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# Mastering Transformation in the Public Sector



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# Mastering Transformation in the Public Sector

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## AT A GLANCE

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Public sector entities find transformation particularly daunting—especially when it comes to creating and communicating the case for change and ensuring sustainable delivery of results for stakeholders. BCG’s “three peaks” framework for transformation in the public sector guides organizations through every phase of the end-to-end transformation process.

### **THE NEED FOR CHANGE**

Environmental dangers, demographic and cultural shifts, rising expectations around the levels of efficiency in government, and, of course, rapid and ceaseless technological innovation continue to upend familiar paradigms. This makes transformation—*that is, achieving a fundamental change in strategy, operating model, organization, people, and processes*—as much an imperative for the public sector as for the private sector.

### **BCG’S THREE PEAKS**

For public sector organizations to have a successful transformation journey, they must climb three distinct “peaks”: vision, design, and delivery. Government officials and top civil servants need to invest sufficient time and energy in mastering all three phases.

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**P**UBLIC SECTOR ACTORS—NO LESS than private sector ones—now confront a world of unprecedented disruption. Environmental dangers, demographic and cultural shifts, rising expectations of efficiency in government, and, of course, rapid and ceaseless technological innovation continue to upend familiar paradigms. This makes transformation—*that is, achieving a fundamental change in strategy, operating model, organization, people, and processes*—as much an imperative for the public sector as for the private sector.

But public sector entities find transformation particularly daunting—especially when it comes to creating and communicating the case for change and ensuring sustainable delivery of results for stakeholders. BCG’s “three peaks” framework for transformation in the public sector guides organizations through every phase of the end-to-end transformation process.

## Why Is Transformation in the Public Sector Imperative?

While the public and private sectors face some common challenges, many differences demand an approach to transformation geared specifically to enable the public sector to address:

**Waning Trust.** Even though global public opinion surveys reveal low levels of trust in business, discontent with the political status quo is creating genuine upheaval: Witness the backlash against liberal economic and immigration policies evident in the Brexit vote in the UK as well as in the recent elections in the US, France, Germany, Italy, and Austria. Even among more moderate voters, skepticism about the effectiveness of public policy and government’s ability to deliver on its promises runs high.

**Rising Expectations.** Yet the public’s skepticism about the efficacy of government action isn’t slowing its demand for more public solutions to critical problems. How should countries manage border protection and immigration policy in an era of mass migration? What should they be doing to mitigate climate change? How can they protect their citizens against terrorism? Provide public services to both depopulated rural areas and burgeoning megacities? How should they gear their economies to be globally competitive in the age of Industry 4.0 without leaving large segments of their workforces behind?

**Budget Constraints.** Even as expectations for government rise, many countries have reached the ceiling of tax rates the public is willing to accept. Virtually all countries are experiencing a demand for greater efficiency in the use of reduced public funds.

Even as expectations for governments rise, many countries have reached the ceiling of tax cuts the public is willing to accept.

And this is pushing some public services and entities to the very brink of operational failure.

**Employee Frustration.** Many civil servants have become frustrated and disillusioned after the failure of previous transformation efforts. To make performance improvements possible, they must be reengaged.

**New Opportunities and Demands Unleashed by Digitalization.** Through the ability, for example, to design value-based, data-driven public policies, create new delivery models based on citizens' input, or streamline internal processes, digitalization offers enormous opportunities for the public sector to transform the way it serves the public. It can simultaneously boost the quality and lower the costs of services delivered to citizens.

Public sector entities find it hard to define the “why”—that is, to create a vision for a transformation effort and what it should achieve.

## Acute Challenges to Public Sector Transformation

In projects and discussions with dozens of politicians and civil servants in countries around the world, BCG has uncovered several acute challenges that public sector actors face in undertaking transformation. Most prominent among them: defining the “why” of their transformation efforts, and delivering concrete and effective results from these efforts in the form of improved services for all their citizens.

Because public sector entities find it challenging to define the why—that is, to create a vision for a transformation effort and what it should achieve—and bring about concrete results, they too often focus their attention on designing new policies and planning for their implementation.

The result is transformation efforts that fail because they lack buy-in from political and administrative leaders, employees, and citizens or because they fail to deliver on their promises. Such failures only fuel the skepticism about government that transformation is intended to overcome and make future successes more difficult to achieve.

Further challenges arise from the complexity and enormity of the transformations that public sectors must undertake. First, whereas all corporate transformations set profits as the same ultimate goal, the objectives of a public sector transformation can't be broken down as simply. Second, cities, provinces, and nations must engage a high number of citizens. These populations are of course much larger than a group of factory or division—and even companywide—employees. Third, the public sector must engage in their transformation *all* their citizens—across geographic locations, cultural and sometimes language differences, and diverse desires and needs.

With these challenges in mind, and based on our experience with both private and public sector transformations, BCG has created a systematic approach to transformation in the public sector, refined with the input of government clients, to ensure attention to all components of an end-to-end transformation process.

## BCG's Three Peaks Framework for Public Sector Transformation

For public sector organizations to have a successful transformation journey they

must climb three distinct “peaks”: vision, design, and delivery. Government officials and top civil servants need to invest sufficient time and energy in all three phases. (See the exhibit, The Three Peaks of Transformation in the Public Sector.)

These three peaks overlap and are intertwined over time; they are not linear. Rather, a successful transformation must be adaptive and iterative, with feedback loops and prioritized waves of initiatives that are regularly redefined. In short, work on the three peaks runs in tandem and overlaps throughout a transformation process. For examples of the three peaks in action, see the sidebar “Scaling New Heights in India and France with the Three Peaks of Transformation.”]

### PEAK I: VISION—DEFINING AND COMMUNICATING THE “WHY”

Defining the *why* of public sector transformation efforts can be tricky owing to two fundamental features of public sector organizations: they serve many masters who have many different goals.

That is, while for-profit companies may have multiple stakeholders, public sector actors have especially large and heterogeneous assortments of constituents. In public education, for example, stakeholders include students and families, teachers and teachers unions, school administrators, private suppliers, public and private funders, political parties, and local authorities.

Likewise, while private, for-profit organizations are typically oriented toward a single, ultimately monetary objective such as “sustainable value creation” or “cash,” the public sector must address multiple, sometimes conflicting, objectives that can be subject to rapid, politically driven change.

## EXHIBIT 1 | The Three Peaks of Transformation in the Public Sector



**VISION**  
*Defining and communicating the “why”*

- Assess citizens needs and expectations
- Anticipate possible obstacles and identify the main barriers to change
- Align decision makers at the highest political and administrative levels
- Draw lessons from past failures
- Build stakeholder consensus on the need for action
- Define digital disruption and the goals and expected gains of digitizing processes
- Define and communicate measurable goals, with timelines for reaching them
- Explain expected results



**DESIGN**  
*Creating policy and action plans*

- Design value-based public policy that is implementable and scalable
- Identify achievable short-term victories that can demonstrate that change is possible
- Allocate financial and human resources across the transformation effort
- Define digital mobilization plan that allocates IT resources and embeds agile methodologies in the ways of working
- Design detailed roadmaps with prioritized pilots or steams, risk management, governance, deliverables, and KPIs



**DELIVERY**  
*Ensuring sustainable results*

- Engage active process monitoring by setting up a PMO to ensure the timely rollout of the roadmap
- Enable and train key resources to help navigate the change
- Design and implement IT-enabled tools to track progress
- Communicate successes
- Design incentive scheme to bolster success

Source: BCG Analysis.

## SCALING NEW HEIGHTS IN INDIA AND FRANCE WITH THE THREE PEAKS OF TRANSFORMATION

By analyzing public sector transformations around the globe, BCG has identified the three peaks—vision, design, and delivery—in play. They are exemplified, for example, in India’s effort to reform education in the state of Haryana and in France’s effort to lower school dropout rates.

### Restructuring the Educational System in Northern India

The restructuring of the educational system in the northern Indian state of Haryana, a state of 30 million inhabitants, illustrates BCG’s three peaks of transformation at a massive scale—to serve 2.2 million students at 15,000 schools—and in a short timeframe: 3 years, between 2014 and 2017.

The program set its vision on the exceptional ambition of ensuring that 80% of students were learning at grade level by 2020. It used pilot programs—scaled up through a comprehensive roadmap—to design continuous mobilization of the main stakeholders. And it was able to deliver, through careful implementation efforts, considerably improved academic performance in a visible, fast, and sustainable way.

This transformation was based on a deep understanding of the Haryana’s concrete and measurable deficiencies: late acquisition of basic knowledge by the students, high dropout rates, and a high percentage of students enrolling in private sector schooling. These difficulties were rooted in a clear imbalance.

Teachers’ energy was distracted from purely educational tasks by logistical constraints, such as the demands of meal preparation and the limits of washrooms still under construction. Indeed, the teachers’ performance measurement system was focused on outdated goals: building the schools and expanding student enrolment.

**Vision.** In order to compensate for these deficits, a single and symbolic target was set: having 80% of students learning at grade level by 2020. All the stakeholders in the educational system, working in close collaboration, have shared this objective and used it as a measure for defining all aspects of the reform and of its implementation. In order to secure buy-in on the reform, this objective was communicated to the citizens largely through media and cultural workshops—and through teachers’ participation in the field.

**Design.** The education reform program identified a multitude of possible initiatives, among them: changing how teachers were recruited, recruiting and training new school principals, and using more technology during lessons.

Numerous benchmarks have been used and 40 pilot projects have been launched. The team built the transformation roadmap for Haryana’s educational system by focusing on scaling up only those initiatives that met three criteria:

- Could be applied to all 15,000 institutions

- Were actionable in the field by teachers. Budget constraints and technology shortcomings made online learning impossible to execute across the entire state
- Measured results and advanced the learning-at-grade-level goal

**Delivery.** Implementing this roadmap demanded the structured collection of students' school performance data. It has also required a reorganization of academic services and the restructuring of the remedial educational program.

Communication has been a key lever for change. The dearth of computers has been bypassed by the use of smartphones, by gathering more than 100,000 teachers in hundreds of Whatsapp groups.

**Results.** The preliminary results have been communicated regularly to the citizens, raising enthusiasm and popular support for the undertaking.

Overall, the program has been highly successful, boosting by about 5% the students' scores on standard tests. Consequently, Haryana's program to improve educational quality has been extended to other states in the country.

### Reducing School Dropout Rates in France

In 2011, the French Ministry of National Education (MEN) took on the scourge of high dropout rates—the human, social, and economic consequences of which are devastating.

The program's vision was to attain the EU objective of lowering the dropout

rate from 12% to 10%. It sought to accomplish this goal both by taking steps to prevent dropouts—and by finding ways to bring dropouts back to education and training or place them in the workforce. Its design was a broad set of platforms run by multiple stakeholders to monitor and assist school dropouts. The delivery was executed by MEN coordinating the gathering of data and the disseminating of best practices.

**The Problem.** In the years after 2010, the prognosis for school dropout rates was rather bleak across of Europe. Many governmental and academic studies highlighted the human burden and cost exacted by high rates of school dropouts on both individuals and society, including the income lost to less favorable career paths, the cost of social safety nets, and the reduced social cohesion.

**Vision.** Solving the problem required a detailed exploration of its nature and reach. The initial step consisted of launching deep statistical analysis and gathering all relevant stakeholders, at the central and local levels, and engaging in a discussion of the French approach to high rates of dropout and its shortcomings.

An assessment was conducted to define the cost to French society of a school dropout, set conservatively at €230,000. This figure helped all the stakeholders share an objective understanding of the urgency of identifying dropout risks and preventing student dropouts—and of quickly redirecting dropouts back into the education system or labor pool.

## SCALING NEW HEIGHTS IN INDIA AND FRANCE WITH THE THREE PEAKS OF TRANSFORMATION continued

MEN was well-positioned to identify dropouts and provide reschooling or retraining solutions. Other players—local governments, NGOs, corporations and private companies—were also involved in preventing dropout or providing solutions in vocational guidance and employment, health care and social affairs, and even defense.

**Design.** Five French cities tested “platforms for monitoring and assisting school dropouts.” Each platform gathered a few individuals to dedicate all or part of their time to these efforts, constantly cooperating with relevant educational institutions, dropouts, and the leaders of reschooling and retraining solutions.

The platform structure was designed to be instrumental in providing tailor-made and long-lasting support to each dropout, finding a solution that best fit his or her needs after a potential “trial and error” process. The test cities helped create best practices in defining categories of dropouts—and in connecting with those individuals and convincing them to speak about their future.

**Delivery.** A network of 380 platforms was progressively implemented in France. MEN actively supported this initiative, sharing best practices to accelerate deployment of the platforms. It also created a system for gathering data to monitor the results of the initiative on a continuous basis. This tool enabled the monitoring team to communicate on the policy progress, support disadvantaged areas, and celebrate successes.

**The Results.** At the end of first 9 months, more than half of the 170,000 phone calls from young dropouts led to one-on-one interviews, which also led to 50,000 dropouts returning to training or school, and 8,000 returning to the job market. Seven years after launching, the program is acclaimed for waging a “relentless” fight against high dropout rates. Through it, France has reduced the number of pupils who leave the educational system without any diploma from 150,000 to 100,000 yearly.

In the face of these challenges, establishing the vision for a public sector transformation requires a great deal more effort than for a private sector one.

### *Ensuring Legitimacy and Building the Case for Change*

Employees need to be convinced at the outset both that the case for change is compelling and that the change effort enjoys support from the top levels of the organization. In the public sector, a transformation effort must have legitimacy with the public as well. Building both the internal and the external cases for change entails a number of steps:

- **Assessing social needs and citizen expectations** by drawing upon a full range of quantitative and qualitative sources—such as public data and reports, benchmarks, academic studies, press reports, feedback from both citizens and other ministries and/or levels of government. In its work with public sector clients, BCG also uses its proprietary MindDiscovery approach to move beyond traditional focus groups to capture customers’ needs, desires, and attitudes. [For more about BCG’s MindDiscovery, see the sidebar “How to Learn What Public Service Users Will Not Tell You.”]
- **Anticipating possible obstacles and identifying the main barriers to change**

## HOW TO LEARN WHAT PUBLIC SERVICE USERS WILL NOT TELL YOU

“Customer-centric and citizen-centric.” Few concepts enjoy such prevalence across the public and private sectors—in France as elsewhere.

Some may view them as noble intentions, others just as fads or slogans, but we see citizen-centricity in particular as a powerful lever for performance and impact. Properly handled, it not only ensures that strategies are designed to create value for end-users but also helps align organizations and foster employees’ engagement. For this to happen, though, the decision-makers and those on the frontline need to share a detailed knowledge of the true needs and expectations of users.

Unfortunately, such sharing of knowledge seldom takes place, and this is especially so in government. The quantitative studies and barometers presented to public sector managers are filled with averages and figures that fail to reflect the real-life experience and deeper expectations of service users. And although frontline staff are in direct contact with the public, a patient or citizen might not always dare to express their

frustrations or feelings to a judge, a social worker, or a tax official.

But it doesn’t have to be this way. There are existing techniques that can reveal and explain what truly matters to citizens.

### Open Exploration

Innovative qualitative research techniques are already popular in the private sector, and they have a particular relevance for government. MindDiscovery, for example, is based on user group discussions, and it applies “projective stimulation techniques” in order to foster creativity. At BCG, we have been able to apply it to various public health studies in France, in helping jobseekers in Germany, and more recently in conducting research for the Montaigne Institute’s report, Justice: faites entrer le numérique.

The MindDiscovery sessions are conducted outside the usual locations, without input from professionals and with no direct interaction with the services themselves. Conversations “between users” enable them to reveal their genuine feelings, perspec-

## HOW TO LEARN WHAT PUBLIC SERVICE USERS WILL NOT TELL YOU continued

tives and frames of reference, all expressed in the vocabulary they use to discuss and evaluate their own experiences.

MindDiscovery's projective stimulation techniques include using objects, images, drawings and storytelling to help users explore vague or subconscious emotions and aspirations. For example, one participant chose a photograph to represent his experience in court with his lawyer, and explained: "They sit us on a bench, and have a joke with their colleagues. We're like a little dog they take for a walk." This expressed his feeling that his lawyer had treated him with a serious lack of consideration. Emotions inform experiences—they explain users' satisfactions and frustrations, and so they must be understood and taken into account.

The concrete experiences that users refer to, whether they are unacceptable dysfunctions or inspiring examples of good practice, are also powerful sources of inspiration for action and innovation. Techniques like MindDiscovery open up new opportunities for exploration, and they begin with users expressing themselves about their own experiences. There are no predefined topics, and this allows users to explore new dimensions in ways that would not have been considered by the professionals, who are often constrained by their own predefined mental models and hypotheses.

Our research with jobseekers in Germany, for example, revealed that the characteristics most often taken

into account by employment agencies—such as age, education, profession, and duration of unemployment—were less significant than the unemployed person's attitude and mental state. These were the crucial elements that agencies needed to capture in order to design the most efficient support plan, but they would normally have been ignored.

This qualitative research reveals what is most relevant to users. It must then be assessed and validated in quantitative studies, which are themselves designed on the basis of the results of the qualitative studies. This relevance is important, but it is not the only benefit of such research.

### Action Stations

"We did more with these sessions than with years of satisfaction studies." This comment was made by a head surgeon when reacting to the results of MindDiscovery research about patients' hospital experiences. He noted the many ideas for concrete improvements produced by the research, but also the desire to take action, which was shared by managers and caregivers alike. And he contrasted it with the lack of decisions and actions following the regular reviews of the hospital's large-scale user satisfaction barometer.

This eagerness to act, something which was shared by all the participants, is another essential outcome of these approaches. In complex organizations, with their many different directions and internal conflicts, the priorities given to operational staff by their

managers are often contradictory. The rationale or ultimate goal for these priorities can also be unclear or unknown. If the most senior decision-makers take part in this type of explorative research—undertaken to identify the true expectations of service users—a new dynamic emerges.

“It’s there behind the window that you ignite change,” a marketing manager told us, emphasizing the importance of the leaders’ presence in the observation rooms of MindDiscovery sessions. This participation allows decision-makers to hear, feel, and experience for themselves what the users are saying. It also enables them to observe—together with their peers and their own teams – the open and sincere nature of the research, which lends a powerful credibility to its results. When the time comes to communicate strategies and priorities to their teams, the leaders’ discourse is transformed. They are able to

explain how these priorities relate to users’ actual expectations, and to illustrate them with concrete, real-life examples of users’ stories that they have come to know intimately themselves.

Whether driven by economic and budgetary constraints or by the digital revolution, many governments and other administrations now have to rethink their service delivery and public policies. For these transformations to create genuine value for users, to align organizations, and to engage teams in their effective implementation, we are proposing a step that is critical to their success. They should apply open, explorative user research to uncover what truly matters to people – with users working alongside leaders in this process of joint discovery.

This article was first published on the Center For Public Impact [website](#).

- **Aligning decision makers at the highest political and administrative levels** to gain visibility and help maintain commitment over the long term
- **Drawing lessons from past failures of similar reforms and policies**
- **Building employee, citizen, and other stakeholder consensus** on the need for action
- **Defining both how digital disruption is affecting service delivery and the goals and expected gains of digitizing processes**

#### *Setting, Prioritizing, and Communicating Clear Objectives*

With legitimacy established, public sector leaders need to address both their internal and their external constituencies by:

- **Defining and communicating clear, ambitious but tangible, measurable goals, with timelines for reaching them**
- **Explaining expected results**

## PEAK 2: DESIGN—CREATING POLICY AND ACTION PLANS

In the next phase of a public sector transformation, organizational leadership must translate the vision into action.

### *Crafting Policies*

In transforming the way government delivers services, public sector actors must focus on delivering *value* for citizens, a concept that involves both the quality of service and its cost. One example of value-based public-policy is value-based health care, which taps existing data on health-treatment outcomes to identify and disseminate evidence-based best practices proven to work. Such an approach unites all the stakeholders in medicine around a shared objective and transparent goals. [See the sidebar “Formulating Value-based Public Policies.”]

The same value-based lens for public policy could, for example, be used to measure and improve outcomes in education, public safety, and social policy, among others.

Policies should also be designed for both short- and long-term impact. Short-term

## FORMULATING VALUE-BASED PUBLIC POLICIES

Imagine focusing a new policy—and the metrics used to monitor its success—not on number of people served or the percentage of costs cut but on the value created for citizens, a concept that involves both the quality of service and its cost.

This kind of value-based public policy is gaining momentum as the proliferation of new systems and capabilities in digital makes it possible to collect more data and share the information broadly with agencies and the public.

### **Value-based Health Care**

Some of the most visible and most successful initiatives in value-based public policy have emerged in the field of health care, where the goals of higher quality and lower cost have traditionally been at odds.

Value-based health care delivers higher-quality patient outcomes at the same or lower total cost for a

given condition. Improved value in health care delivery relies on the following:

- The detailed analysis of existing high-quality outcomes data
- The identification of current best practices
- The widespread dissemination of those practices to reduce unwanted variations in clinical practice and improve health outcomes

This approach organizes a health care system—in a country, territory, or institution—around the continuous measurement of outcomes, notably the quality and safety of care. It focuses on large categories of disease states, in a systematic and sophisticated way—typically by designing and collecting data on patients’ quality of life after medical interventions such as surgeries or physical or drug

therapies. This evidence allows medical teams to identify the treatments and practices proved to be the most effective and cost efficient.

### The Promise of Value-Based Approaches

Value-based health care helps countries address today's triple threat: First, the types and effectiveness of treatments can vary widely across illnesses: Not only are there disparities over whether drug or surgical treatments are chosen for the same illness, but also the effectiveness of those treatments can vary widely across physicians, regions, or countries. For example, patients with heart failure can be as much as 3 times likelier to die in one country than another.

Second, citizens' are being more active participants in their health care regimens and are seeking greater transparency into the options and the decisions made in care selection.

Third, care costs are rising steeply even as the public budgets are fallings precipitously.

The rise of available data on health care and the increased sophistication of data processing represent a major opportunity, provided they are indeed used to guide operations and decisions.

Several initiatives based on this approach have been launched all over the world, for various conditions, such as cancers and heart disease. The transparency of the approach makes it possible to rally the entire medical profession—hospitals, doctors, and private practitioners—around what matters most to them: the quality

and safety of care It also gives them a singular focus around which to align their interests and objectives with those of paying agencies, health care regulators, public and private health insurers, and the pharmaceutical industry.

In value-based health care systems:

- Patients know with greater certainty which doctors and hospitals deliver better care at the same or lower cost, as well as which drugs, procedures, and devices would work best for them
- Payers reimburse based on outcomes and push patients toward care delivery with better outcomes
- Providers compete based on achieved medical outcomes, thereby attracting more patients, referrals, and payer support
- Suppliers take a more holistic approach, strategically selecting where to play and what to offer to improve outcomes

### The Next Level of Value

Early results in the field of health care provide two lessons on action in the public realm:

First, constant measurement and reporting results in transparent outcomes, which are enough to increase the quality of care, as institutions seek to emulate the best performance

Second, the quality of care can be compared across various institutions in a country or even with international peers, and successful processes

## FORMULATING VALUE-BASED PUBLIC POLICIES continued

can be rolled up across departments, regions, or nations

Education, safety, and social policy (the care of vulnerable populations) are ripe for these approaches. In the field of education, for instance, issues such as high dropout rates could be more fully understood—and risk factors more easily identified—through comprehensive data capture

of the incidence of dropout and the demographic and psychosocial factors. This would enable the earlier identification of students at risk. Next, continued monitoring of the programs applied and their results would determine the most effective solutions and enable the sharing of best practices across schools, regions, and nations.

results are especially important for convincing both citizens and public employees that it is indeed possible to transform the way government provides public services.

And they must be designed from the start for both sustainability and scalability, keeping internal and external constraints clearly in mind.

Finally—and critically, given the special challenges the public sector faces—the policies must be designed to be implementable.

### *Allocating Resources*

In this step, organizations also define the required resources, which include:

- Financial resources—budget, nature of financers, financing models and timetables
- Human resources—staff and teams, required seniority, governance, formal and informal collaborations
- Functional resources—information systems, communication, HR—are particularly solicited during transformations

### *Creating Detailed Roadmaps*

Plans must provide a level of detail proportionate to the time span they cover. More specificity is need for shorter projects because creating opportunities for short-term victories not only brings credibility, as noted above, but also creates momentum and is useful for designing the dedicated structures that will deliver the most lasting and dramatic changes.

Many public sector transformations in which BCG has participated demonstrate the usefulness of a “testing phase” before full deployment. Such a pilot phase focuses on selected beneficiaries, territories, or sets of services to help identify roadblocks

from, for example, operational inconsistencies or unexpected side-effects.

As with the vision phase, the design phase need take only a few months.

### **PEAK 3: DELIVERY—ENSURING SUSTAINABLE RESULTS**

A major element contributing to the success of transformation programs lies in this third phase: the implementation phase—where the policy takes shape in the field in a structured and sustainable way and change is achieved. BCG experience shows that in the private sector, the costs of supporting and implementing a transformation are estimated at 10% of the expected gains.

Essential tasks for delivering sustainable results include:

#### *Active Process Monitoring*

An entity should continuously monitor the launch and progress of the policy actions undertaken, in the field, with dedicated and experienced staff. Such a project management office (PMO), ensures avoids crises and bottlenecks and enables adjustments to initial plans as needed.

Such a PMO should be led by people with adequate levels of seniority, empowered by access to top management, and armed with the ability to make and push decisions and change existing rules and regulations. The team must take a “problem-solving” approach that *manages* risk rather than avoiding it at all costs. The PMO most foster trust throughout the organization and work closely with it to allocate resources in order solve problems—including unexpected ones.

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Policies must be designed from the start for both sustainability and scalability.

#### *Enabling/Training Key Resources*

During this phase, training the people in the field—service providers as well service recipients—is necessary to help them navigate the change. The key is innovative approaches that stimulate beneficial behavior changes among the citizens, while maintaining their freedom of choice.

#### *Designing and Implementing IT-enabled Tracking Tools*

To evaluate the strategic and operational success of the policy requires implementing IT tools and systems for collecting data and tracking and analyzing outcomes.

#### *Recognition and Rewards*

Finally, departments or agencies should highlight and communicate success stories to recognize civil servants who have played key roles in achieving positive outcomes. Financial and symbolic rewards bolster success.

While the vision and design phases of a public sector transformation should take only a few months each, the delivery phase requires resources and support all along the mandate timeline—typically for a few years.

## Climbing Onward and Upward

In a world of incessant disruption, the public sector must envision, design, and implement any transformation effort as part of a continual process of improving their service to citizens. This approach to and mindset of transformation will enable organizations to build new capabilities and continuously adapt to evolving contexts and priorities.

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