



# Data leadership

Over the last year, we've looked at how public organisations are using the data they hold to improve the services they provide to New Zealanders. This article focuses on the leadership arrangements meant to encourage the smart and effective use of data by public organisations.

There are certain senior public servants that have been given a “functional leadership” role. It's called functional leadership because it's about broad responsibility for a particular function.

For example, the chief executive of the Ministry of Business, Innovation and Employment is the functional leader for procurement in the public sector. Functional leaders have responsibilities that span many public organisations.

This article discusses:

- why functional leadership is important;
- who the functional leaders for data are and what they are expected to do;
- the other groups and networks set up to improve the use of data; and
- the strengths and weaknesses of the current arrangements.

## Why is functional leadership important?

The State Services Commission has overall responsibility for functional leadership. [Its website](#) describes what functional leadership is and why it was considered necessary:

*Most operational decisions in government agencies, such as choices about procurement, accommodation and ICT, have been made by individual chief executives based on the business needs and functions of their individual agencies. Functional leadership is aimed at maximising the benefits and reducing the overall costs to government of common business activities which may not be achieved by an agency by agency approach.*

The explanation goes on to say that functional leadership is about finding ways to push for efficiencies, developing expertise and capability (including moving people to where they are most needed), and improving services and service delivery (including sharing and co-ordinating activities and facilities).



Functional leadership is necessary because someone in a senior role needs to have responsibility for getting agreement from many different chief executives about priorities and to overcome any obstacles to effective collaboration.

## Who are the functional leaders for data?

The functional leaders are:

- the [Government Chief Data Steward](#) (the Chief Data Steward) – this role is held by the chief executive of Statistics New Zealand; and
- the [Government Chief Digital Officer](#) (the Chief Digital Officer) – this role is held by the chief executive of the Department of Internal Affairs.

The **Chief Data Steward** is responsible for improving the data and analytics capability of public servants – regardless of which government organisation they work for. The Chief Data Steward encourages and promotes [open data in New Zealand](#),<sup>1</sup> and is responsible for building people’s trust and confidence in how the government is using data about them.

The Chief Data Steward is expected to provide a strategy and plans for developing data analytics as well as coming up with guidance, support, and tools for collecting, storing, sharing, and using data.

The chief executives of government organisations are still responsible for making sure that data they hold is managed, protected, and used well.

The **Chief Digital Officer** is the government functional lead for digital services and is responsible for “ICT-enabled transformation across government agencies” to deliver better services to New Zealanders. Among other tasks, the Chief Digital Officer is expected to set policy direction and standards and set up and manage all-of-government information technology services.

One of the more challenging mandates of the Chief Digital Officer’s role is “digital transformation”. It’s not just about making services available online. The vision for digital transformation includes giving New Zealanders access to services where and when they need them, involving people in policy decisions that affect them, and building trust in government. It means supporting public organisations to keep data safe, and ensuring that people are not left behind as technology gets faster and smarter. It also means delivering services to New Zealanders that are better integrated and designed around what an individual needs.

For example, the [SmartStart service](#) brings together in one place all of the government-funded services that expectant parents need, from the start of a pregnancy through to when a child is six months old. It has involved collaboration from, among others, the Department of Internal Affairs, Ministries of Health and Social Development, the Inland Revenue Department, Plunket, and the New Zealand College of Midwives (see the article on sharing data).

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## Moves to strengthen the functional leadership roles

When we were writing these articles, proposals were being considered that would broaden and strengthen the Chief Data Steward’s role. The stronger role would include the authority to set mandatory standards and guidelines for collecting, managing, and sharing data.

## Other data groups

The **Social Investment Agency** describes its role as using “data and evidence to inform how we can best improve the lives of New Zealanders by investing in what is known to create the best results.” It operates a data exchange that lets government organisations and non-government organisations submit and share data.

<sup>1</sup> Government organisations are expected to follow certain principles when managing data about citizens that isn’t personal or private. The data should be open, protected, readily available, trusted and authoritative, well-managed, reasonably priced (preferably free), and reusable.

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The Agency is also working on tools and methods to make it easier for organisations to collect and analyse data. People we spoke with described the Agency as playing a lead role in improving data analytics in the social sector. They also thought the Agency was responsible for building “social licence” for data sharing – which means helping New Zealanders to trust that data will be used ethically and that their privacy will be respected.

In 2015, the Chief Digital Officer set up a group of chief executives and senior leaders to work together on data and technology issues. Now called the [Digital Government Partnership](#), in May 2018 it changed to have four rather than five working groups. It is currently supported by the Service Innovation, Policy and Futures, Information, and Digital and Data Platforms working groups.

There was also a [Data Futures Partnership](#), an independent ministerial advisory group that operated between 2015 and 2017. The Partnership was “created to help strengthen the data-use system so New Zealanders have reason to trust that their data will be kept safe, and data use and reuse helps to create real economic and social value for New Zealand.” One of the products it generated was guidelines for trusted data use.

### **Strengths and weaknesses of the current arrangements**

People we interviewed were hopeful that the work of the functional leaders would support the use of data in the public sector more effectively. They thought this would enable the delivery of data-driven services and policy to improve the lives of New Zealanders.

That said, many of the people we interviewed were confused about the changing roles and responsibilities of the functional leaders. While they thought functional leadership was great in principle, they were hesitant when asked about the ability of the functional leaders to make changes to system-wide barriers (see the next article on capability and the article on sharing data).

The roles of the functional leaders are relatively new and are still being clarified. The roles were established with broad objectives but little detail about how they could achieve the objectives envisaged by the State Services Commission.

As well as talk about changing the roles of the Chief Data Steward and Chief Digital Officer, the Data Futures Partnership was recently disestablished.

Setting up system-wide leadership structures is difficult. It was clear to us that a great many people in public organisations are trying hard to use data about New Zealanders responsibly and effectively, so that they can provide noticeable improvements in the public services that are provided. In our view, those efforts would be greatly aided by some clarity and stability in the leadership arrangements designed to support all of this happening.

Our next article steps down a level and talks about the challenges and opportunities inside public organisations – looking for the right sort of leadership and, in a great example of data jargon, the search for a unicorn...

#### **Questions arising from our work ...**

*How could the functional leaders ensure a more widespread and accurate understanding of their roles and responsibilities?*

*Are there gaps in the current leadership arrangements that New Zealand could usefully fill?*

*Are there other changes needed to break down system-wide barriers to using data well in the public sector?*