reduction efforts
- Identify those red tape reduction opportunities which are constrained by government policy or existing legislation/subordinate legislation
- Provide principled reporting on the issue of red tape driven by policy/legislation to the Minister.

The Heat Map is based on an online survey to score organisation activities based on how key red tape drivers apply to each activity.

This generates a Red Tape index number for that activity.

The data collected also identifies the strongest red tape driver, and highlights where different managers view activities as having very different red tape impact.

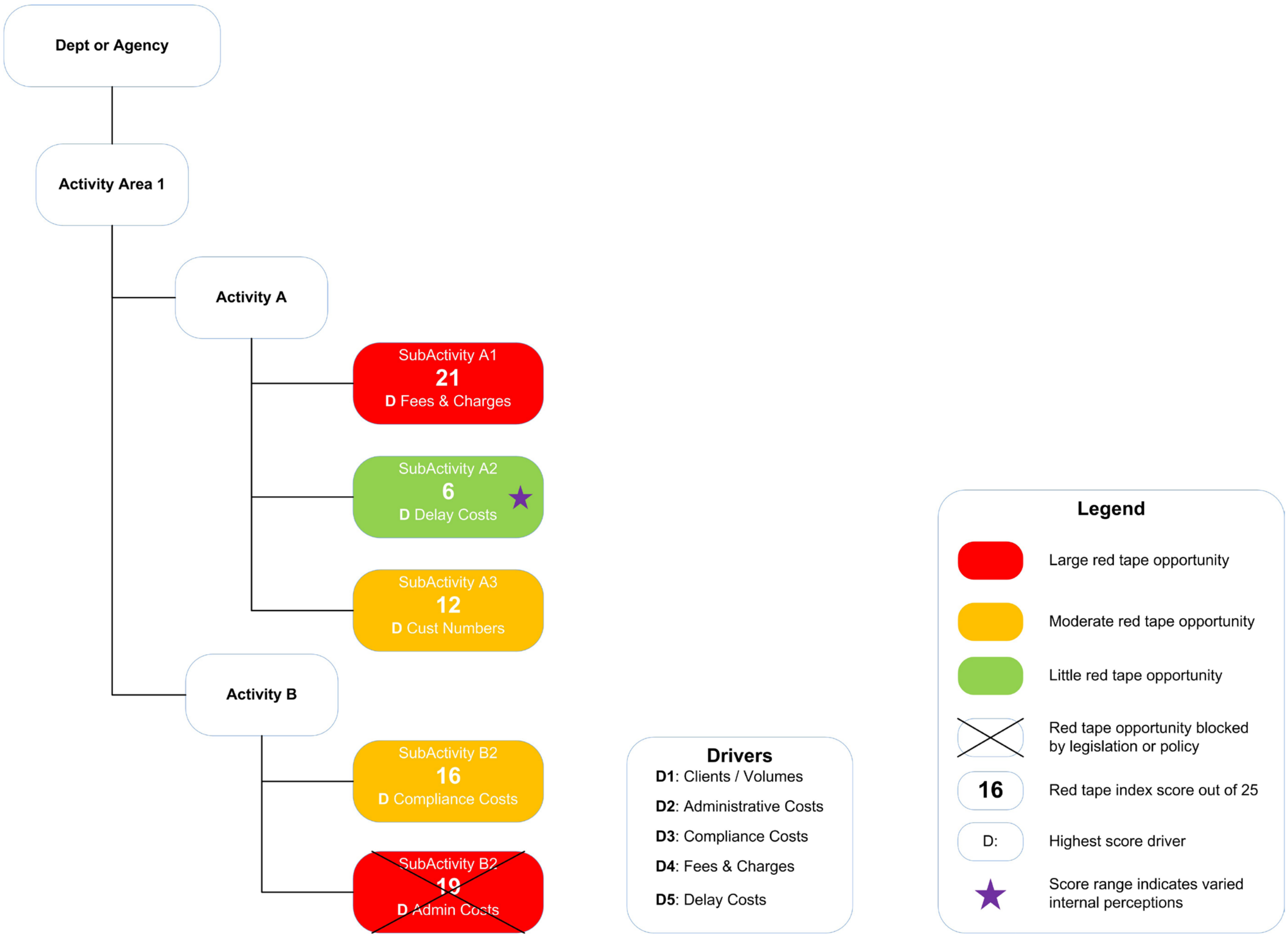
It does not use complex technology or algorithms and the reporting process is straightforward. Because it is so simple red tape drivers can be added or removed easily.

A mockup section of a heat map is shown below. It can also be automated and presented in an Excel dashboard.

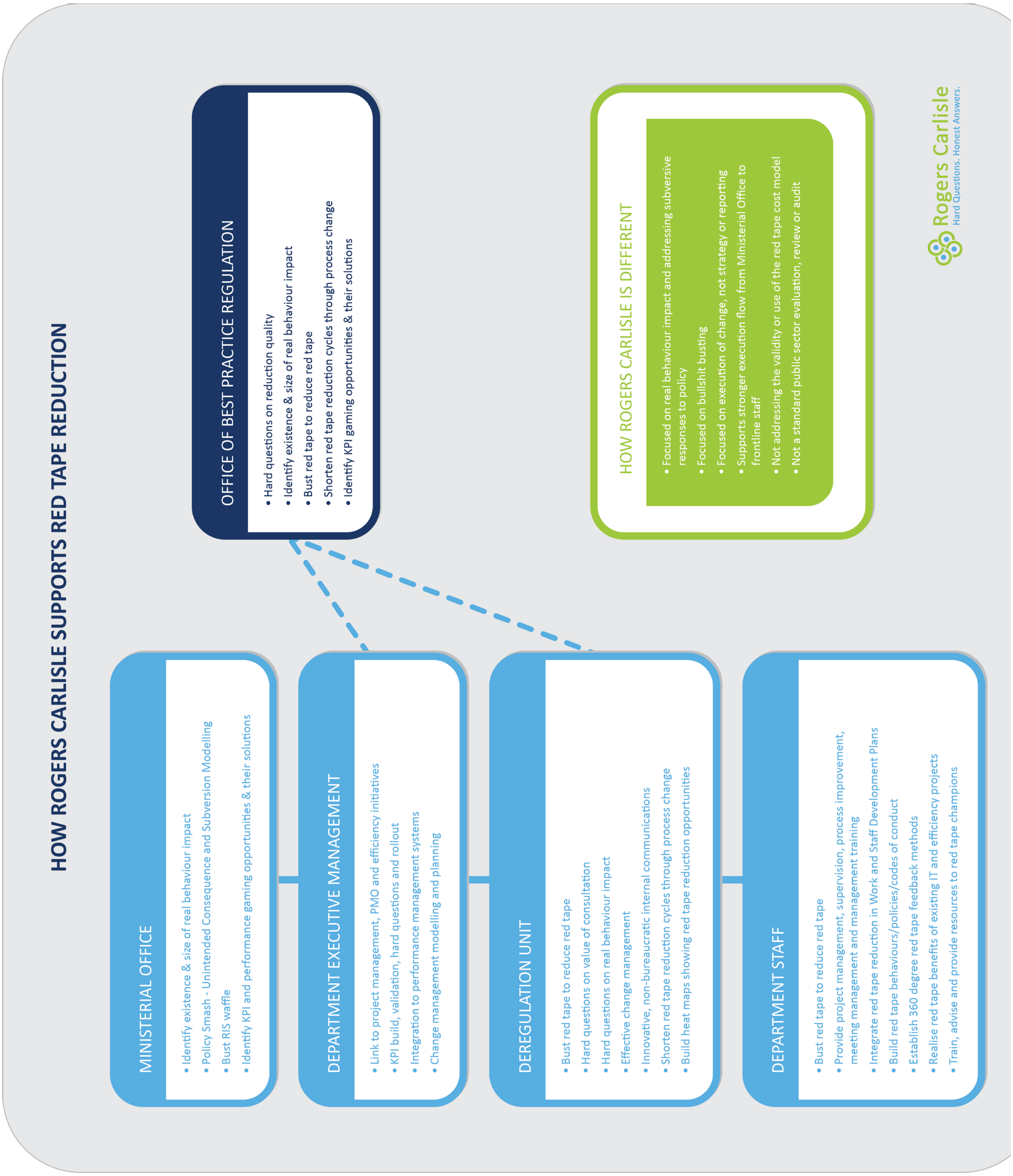
After developing the heat map we have to firm up the numbers using process-mapping and work quantification to ensure projects are data-driven.

This will also provide the opportunity to find internal savings at the same time.

RED TAPE HEAT MAP EXAMPLE



Appendix 3: Rogers Carlisle Support



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Hard Questions. Honest Answers.

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