Government in the age of Web 2.0: Connect, engage, innovate.

The David Solomon Lecture, 2011

By Nicholas Gruen

Delivered at the Brisbane Museum of Modern Art,

Tuesday, Sept 2011

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I.

Whether or not I can speak with sufficient insight to be worthy of giving the David Solomon lecture, I possess at least one qualification. I have known David for over thirty years. As is the way with the illustrious, I knew of him before we met. He was one of the leading political journalists of his day. Yet at a time when he was as well recognised as any, as some were settling into that long period when one's reputation rises as steadily as one's powers decline, David was already charting a new course.

While the rest of the first year wannabes struggled, David went from one triumph to another, with the minimum of fuss. I think he was also working for the Financial Review. Then he combined his new qualifications with his journalism to found a landmark publication – a newsletter of analysis of High Court decisions. Interpretation being a foundation of legal thinking, David's newsletter was a little like the legal commentators of centuries past, influencing the development of the law with its professional interpretation of important cases as they were decided.

I was then re-united with David in 2009 on the Government 2.0 Taskforce. David had just produced an historic report on open government in Queensland. To her credit the new Queensland Premier Anna Bligh realised his report in law without any serious compromises despite what I imagine were the cautions of her more timorous advisors. That legislation was highly influential in a wave of new Freedom of Information legislation subsequently enacted in most states and at the federal level. This embodies in law the new understanding that – to quote the new Federal Act, "information held by the government is to be managed for public purposes, and is a national resource".

David was a great help in the Government 2.0 Taskforce helping us keep sight of the wood for the trees. There were a tense few weeks in which what had been an outline was converted into the first proper draft of the report. Given the mess the early mass of material was in I recall the music that David's words were in my ears when he told me at a dinner in the Canberra Lakeside Hotel that the report was really starting to take shape. At last I was achieving the standards he'd set at ANU in 1977.

Finally but most importantly, despite his current august title and role in Queensland as Integrity Commissioner, David is, to use a technical term also developed amongst my peer group all those years ago at ANU – a genuine cutie.

II.

My topic tonight is Government in the age of Web 2.0.

For the uninitiated what is now retrospectively dubbed Web 1.0, was a platform for point to point communication by e-mail and hub and spoke communication between websites and their visitors.

Web 2.0 now permits collaboration between all and sundry. Thus, if you visit Wikipedia or Facebook you can read what's there, but you can also find, converse and collaborate with others.

The world is full of hype about the web. I think one needs to pick one's way through this hype with exceeding care. But I too have found myself an awed hype merchant. Let me give you a very simple example of just one extraordinary phenomenon of Web 2.0 – the Twitter hashtag. Since the ABC's program Q&A, I've imagined that everyone knows what a Twitter hashtag is. Yet I discovered when speaking to an entire agreement of agency heads and deputies in one state government portfolio recently, that none knew what it was.

The hashtag is simply a string of letters or other symbols prefaced by the hash sign. The 'hashtag' for tonight's lecture is #solomonlecture. Now Twitter allows anyone to view all tweets that contain a hashtag that they nominate. I'm hoping some in the audience are tuned into that hashtag, and perhaps tweeting to it right now.

Now consider for a moment how extraordinary that is. The existence of the hashtag enables anyone, anywhere in the world to tune into a conversation as it occurs. This might not impress you much, but it might if you were a tin pot dictator whose rule the hashtag has just rendered more precarious, or even redundant. It might if you were a resident in Christchurch the day after the earthquake had struck as volunteers around the world sifted through tweets carrying the hashtag #eqnz.

For two hours after the quake, New Zealander Tim McNamara in Wellington had enlisted Crisis Commons volunteers around the world to sift through the 300,000 odd tweets carrying the hashtagto identify the 15,000 odd that contained vital information– like which gas stations still had diesel, which pharmacies still had insulin.

III.

What we saw happening in the case of the Christchurch earthquake was the assembly of a made to measure global public good whipped up like a Masterchef dessert. It was initiated by a single person with the knowhow and inclination to contribute to the greater good. But that person's contribution could be massively leveraged because we are now in a new age of public goods.

The internet itself is a classic public good from the economic textbook – government funded, and available to all on equal terms. Yet a few decades later

the backbone that is the internet now houses a massive collection of public resources and virtually none of that was government funded.

On top of industry agreed standards and the hardware that we supply when we connect to the internet are a host of free public goods that perform incredibly specific information tasks. Platforms like Google, Twitter, Facebook and Wikipedia. I spent some time at the commencement of the Taskforce pointing out that none of these Web 2.0 platforms – none of these public goods – had been built by governments. Then I realised that even with existing computer companies like Microsoft scouring the world for the Next Big Thing with multi-billion dollar coffers, not one major Web 2.0 platform was built by an existing organisation. They were virtually all founded by one or two entrepreneurs – some for profit, some from philanthropic drive, though as the Google motto 'don't be evil' suggests, most have some mix of both.

Economics teaches that the provision of public goods is *a problem*. Why? People won't build public goods because they advantage everyone. Except that Tim McNamara and hundreds of people around the world wanted to help out and we had the technology to let them.

IV.

So one way of taking on board the import of Web 2.0 is to recognise that it has changed the game of many public goods from being a problem for our species to being one of its most exciting opportunities. The task for Government 2.0 is at the very least to get out of the way of such endeavours but preferably to adapt the culture and practices of government to embrace those opportunities.

If Tim McNamara was a Government 2.0 entrepreneur sitting outside government, there are plenty within government. As the Government 2.0 Taskforce sat, a cadre of such entrepreneurs made themselves known to me. But not only were they not getting any help or recognition, their life was being made more difficult.

Some of their managers were wondering whether they were really 'team players'. Shortly after the Taskforce reported I received an e-mail from someone in the Queensland Police Service – but the e-mail was from his private account – always a tell-tale sign. This is what he said.

> I have just spent4 months putting together a proposal for a 2.0 Police website. Naturally enough there are a huge amount of potential benefits but the challenge is getting them to really understand that.

> If the penny does drop they are in an excellent position, as they already publish a huge amount of content that would be of enormous public interest and benefit...if it were structured in the right way.

> There are plenty of Police websites around the world with really interesting ideas, but not one of them really fully gets the concept as a whole. Incredibly inspiring because I can see the enormous untapped potential,

deeply frustrating because I know how difficult it will be to achieve even a small part of it.

I can tell you tonight that that e-mail came from James Kliemt. He thought that social media would be perfect for the police but wasn't having much success persuading others of this. I like to think our report played some role in helping change attitudes at more senior levels in the service. But for whatever reason James' entrepreneurialism rapidly went from being seen as a problem to being seen as an opportunity. It has since helped the Queensland Police become an exemplar of Government 2.0 in Australia and around the world.

When the floods and the cyclones came, Queensland's Police already had sufficient experience of social media to use them to broadcast critical messages, to scotch incorrect rumours and to disseminate crucial information. There are many, many other people to thank but there's a good chance James' efforts saved some lives.

The hashtag was #qldfloods in case you're interested.

V.

During the Taskforce's deliberations journalists often asked whether our recommendations would be implemented. Journalists often seek to channel their subjects' inner clairvoyant. I startled some by saying that though I expected our recommendations would be implemented, I'd not be greatly concerned if they weren't. I thought then, as I do now, that what matters most is that the culture of Government 2.0 take hold.

The good news arising from this fact is that one can have a wider impact than the policy chain of command of which one is a part. The downside is that you can gain control of the commanding heights as we did within the Federal Government and even then progress remains slow. That's pretty much what I expected and pretty much what is happening now. Our central recommendations were implemented, but the spirit of our recommendations is taking its time to filter through the culture of the organisations that comprise government.

Let me give you some examples.

VI.

One of the crucial building blocks of Government 2.0 is the new more open approach to the information. Hitherto agencies, and their lawyers have taken comfort in the plethora of rights that copyright gives them over content they create. Copyright requires those who would do more than extract brief quotes from a document to ask the copyright owner for permission. Yet copyright is often asserted, absurdly enough, over documents that the government is seeking to disseminate as widely as it can.

And though copyright gives the owner the notional right not to have their words misleadingly reproduced, ask yourself when we last saw a government pursue

someone in the media for misleadingly reproducing copyrighted government works.

Asserting copyright in government content is thus mostly dysfunctional. It's incredibly inefficient because there are all sorts of riches there in government produced information and content, and no reason whatever to let people adapt it into public goods as it takes their fancy or swells their bottom line.

But it's also inequitable. The public has already funded its creation through taxes. So the Taskforce recommended the most open 'Creative Commons' licencing as the default. This would entitle citizens to copy, republish, repurpose and indeed to tinker with government funded content. And if there were really a good reason for it, more restrictive licensing could be pursued.

I'm pleased to say that as a result of our report Australia became, to the best of my knowledge, the first government to publish a budget with an open, Creative Commons licence. Yet, although our recommendation for Creative Commons licencing to be the default was accepted, that recommendation seems to be honoured in the breach. I know of no Australian Government website where the default licensing is the one we recommended.

Whilst the Taskforce sat and several times since, I've had some enjoyable exchanges with one of my favourite institutions – the ABC. I spoke to many people at the ABC about the fabulous wealth of material they have and the ways in which it could be made even more accessible, even more valuable – for instance making their archives available to schools – using the tools of Web 2.0. We spend tens of millions of dollars promoting Australia as a tourist destination to those offshore, and tens more millions broadcasting Australian content into Asia. But the ABC tries to block foreigners' access to iView.

Recently the ABC program Catalyst produced a marvellous segment which explains how Kaggle, a start-up company which I currently chair, hosts international data analysis competitions that have set new benchmarks in the analysis of everything from rating chess players to detecting dark matter in the universe. It was easily the best explanation of what we do. So we asked if we could feature this marvellous video on our website. They preferred not.

Where the ABC produces programs that it seeks to sell offshore or after broadcast to recover some of its production costs, one can at least argue that it needs to act more restrictively than is possible with the open licence we recommended as the default. But the video we were seeking to display on the Kaggle website sits happily on the Catalyst website for all to view.

Ironically at around the same time Channel Ten's 7 pm project produced a story of similar length about a project called Family by Family run by another institution I chair – the Australian Centre for Social Innovation. Though Australian taxpayers didn't pay for the production of the segment, Channel Ten facilitated others using its content by posting it on YouTube and allowing others to embed it on their websites. Why wouldn't they? Yet meanwhile, some sections of the public sector, whose reason for being is to produce public goods seem to be on a work-to-rule

campaign, going out of their way to spoil the fun. All for no conceivable benefit to anyone.

I recently chaired a panel during the Melbourne Writers Festival which the ABC filmed. They asked me to sign a statement agreeing to the ABC owning "all rights in all media throughout the world in the Recording." I pointed them to the Taskforce's report and sought something less grandiose.

Once again there was no sensible reason for the ABC to seek such rights. No-one else wanted to beat the ABC to broadcast our panel. And what if they were? I thought it was "our ABC". I sent the relevant person a lengthy email seeking some review but, despite several reminders, have not heard back. You may be intrigued to know that the panel I chaired that the ABC sought exclusive global rights to the broadcast of was on the topic of Open Government.

VII.

You might imagine that I am not particularly enamoured of what I'll call the minimalist approach to Government 2.0. This involves an agency getting a Twitter account and if they're really brave, a blog and/or a Facebook page. These functions are typically given to the communications people who will practice their usual arts on them. Their preeminent concerns will be that agency spokespeople stay 'on message' and that the scope for agency embarrassment is minimised.

This reminds me of the response of many manufacturing businesses when they saw the extraordinary achievements of Japanese manufacturers from the late 1970s on, particularly in the car industry.

To simplify somewhat, Western car manufacturers had managers and engineers overseeing the detailed design of products, their constituent sub-assemblies and the processes by which assembly would take place. Employees and suppliers would then implement these designs according to their superiors' instructions.

The Japanese had developed a clearly superior system. Where there had always been clear tradeoffs between quality and cost, Toyota showed how much quality in production could *lower* cost by minimizing errors and delay further down the line and built the platform for further production refinements.

Just in time production and getting things right first time was so important that even junior workers were given the authority to stop the line to prevent errors leaking into the next stage of production. Western business tried many shortcuts to this new industrial nirvana. Alas, things rarely went well. Workers remained terrified of stopping the line and when they did, mayhem and recriminations usually ensued – as Western commonsense had always assumed.

For the Japanese approach was not a single rule or even a collection of them. It was a system that contained its own social theory – which was that workers would perform better in teams, rather than on their own, that they turned up every day preferring to do a good, rather than a bad days work. And so the Japanese system armed teams of workers with information about how well they were

performing, funded them to meet in 'quality circles' to endlessly strategise collaborative quality and productivity improvements, involved them in questions of production design and devolved a range of critical production decisions to them.

I hope you can see the analogies with the minimalist approach to Government 2.0. We have some hard evidence that the challenge of gaining the benefits of modern information technology is similar to the challenge of adopting Japanese production methods. Even before the advent of Web 2.0 MIT economist Erik Brynjolfsson (1998, p. 9) had this to say from his own research into hundreds of firms:

> [F]irms that couple IT investments with . . . decentralized work practices are . . . more productive than firms that do neither. However, firms can actually be worse off if they invest in computers without the new work systems.

> . . . So why do so many organizations still retain the old structure?

> A plausible reason is that these types of organizational changes are time consuming, risky, and costly. Redesigning management infrastructure, replacing staff, changing fundamental firm practices such as incentive pay and promotion systems and undertaking a redesign of core business processes are not easy.

Intriguingly, as Brynjolfsson speculated in 1998, it has come to pass that amongst heavy users of IT, the disparity between the most and the least profitable firms has grown enormously suggesting that, indeed, getting this right is a tricky business.

Now there is no shortage of management books on how to make organisations responsive and innovative. But the evidence just presented suggests that there is no sure recipe, or if there is it is not easy to apply. Being a really good manager is a bit like being a good parent or a good Prime Minister. There are so many skills to master, so many judgments to make, most in a fog of ignorance even about what is going on right now, let alone what will happen next.

In this fog of ignorance one can do a lot worse than to empower people at all levels to make small, low risk innovations and then gradually try to learn from experience. Indeed this is what markets do. This suggests some complementary strategies.

Firstly we should tap into people's enthusiasms and intrinsic motivation. I'm always surprised at how rarely this is mentioned. Yet as the Australian Public Service Commission notes in its latest State of the Service Report "High levels of employee engagement also encourage innovation within agencies". It cites Google's efforts to drive innovation through employee engagement.

Indeed Google's then CEO, Eric Schmidt commented (McKinsey, 2011), "[A]t Google, we give the impression of not managing the company because we don't really . . . It sort of has its own borg-like quality of its own. It sort of moves forward" on the intrinsic motivation – the passion – of its highly talented

workforce. This is encouraged by Google permitting each employee one day in five to work on projects for Google of their own choosing and initiative. As Schmidt acknowledges "20% time is a very good recruiting tool" but he's even keener on its potential to subvert bad management. "[I]t serves as a pressure valve against managers who are obnoxious." I doubt that such a rule should be pursued across the board in the public service but at least one public sector agency – the Victorian Department of Justice has experimented with 10 percent time with apparent success.

Secondly openness can help in various ways. Wherever standards and/or information can be open, others are invited in and their different perspective can lead to new and better approaches. Note for instance that the hash-tag was not the brainchild of Twitter when it launched in 2006 but rather its user community two years later. This innovation and many others were mightily facilitated by Twitter's preparedness to open its system sufficiently to enable its users to access Twitter any way they liked through third party applications of their choice.

Open information is also crucial. If we have succeeded in fostering increasing experiments in innovation, the better we are at discovering what works, the better we can evolve the system to propagate the successes and terminate or correct the failures.

VIII.

In a market, firms that are most successful either take over or drive the least successful firms out of business. We can't replicate that model in the public sector, but if it suffers from many disadvantages against markets, the public sector does actually have some advantages over the market. For the public sector has the reach and the control to gather systematic information over its entire domain.

To explain what I mean let me digress briefly to explain 'Windows on Workplaces', a proposal I took to the 2020 Summit. Firms regularly survey their employees to understand how engaged they are in their work. This information has obvious value – most particularly to those considering working for the firm. You might think it's obvious why it's not public. Who'd want their dirty linen aired in public? But that doesn't explain why the best firms don't publish their results. And if they did, that could create a dynamic which forced other firms to publish their results lest people think they were covering something up.

But the problem is that there is no standard against which all firms report. As a result, no-one can really compare different results. And a standard is a public, which is to say, a collective good. So my proposal was that some leader – the Prime Minister is the obvious candidate but it could be any prominent and well intentioned figurehead – challenge the best firms to join them in developing and reporting to a standard.

Now the public sector is well placed to introduce something like this. Because most public sectors, including Queensland's, have central bodies which conduct standardised surveys of employees. And as the Australian Public Service

Commission (APSC) notes (2010, p. 19) citing the US Merit Systems Protection Board there is"a significant positive correlation between employee engagement scores and agency performance."

The APSC collects a wealth of data on employee engagement and indeed employee attitudes to innovation and opinions about their own workplaces. It makes that data available to agencies and uses it in its deliberations with them, but releases it in a form that avoids the ruffling of feathers by preventing the disaggregation of the data to reveal individual agency performance.

By contrast America's Office of Personnel Management publishes detailed data from its survey of government employees. And it does so in machine readable form. As a result the non-profit Partnership for Public Service takes the data and displays it on its websiteBestPlacesToWork.org to enable anyone to rank any of 290 federal agencies in such areas as skills/mission Match, effective Leadership, training and development, satisfaction with pay, family friendly culture and benefits and work/Life balance. And one can get breakdowns of employee satisfaction by gender, race, age and so on. So Windows on Workplaces actually exists in the public sector in the United States.

As BestPlacesToWork.org says on its website:

> The rankings provide a mechanism to hold agency leaders accountable for the health of the organizations they run. They also offer a roadmap for better management and provide an early warning sign for agencies in trouble. Had Congress or government leaders paid attention to the 2003 Best Places survey, for example, they would have found that the Federal Emergency Management Agency (FEMA) was last in the employee rankings. That was two years before FEMA's inept response to Hurricane Katrina, but at the time, few noticed.[1]

By contrast this is the copyright notice on the Australian Public Service Commission's State of the Service Report (2010, p. ii).

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IX.

But let me conclude more optimistically. Innovation is always fragile. It's fragile because it usually starts small, and it always starts without entrenched friends. It often unnerves a few and can even cause discomfort and alarm. In this environment one might think is already loaded against it, it must fight its way into the light against a thicket of institutions, regulations, practices and expectationsall of which grew and established themselves without any thought for it.

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[1] http://bestplacestowork.org/BPTW/about/rankingsmatter.php.

Though it's been slower to emerge than some might have liked, there are signs that Government 2.0 is at least beyond that state of fragility. We know that because for its pioneers it is already becoming an indispensible part of their routine.

In less than three years since I got that e-mail from James Kliemt, the Queensland Police have shown just some of the potential of Government 2.0. It's not been a completely risk free journey, but quite early on it was clear that it had its benefits for its champion. In February this year the Sunday Mail decided to beat up a largely fabricated story about the police mistreating its puppies (will those police stop at nothing?). But now the Police didn't have to take it – like so many have to. They fought back on their Facebook page by outlining the facts to over 200,000 followers. And virtually all the commenters were somewhere between disparaging and disgusted at the paper.

Then in June this year under the heading "Police social media site a disgracebook" the Courier Mail quoted legal experts warning that the site could jeopardise convictions. I was alarmed that that might be enough to kill the site. But the Facebook page had become too valuable. Instead of shut it down the police heightened their vigilance for a period and explained the issues to their Facebook fans and their following quickly fell in behind them.

So, if I might be forgiven a Churchillian cliche, this is not the end or even the beginning of the end, but it is perhaps the end of the beginning.

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