

Chapter V: Institutional Changes in Public Service

Introduction

Israeli society faces many diverse challenges, particularly at the interface of economy and society. Addressing these challenges requires creating an ethos of a strong public service that is able to contend with a complex, dynamic reality. Israel's government system, however, contains obstacles to long-term strategic deliberation and implementation, including political instability, absence of an established culture of debate and significant dependency on personal obligation for promoting and carrying out decisions. Therefore, besides shaping the content of Israel's economic strategy, **it will be very important to develop institutional mechanisms that enable continued deliberation, debate and implementation of strategy for the coming years.** These mechanisms will facilitate coping with political, economic and social challenges and promotion of long-term strategy. Israel's ability to successfully deal with these challenges will certainly be affected by the overall functioning of its institutional system, as regards the political system, the structure of government on integrative issues, the degree of functionaries' professionalism, and ongoing government processes. All of these affect the state's ability to promote long-term strategy. But even if changes are made in these areas, it will still not be feasible to attain optimal performance unless institutional improvements are made in the public service.

Rather than leading public debate and policy-making, Israel's government currently finds itself trailing behind the business and third sectors in many areas. In comparison with countries that have been successful over the past two decades (e.g., Ireland, Finland, Sweden and Canada), Israel lags behind significantly in state mechanisms' policy-shaping performance. Israel is one of the countries that have not yet undergone all of the institutional changes required in the global economic and social world of the 21st century. The natural place for these mechanisms is public service, which is subordinate to the ministerial echelon, and which must act with professionalism and creativity in order to equip ministerial echelon with the best alternatives and to assess them in terms of the overall public interest. Even those in public service who are highly professional in creating knowledge and developing citizen services, lack public recognition of their professionalism and expertise, particularly as compared with the other players in the public arena. As representatives of the state and its citizens, entrusted with being the leading professional force in shaping social policy, public service employees are the backbone of the service system over the long term, in normal times and during crises. **In order to enable the state to retrieve the reins, it is crucial to restore public employees' professionalism as well as public recognition of this professionalism.** One of the most significant factors affecting professionalism and its recognition is that of supervision in public service. This realm receives considerable attention in major reforms worldwide and in this plan as well.

There is a positive correlation between countries' economic success over time and their ability to develop institutional mechanisms that support policy-makers. If we do not improve public service institutions, we cannot expect the economy to function properly. Liberation from the negative shackles of classical public bureaucracy is considered to be a significant step on the way to economic growth. (One early sign of beginning this process in public service to freeing bureaucracy is the reduction in the number of laws restricting the activity of public service organizations and of participants in public policy implementation.) In exchange for liberation from the fetters of bureaucracy, implementers of policy around the world have been required to demonstrate results, according to objectives set by legitimately authorized policy-makers. Various supervisory units have been developed in these countries to oversee policy implementation and assess its quality. There is a strong correlation between the degree of citizens' trust in public service and the manner in which these institutional mechanisms operate. The complexity of the policy-making arena, as well as the large number of partners in the process (political and professional echelons, interested parties and so on), necessitate the creation of shared arenas and enhancement of tools for improving policy-making and implementation.

In summary, it appears that the primary objective facing public service today is rehabilitation and strengthening of the **institutional mechanisms of deliberation, planning and debate** at the governmental/national level. Some of these mechanisms have collapsed; some have been drained of their content, (due primarily to frequent replacement of ministers, given the political instability of Israeli governments and the Finance Ministry's centralized control over other ministries which increased after the severe economic crisis of the mid-1980s); and others did not adjust to a modern economy that involves issues of a complex global nature. The great challenge for the coming years will be to create institutional mechanisms that improve decision-making and implementation processes. We can confront this challenge with the help of institutional reform in public service, which will enable public service employees to address **complex issues in changing conditions**. It is important to remember that we propose improving the functioning of Israel's public sector **while significantly reducing the government's role in the economy**. Enhanced performance of the public sector will enable implementation of the vision with the help of a smaller government. Much can be learned from the experience of successful economies in the world about the importance of the structure and quality of the public sector in achieving rapid growth and increasing competitiveness.

Vision and Strategy

The proposed institutional reforms focus on creating an "enabling" public service that is able to act according to government objectives and the needs of the population it serves, and to fulfill the three functions described above.

A properly-functioning public service is able to respond to changing needs in a complex, dynamic reality. In other words, public mechanisms will not seek to create a stable reality in a changing world, but will rather attain new tools and skills to deal with the challenges characterizing the work environment in which they operate: a global age in an rapidly changing world, a post-industrial society given to rapid economic changes, a multicultural society, and the context in which they operate. The functional capabilities of public service should be constructed independently of the elected government and of the system of government that is instituted.

Such a public service will be built up by means of **strengthening its professional backbone** and enabling its **functional flexibility**, so that political, economic and social changes that occur from time to time do not compromise the quality of its work. The public service will be strengthened by means of three primary undertakings: **cultivating quality leadership and professional management** from among the senior and middle echelons currently employed in the various ministries, to serve as a pivot for mobilizing the desired change in public service; **creating policy-making and policy management units in the Prime Minister's office and the government ministries themselves**; and **instituting means for developing an Ethos of Professionalism**, through employee training programs, knowledge management within and outside of the ministries, research development, investment in quality manpower and development of supervisory functions and tools. These steps will facilitate the strengthening of public service, by creating a professional, quality service that sets its objectives and is capable of assessing outcomes wisely. Such a system will facilitate promotion of shared goals between the government and economic and social sectors and to enhance decision-making both within the organization and among organizations from the various sectors.

Dilemmas and Challenges

Israel's public sector suffers from significant weaknesses. In some areas, it cannot adequately support the proper management of state matters. This weakness results from a number of processes that have occurred over the years:

1. **Diminished spheres of responsibility:** Over the years, fewer and fewer tasks are being performed directly by public service employees. Following the appearance of players from the third sector and business sectors, and the weakening of planning and deliberating bodies, the public sector has ceased to be a significant player in policy-making and implementation on various issues. One of the objectives of our task force is to recommend to the government that it adopt the proposed changes, in order to provide government ministries with the necessary capabilities in setting policy and supervision of its implementation
2. **Loss of professionalism and decline of knowledge:** As long-term deliberation and planning processes in government agencies have deteriorated, public service has lost what served

for many years as the basis of its authority: its knowledge. The disintegration of deliberating and planning bodies and the reduction in operations carried out directly by public service employees, have led to the gradual erosion of state employees' professional authority in the realms for which they are responsible. Alongside this process, and to a large extent because of it, neither a professional identity and ethos, nor knowledge-management tools have been developed. Many countries in the world, including England, Ireland and Canada, have learned that only through the development and management of knowledge among policy-makers and public service employees will it be possible to successfully manage a modern state and a modern economy.

- 3. Loss of relevancy of public administration's mechanisms of supervision, administrative monitoring and feedback:** Supervision and monitoring carried out by the public service itself over its own functioning and operations, serve as a central tool for the state to ascertain the implementation of policy and the enforcement of laws and regulations. One of the functions of this tool is to help public systems that provide services to citizens, to transmit information vertically, from policy-makers to the service providers themselves. The existing tension between policy-makers and service providers results from the conflict between a hierarchical approach and one that attempts to create trusting work partnerships conducive to learning, consultation and training. The attempt to create a hierarchical system in which knowledge is transferred downwards and information is absorbed upwards encounters obstacles for a variety of reasons. First, it is recognized that knowledge transferred through the hierarchical ranks may be altered at every echelon, for various reasons, from inaccuracies in encoding and translating messages, to purposeful distortion. Second, knowledge from the field often does not suffice for solving social problems. In addition to these challenges, the environment in which policy is made and implemented and in which the supervisory role is created, has changed: in the new environment, agents in the field hold most of the professional knowledge. Gaps between policy that is based on limited knowledge, and the position of employees on the ground, who are equipped with considerable knowledge, along with the existence of a supervisory system insensitive to knowledge in the field, have rendered supervision largely irrelevant. Thus, its conclusions do not truly contribute either to policy-making or to knowledge of events in the field. As the arena of public service work (including supervision) has become saturated with players, such as third sector organizations, civil society and private organizations, all of whom are partners in the provision of services to citizens, a new dimension is created where, in practice, policy on many issues is set.
- 4. Retarded professional development among senior staff:** One of the various proposals raised over the years for improving the public sector has been to create a core group of high-quality professionals, to assist in policy-making in all government ministries on a rotating basis. In order to do so, it has been argued that high-level knowledge needs to be provided to

the senior staff. This goal can be achieved by establishing a college for training senior staff, or by contracting with a higher education institution to construct an appropriate curriculum for public administration. Training of professional echelons is currently done mostly by external bodies, without preliminary planning or a clear concept of what the desired comprehensive public service development and training program in Israel should be.

5. **"Over-legalization" of the public service:** Excess legislation and restrictions imposed on public service employees in the course of fulfilling their tasks, and the encouragement of this trend in the name of public responsibility, have burdened public organizations to the extent that they cannot perform their missions. Many state employees appear to be more focused on procedure than on substance.
6. **Lack of structured approach to the substance and functions of public service in the market economy age:** Over the years, government ministries have been asked to increase their efficiency, with the goal of improving administrative procedures and enhancing their performance and achievements. These demands on the public sector occurred against the backdrop of the wish to reduce its size, while relying on the business and third sectors. Israel embarked upon globalization and a market economy without formulating a comprehensive approach to the place and status of public service. In some areas, the combination of the public sector and business and third sectors was ultimately successful; in others the combination was eclectic and unproductive. In many cases, it led to a failure, rather than improvement, of public service operations. The various efficiency-increasing programs were especially detrimental to long-term deliberation and planning processes, learning processes and various overlapping areas intended to create a more reliable foundation for public service decision-making and action.
7. **Inadequate discourse on government-related issues:** Public discourse regarding the quality of government is poor, and does not address the issue of boundaries of the realms of public service. The debate over government functions, particularly on social issues, is not systematic. It is conducted primarily in times of crisis or following events receiving media attention. As a result, public discourse on social issues and the debate on quality of service, including services provided to weaker classes, do not fulfill the role of public criticism in a democratic society.
8. **Political fluctuations and their implications on the size of public service:** Over the past decades, the public system has experienced instability resulting from counter-reactions, between the economic right and the social left. Economic changes in welfare policy intended to benefit society's weaker strata, and deep government involvement in the economy, constituted the foundations for "large government". However, the decline in Israel's economy along with the globalization trend produced reforms, some of which

benefited the more established parts of Israeli society, thus swinging the pendulum towards the counter-approach of "small government".

Outcomes and Implications of these Processes

1. To a great extent, public service has ceased to serve as a balancing element vis-à-vis the political echelon; it lacks long-term perspective, and state employees lack a proper professional place in the decision-making process.
2. Over the years, government ministries' ability to conduct strategic planning and deliberation has gradually declined.
3. Government ministries have lost a great deal of their knowledge of their respective fields, upon which they wish to make an impact, and to a large degree, have ceased understanding the reality in which they operate. Policy-makers have lost some of their control over the areas under their responsibility, and have had difficulty managing policy they have set, or are no longer setting policy though they continue to be responsible for it. Thus they have become dependent on policy implementers, and have had difficulty assessing the implemented policy.

Primary Developments

World Processes

The troubles ailing public service gave rise to demands to institute far-reaching reforms. Over the years, various reforms, known outside of the US as New Public Management (NPM), have swept across most of the world's developed countries, and the political platforms of all political persuasions have adopted their fundamentals. While government reform in the US is identified with the Reagan administration of the 1980s, the Democrats ran a similar reform under the name "Reinventing Government". In Britain, despite being firmly associated with PM Margaret Thatcher, the basic principles of government reform were also adopted by the Labor Party, which during its tenure carried out far-reaching changes in the public sector. The changes adopted by the various countries led on the one side to rigorous examination of the actions assumed by the state, and on the other, to the introduction of significant changes in the modes of action taken by the executive branch, the public service.

The problematic aspects of public service organizations created fertile ground for the claims of those who opposed broad government intervention in economic and social issues, that is, the supporters of the economic right, that public service does not justify its high maintenance costs, especially in the absence of efficient management. These aspects also facilitated attacks by the economic left, which was dissatisfied with the outcomes of social intervention. At the

beginning of the process, doubts were cast regarding the future of the reforms. At the core of these reservations stood two primary questions: First and foremost was the question of whether this was not just another fashionable management method that would soon disappear. The second asked whether these changes were a product of the conservative ideology that dominated in countries such as the US and Britain. Over the years, it became clear that, despite the various critiques against the basic principles of the proposed changes, these were indeed significant changes that were not going to be abolished in the foreseeable future. The reforms also provided a response to the work burden imposed on public organizations; the economic burden involved in their operations; the deep deficits in the state budget; the inadequate service that consumers felt they were receiving from these organizations (particularly as compared with analogous services provided by other sectors); and integration into the global process.

Processes in Israel

The State of Israel has yet to take part in the world trends of public service reforms in a well-informed, significant manner. Despite the number of commissions that have been appointed and the deliberation processes that have been conducted, the state's leaders have chosen not to take a significant decision on the nature and image of public service. As a result, the random changes that have been made have not succeeded in improving the functioning of public service, but have only altered its scope in certain areas.

The public service was established in 1948, on the basis of the mechanisms of the Jewish Agency and the British Mandate government, and was founded on the British model. Though this model was proposed as only temporary, no alternative administrative culture has been shaped since, that better fits the Israeli reality. Over the years, various changes have been made in the initial public service model, primarily additions that were not based on a comprehensive approach. As a result, hundreds of laws, regulations, guidelines and rules have accumulated. Intended to regulate public administration, only a few understand them. Most of the attempts to make changes and improvements in the service have remained grounded in the same old management paradigms.

Beginning in the 1980s, as the accelerated globalization process began to capture a central place in the economic world, a wave of reforms swept across the public sectors of most of the world's developed nations. Despite the many differences between the various reforms, they share a number of features: creating a small public service; adopting management methods from the business sector; making the public service more flexible; and instituting processes to enhance its response to the demands of its clients, the citizenry. The various reforms increased as a response to negative phenomena that many identified with the public bureaucracies:

- Public sector organizations were perceived as burdensome, wasteful and ineffective.
- Public bureaucratic organizations grew to such large proportions that they could not function optimally.
- Public bureaucratic organizations began focusing on short-term policy and lost their ability for long-term thinking.
- Public service organizations did not invest efforts in developing their employees and attaining the best results possible.
- Public service organizations suffered from a negative image, and citizens expressed their dissatisfaction with the services they were receiving.

In **1984**, the **Kubersky Commission** submitted a report proposing the most comprehensive reform in the history of Israel's public sector. The Kubersky report purported to make a fundamental change and to do away with the policy of patchwork revisions. The report's recommendations fit the spirit of the times, and correspond with many of the proposed reforms that began to gain momentum in those years, including reduction of the size of the public sector; improving service to the citizen; transferring routine tasks from government administration to other bodies, etc. While various steps were taken in support of implementation of reform, **most of its recommendations were not implemented.** Non-implementation of the proposed reforms during the 1980s and 1990s was due primarily to the serious economic crisis that Israel experienced in the 1980s, followed by the diverting of attention to the subsequent recovery plans.

In **1994**, an attempt was made to institute public service reform, known as "**Model Ministries**". In contrast to the Kubersky Commission's comprehensive reform approach, this reform aimed for controlled implementation of changes in the margins, intended to cause a snowball effect and ultimately to shape a new public service management approach. This reform had two central objectives: 1. Changing the role of the Civil Service Commission, by turning it into a professional staff unit focused on setting human resources policy in the public service and monitoring its implementation; and 2. Strengthening the autonomous status of the government ministries by enabling them to independently manage their resources and giving them the authority to decide how to achieve their objectives.

Despite the reform's partial success, manifested by the response of 11 ministries and support units, **this reform did not produce the desired change.**

In **1999**, another attempt was made to institute reforms in the spirit described above. The proposals included separating policy-making from policy-implementing units; making changes in the process of government planning and budgeting; delegating powers to various ministries,

in return for their assuming of responsibility and meeting achievement measures; making changes in the Knesset's involvement and supervision; and making fundamental changes in human resources. **This attempt was also unsuccessful.**

Finally, during Ariel Sharon's tenure as Prime Minister, Finance Minister Benjamin Netanyahu took various steps in the spirit of the reforms presented above, without any accompanying management reforms to support them. The subsequent finance ministers have reinforced the trend to reduce the size of public service, without attempting to assess these measures' implications on government structure, functioning and image. As these changes were not supported by public service management reforms, public service organizations could not operate satisfactorily, thus further intensifying the wish to privatize many functions that were previously executed directly by the state. Alongside changes touching directly upon public service, various recommendations were proposed and implemented to improve the functioning of government ministries and related processes. **However, the hoped-for change in public service did not materialize.**

Israel's public service suffers from the same maladies as its counterparts abroad. The list of complaints detailed above is heard elsewhere as well. Furthermore, the conditions that activated change around the world have matured here as well, and have even begun to direct processes in Israel. Public service's heavy budget burden, the mediocre quality of its services, the over-centralization of government branches, and the splitting-up of the handling of one topic into different government organizations, along with other failings, all characterize public service today. However, unlike other countries, comprehensive reform has not yet been instituted in Israel's public sector, and a comprehensive approach has not yet been outlined for its work.

Recommendations

The goal of the recommendations below is to enable the state and its leaders to deal better with the challenges and complexities of our economic and social life, which are characteristic of the present age and expected to continue in the future. The recommendations include institutional changes that will contribute to improving decision-making and implementation processes, as well as public service employee development.

The proposed reforms will be implemented by a process-oriented approach rather than by one-time structural changes. They entail close cooperation with public service employees, who should be committed to the idea of reinstating knowledge and responsibility to public service in order to strengthen the entire government and the Prime Minister, and to restore the Ethos of Professionalism to public service employees. With employees' input, appropriate content should be formulated for the following recommendations. Recommendations should not be dictated from above in a cut-and-dried fashion; instead, we must strive for cooperation.

Summary of Recommendations

1. **Institutionalize a unit to formulate and manage systemic policy in the Prime Minister's office**, to include a unit for economic and social issues; a unit for security and political issues (the National Security Council); a unit for science, technology and higher education issues; and a unit for special issues requiring attention on an *ad hoc* basis.
2. **Institutionalize an innovative model for policy formulation and management units in all government ministries**, to maintain close work relations within ministries.
3. **Establish a National Council for Competitiveness and Globalization** that takes its inspiration from the Ministry of Industry, Trade and Labor, and which is subordinate to its Minister.
4. Institute a functional **Ethos of Professionalism** in public service.

Recommendations in Detail

1. We propose to establish a new professional council and a unit for ad-hoc issues in the Prime Minister's office, and to strengthen the two existing ones: the National Security Council and the National Economic Council. All the councils will serve the Prime Minister in his role as integrator/administrator of government policy.

- **National Security Council**

The National Security Council, established in 1999, will serve as the Prime Minister's deliberating unit and staff on foreign affairs and security issues. It will be reinforced by principles formulated in 2007 by two commissions: the Winograd Commission and the Lipkin-Shahak Commission. The head of the National Security Council will also serve as National Security Advisor to the Prime Minister.

- **National Council on Economy and Society**

The Economic Council was established in 2006 with the goal of strengthening the Prime Minister and his decision-making process. The Council operates as a center for economic policy development, with a systemic/strategic orientation. Its realm of activity should be formally expanded to include social issues as well. The head of the Council will also serve as Economic and Social Advisor to the Prime Minister and will chair a public advisory council made up of representatives of various economic and social sectors.

- **National Science and Technology Council**

This plan proposes to establish a new council, designated to enable the Prime Minister to shape and formulate policy in the fields of science, technology and higher education,

which will serve as the foundation for maintaining Israel's qualitative advantage for the coming years. The council will be made up of public staff and public representatives from different fields. The head of the Council will also serve as the Prime Minister's Science and Technology Advisor. As this is a new council, we shall describe its role in brief:

The council creates a forum for setting strategic policy in the fields of science, technology and higher education. In light of the vast implications of education, basic scientific research, technological R&D and dispersion of the new technologies across broad industry sectors and the economy as a whole, we propose the establishment of a special senior forum that transects all relevant government ministries and bodies. The forum will set priorities for outlining policy, and will coordinate all publicly-funded measures executed according to these priorities. It will enable ongoing, fixed activity at the strategic (not operational) policy level. The forum will be affiliated with the Prime Minister's office. Similar to the South Korean model, it will strive to receive the PM's prior approval for the overall budget in the fields of science, R&D and higher education. The forum will also be linked to the Office of the Chief Scientist, as operational experience and developments on the ground are central to the identification of new strategic priorities and their translation into new policy guidelines or programs. Nevertheless, the forum must be independent of the Office of the Chief Scientist as it proposes new priorities, new programs and re-assessment of prior policy guidelines (currently carried out by the operational units themselves). For further detail see Chapter VI, Leveraging Scientific/Technological R&D.

- **Unit for *Ad-Hoc* Issues**

The Unit will provide consultation and support for the Prime Minister and his office on issues of systemic importance, on any matter that is deemed necessary. The Unit will address short- or long-term issues that may help in the process of shaping and implementing government policy. Issues not under the authority of any of the three designated councils, which require systemic action on the part of the Prime Minister, will be addressed by the Unit for *Ad-Hoc* Issues, which will be subordinate to the director-general of the Prime Minister's office or his chief of staff.

All the councils will deal with management of long-term deliberation, management of internal and external research, and management and assessment of government ministries. Public committees will be established adjacent to each of the professional councils, so that the public aspects accompany the professional considerations. Each such public committee will be appointed according to the council's areas of activity, so that appropriate representation will be given to relevant bodies related to the issue.

2. We propose to institutionalize an innovative model of policy analysis/management units in government ministries. The goal of these units is to assist policy-makers and implementers

at all the organization's echelons in understanding challenges and acting effectively. The units will concentrate planning, research, policy analysis and evaluation in each government ministry. They will be subordinate to a senior deputy to the director-general in each ministry, who will focus on policy and implementation issues, and will address the following subjects:

- Conducting policy analysis on central dilemmas.
 - Determining assessment processes for the ministry's activity, using measures of achievement or other means.
 - Establishing a center for knowledge management for the ministry's areas of activity, to support the various units.
 - Promoting processes of infrastructural change in the ministry's operational patterns.
 - Connecting and combining policy issues under the ministry's authority with overall national policy, by interacting with the unit for policy-making and management in the Prime Minister's office.
 - The units will serve as agents of change and a catalyst for a quality revolution in public service as regards policy-making and implementation.
 - This model will enable each government ministry and its leaders, the director-general and management, to fulfill an initiating leadership role vis-à-vis the sectors under the ministry's responsibility.
 - Implementing the proposed model will ensure organizational memory, learning and continuity of public policy in each of the ministry's areas of activity, and will deepen consciousness of quality in the relevant fields.
3. Creation of a National Council for Competitiveness and Globalization adjacent to the Ministry of Industry, Trade and Labor. This council will provide a platform for professional and public debate on the policy measures required for utilizing Israel's full economic potential and deepening its international competitive capability based on business innovation. It will be a designated body affiliated with the Ministry of Industry, Trade and Labor, and partly affiliated with the government, enabling its research independence and long-term vision, free of short-term constraints. Among the considerations for appointing the council, which will be responsible for shaping national industrial/competitive policy and integrating Israel into the global processes, priority will be given to research ability and unbiased professionalism.

The long-term integrative policy for increasing Israel's competitiveness will be augmented through this professional body, which will bring together implementing bodies that deal

with local business development, encouragement of foreign investment and promotion of research and development (functions that already exist in the Ministry of Industry, Trade and Labor).

4. Institutionalizing a functional Ethos of Professionalism in public service:

- Strengthening public service's backbone: senior and middle echelon employees.
- Strengthening public recognition of employees' professionalism and expertise as compared with the other players in the public arena.
- Changing fixed, uniform training processes, given the dynamic reality and the need to improve public service employees' flexibility and adaptability to changing conditions. The following guidelines should be followed:
 - Setting minimum requirements for entering public service employment. In a number of central management positions, an academic degree in management will be required.
 - Setting on-the-job training processes appropriate to the public service employee's professional development needs. Today, most of the training programs in public service are determined haphazardly, and are not relevant to the employee's job (as the goal of training is typically increasing salaries, rather than improving professional standards). Public service employees are currently allowed to choose topics of study from an almost unlimited list, determined by the supply of courses and advanced study programs available on the market and irrespective of the employee's professional needs or development track. We recommend that the strategic deliberation units, in cooperation with the employees themselves, propose the fields of study they require in order to improve their professional standard and functioning.
 - Setting flexible, creative learning formats for the multi-dimensional professional development of public service employees. The passive "teacher-student" learning model is currently perceived as the only legitimate training model. As part of the trend of flattening out the organizational pyramid and instituting flexible learning processes, *ad hoc* learning communities should be created on central topics pertaining to the work of public service employees. These communities will include employees of the public service organization as well as employees of organizations outside the government ministry. For this kind of learning as well, employees will receive the customary compensation for study.
 - A crucial condition for developing a planning and deliberation process in public service is the formulation of objectives. Formulation of objectives is essential primarily in order to institutionalize an assessment process for organizations' performance and a process of regulating the supervision of public service. Besides formulating objectives, the organization's mandate should be detailed, as should the essential factors taking part

in the implementation process. The advantage of this kind of thinking is the enhanced ability to predict outcomes of the attempt to realize objectives, in a given organizational constellation.

- Redefining supervisory goals and operations. Supervision should be a responsive, flexible two-way tool. Those involved in supervision must have multi-disciplinary knowledge, and an ability to initiate service development of services in conditions of uncertainty, in response to new needs. Work patterns should be created enabling the state to maintain control over areas it chooses. Professional development of public service employees should be combined with the adoption of cooperative supervisory approaches, in order to improve abilities and increase the responsibility of the various partners in the process. Thus most of the efforts should be invested in developing supervisors' and professionals' shared knowledge, investing resources in life-long learning and professional development, and improving the organization and preservation of the knowledge accumulated in public systems.

Professional development, combined with the various powers and options provided by the strategic deliberation units to public service employees will build leadership and advance the public service. Public service will draw high-quality forces that seek to be part of a unique, select team able to lead the public service forward and to create a well-functioning government.

Outcomes and Implications

1. **Instituting changes in work and learning processes will mobilize the organizational change that until now has only been imposed, unsuccessfully from above.** This change will promote a process of increasing the organization's flexibility, broadening professionalism and turning attention to substance over procedure.
2. **Change in the work process will create a public service ethos:** Change in the work process and giving knowledge a central place will affect employees' **attitudes** toward the organization and its goals, as well as their attitudes toward other sectors' organizations.
3. **Change in these processes will mobilize a change in the relationship between the public service and other organizations, and the citizens in need of its services. The change will:**
 - Create greater mutual attention.
 - Decrease alienation from and disdain towards public service.
 - Facilitate cooperation between the state and the various organizations that are able to contribute to policy implementation (and actually do so).