

**The Search For Substance:
Externalization, Politicization and the Work of Canadian Policy
Consultants 2006-2012**

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Abstract:

The nature of policy advisory systems and the capacity of individual system actors has been the subject of much interest in recent years, in Canada and elsewhere. Studies for the most part however have focused on the capacity of highly visible actors such as professional policy analysts in government or those in the NGO and business sectors. This study examines the role of the 'shadow' or 'invisible' actors employed by governments on temporary contracts as managerial or other kinds of policy consultants who undertake roles in policy development and evaluation processes. The study reports on the findings of a 2012-2013 survey of such consultants and presents data on relevant aspects of their background, training, perceptions and capabilities compared to permanent policy analysts employed fulltime by governments. It finds most consultants to be better qualified than their permanent counterparts but to engage, like them, in primarily process-related policy work.

Introduction: Policy Consultants and the Policy Advisory System

In the recent past, the area of external consulting has been a focus of attention both at the international and Canadian level (ANAO 2001; House of Commons Committee of Public Accounts (UK) 2007 and 2009; Auditor General of Canada 2012a; 2012b). The key focus in these studies has been cost, however, while questions of the nature of consultants' work, its comparison with that performed by permanent government employees, and its impact and influence on policy outcomes have not been examined (NAO 2001; NAO n.d.). In this article we approach these questions through the analysis of survey responses gathered from contractors who work in Canada in the area of policy consulting in order to fill this gap in the current literature on the nature of policy advice in policy advisory systems.

This latter concept was introduced in the mid-1990s by John Halligan (1995) in order to depict the specific configuration assumed by the actors involved in the provision and consumption of policy advice. In practice this model focused on the analysis of institutional factors and of power distribution patterns. Halligan (1995) argued that the policy advice moment was to be included in the policy-formulation stage in policy-making and was generally interested in adding to the then dominant locational model used to analyze policy. This allowed the model to go beyond the classic positional power analysis of policy advisor influence (i.e., those close to the centers of power are more influential) and to analyze actors formally external to the power structure but that could influence proximate decision-makers mostly because of how well they could provide advice that in terms of content was in sync with the desires and goals of the policy-makers (Craft and Howlett 2012).

Halligan noted two trends that were significant ones in the evolution of contemporary advice systems and are germane to this study. These are (1) "externalization", in which various activities previously undertaken largely by internal government actors are shifted outside and (2) "politicization", in which 'technical' analysis is replaced by non-technical. Halligan noted in the first case that there were increasing pressures for more participation from both citizens and organizations and from

International Organizations and global flows (Halligan 1996: 153) leading to conflict between the executives and the bureaucracies who had traditionally dominated advice systems (Halligan 1996: 150-151).

Halligan also noted that the relatively clear division between outside ‘political’ and internal ‘technical’ advice found in traditional advisory systems appeared to be changing at the same time, with the latter coming both from actors positioned within the governmental structure and outside, while in the former case internal actors were becoming more politicized (Radin 2000; Craft and Howlett 2012; Eichbaum and Shaw 2008).

The role played by policy consultants, a group of professional analysts who are employed in the private sector but who provide advice and assistance to government, in these processes is unclear and this paper sets out to shed some light on the activities of this large group of advisors and analysts (Speers 2007).

Previous Research into Policy Consultants and Policy Work in Canada

The real questions to be explored in studies of policy work and policy advice is to understand how policy advice is solicited, developed, transferred, and used in a specific advisory system, who provides steering or rowing in the system and how a specific subset of policy advice is chosen to support a certain policy. In this context, research on the impact of consultants in Canada is critical (Speers 2007; Perl and White 2002).

This research has its historical antecedents in several early articles on policy and management contracting written in the 1960s and 1970s (Deutsch 1973; Meredith and Martin 1970). This was followed by works produced at the end of the 1990s which dealt mainly with the impact of the ideas held by consultants on topics such as the proper role of government in society and the efficacy of criteria such as performance measures in order to judge government actions (most prominently, for example, the work of Denis Saint-Martin – see Saint-Martin 1998a, 1998b, 2005, 2006; Bakvis 1997). This work was joined to studies of other policy advisory system actors only very recently, however.

The earlier stream tended to make use of anecdotal or interview analysis as the authors were faced with rather unspecified and un-detailed Public Accounts data which made it very difficult, if not impossible, to capture the dynamics of policy consulting in any other way (Perl and White 2002). Both the spending related to policy consulting and their pervasiveness in the federal government were difficult to assess while information on the situation at the provincial level was non-existent. The latter stream did explore the activity of policy advisors and policy analysts within both the provincial and federal administrations but its focus was only marginally upon policy consulting (Howlett and Newman 2010; Howlett 2009; Prince 2007; Speers 2007).

Despite the paucity of studies and the lack of precise data on the subject, some general data was collected allowing Perl and White (2002), for example, to conclude in 2002 that evidence for “a growing role played by policy consultants at the national government level is compelling in Canada” (Perl and White 2002: 52). This judgment was based on, among other things, the observation that annual government-wide expenditure on “other professional services” for the Federal government showed “a continuous increase from C\$239 million in 1981-82 to C\$1.55 billion in 2000-01.” This represented a 647% increase in Ottawa’s budgetary allocations in this general area of expenditure (Perl and White 2002: 53). However, as these authors were the first to admit,

the categories used in government reports at the time lumped together many different kinds of ‘professional and technical services’ and did not allow them to make any precise conclusions about policy consultants specifically.

The introduction of new reporting rules at the federal level in recent years, however, allows us to be much more precise about the exact nature of policy consulting at this level of government in Canada and about its dynamics (Howlett and Migone 2013). While the data that is now available to researchers is still difficult to disaggregate and lumps together many professional services such as information technology, geology or accounting, which have little direct bearing on policy-making, into one category,¹ lower reporting thresholds and mandatory reporting by Departments does allow researchers to analyze consultancies much better than was the case in the past. Data is now available, for example, showing that expenditures on policy-related consulting have leveled off in recent years, that only a few Departments dominate expenditures in this area, and that a few large contracts skew averages and other measures used by earlier researchers (Howlett and Migone 2013).

None of this work to date, however, has shed much light on the actual work of policy consultants (Colebatch 2005, 2006a and 2006b). That is, it is still not clear from such studies who policy consultants are, what they do on a day-to-day basis, what has been their training and background and what their views are of governments and of their own efforts and influence in policy-making; all subjects which we now know a great deal about in the case of their permanent counterparts in government (Howlett and Newman 2010; Wellstead and Howlett 2010, Stedman and Howlett 2011).

Here we attempt to remedy the shortcomings of past studies by analyzing the result of a 2012 survey undertaken by the authors of consultants who had worked for the federal government of Canada on policy-related issues. The study shed light on the nature of consultants and consultancy work in government and revealed some important findings. Not the least of these was that consultants tended to be better qualified than the analysts who employed them and, secondly, that their work was comprised largely of assisting those analysts in the conduct of their own work but not on a substantive level – that is in generating or providing the *substance* of policy – but rather in furthering its *process*. This latter finding in particular is of significance to those wishing to understand the operation of the Canadian policy advice system since it means ‘the search for substance’ in the content of advice provided to government continues (Page and Jenkins 2005).

Policy and Management Consulting in Canada

Before dealing with the analysis of the policy survey we present some background data on the Management Consulting (0491) category used in public accounts to capture spending in this area. It should be noted that the category is homogeneous only starting from the 2006/2007 fiscal year reporting as previous data is defined in a different manner and it is impossible to ‘reverse engineer’ the numbers.

The financial data can was collected following two separate but complementary approaches: one set of data is taken from the new Proactive Disclosure websites. The “Proactive Disclosure” websites were created by individual Departments under the terms

of the Federal Accountability Act, which came into effect on December 12, 2006 and a second from the Public Accounts.

These two datasets use different mechanisms to report their data, making it difficult to reconcile the figures each provides. Thus for example, the financial commitments in the former data set are averaged over the life of a specific contract. This means that if a contract is awarded for three years at a total sum of \$30,000.00, the data set shows an average of \$10,000.00 per year. While this is arbitrary in the sense that we cannot be sure this was the actual spending pattern, it still gives us an idea of the general trend of spending in the field. The Public Accounts provide data on all spending in the category but only report individual contracting firms for amounts over \$100,000.00. The Proactive Disclosure dataset, on the other hand, under-represents the amounts spent, as the reporting of contracts below the value of \$10,000.00 it is not required. Nevertheless both datasets are a marked improvement on earlier years when contract disclosure thresholds were set at \$100,000 and no individual Department records for contracts were easily accessible for study.

The data from the Public Accounts shows the overall amounts spent in the 0491 category as they were allocated through individual budgets. This provides a complete picture of the expenditure that we find in the federal government but we cannot determine the spending by unit and source in this way (see Table 1)

Table 1 – Policy and Management Consulting Total Expenditures in the Federal Government of Canada

Fiscal Year	Contract Amounts – Distributed	Contract Amounts – As voted in budgets	Total Federal Budget
2006-2007	\$261,054,176.68	\$555,516,709.43	\$7,477,063,512.70
2007-2008	\$347,094,921.94	\$567,162,118.00	\$7,923,709,891.00
2008-2009	\$414,364,314.65	\$585,692,394.10	\$9,041,170,640.81
2009-2010	\$448,848,332.83	\$596,171,116.00	\$9,899,165,162.00
2010-2011	\$428,023,992.24	\$525,578,869.00	\$10,333,780,062.00
2011-2012	\$359,413,275.71	\$503,514,930.00	\$10,552,148,323.00
<i>Change over the period</i>	37.68%	-9.36%	41.13%

Source: Proactive Disclosure (various websites); Public Accounts of Canada, various years.

From Table 1 we note a difference in the sums for Management Consulting over the period. In fact, while the yearly budget allocation oscillates between \$596M and \$503M and appears to have declined in recent years, a more detailed analysis shows that this effect has not been uniform across Departments or contract sizes.

Table 2 below measures the total spending in Management Consulting as a proportion of the total spending of the Federal Government as reported in the Public Accounts. The evidence points towards a steady drop of the spending in this category, which lost 2.66% since the 2006/2007 fiscal year in terms of total federal spending.

Table 2. Management Consulting Expenses as a Percentage of Total Spending

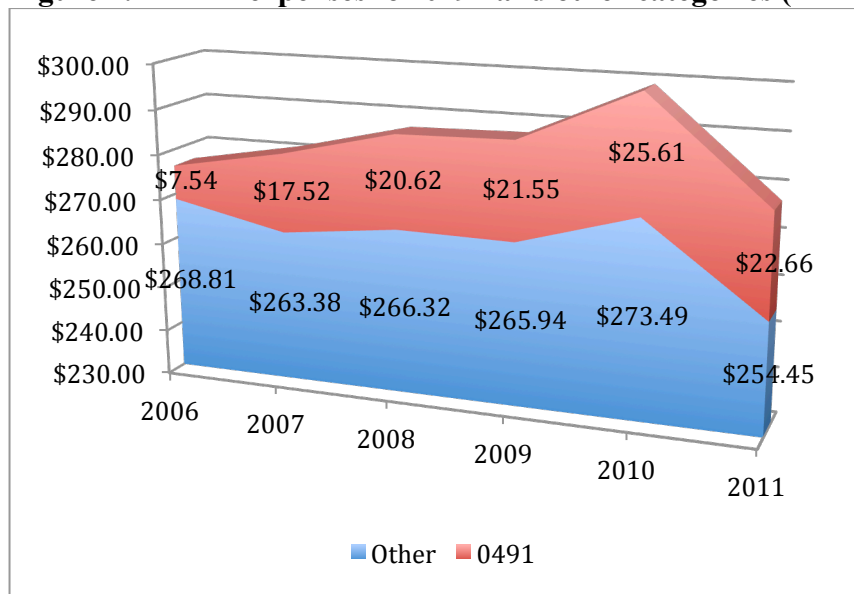
Fiscal Year	2006/2007	2007/2008	2008/2009	2009/2010	2010/2011	2011/2012
Percentage	7.43%	7.16%	6.48%	6.02%	5.09%	4.77%

Source: Public Accounts of Canada, various years

Howlett and Migone (2013), however, found that in general smaller contracts tended to drop in number in more recent years, while larger, longer term contracts had become more common.

Further, if we disaggregate the data from the Public Accounts we find that although most administrative units experienced a decline in the expenditures for this spending categories, there are a few notable exceptions to this situation. For example the Department of Foreign Affairs and International Trade Canada (DFAIT) over the period between 2006/2007 and 2011/2012 experienced a modest increase of its budget between the two years and now has a Management Consulting three times as large as the original figure in 2006-7 (see Figure 1).

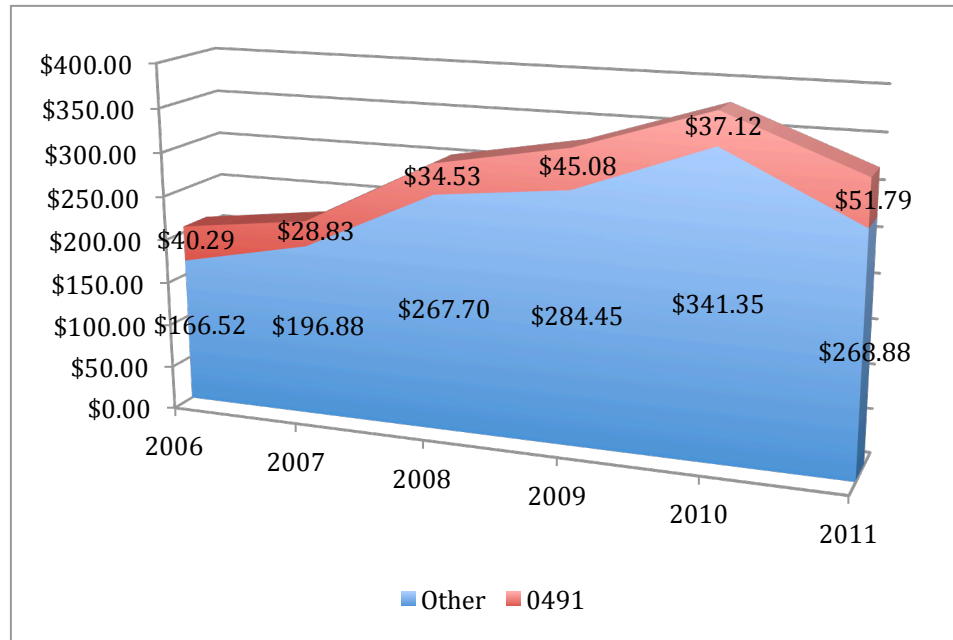
Figure 1. DFAIT expenses for 0491 and other categories (Million of \$)



Source: Public Accounts of Canada, various years

A growth pattern also exists for the Department of Indian Affairs, where the amount for 2011/2012 represents an increase of 28.53% of the initial amount for the 2006/2007 fiscal year (See Figure 2).

Figure 2. DIAND expenses for 0491 and other categories (Million of \$)



In sum, therefore, the Management Consulting category accounts for a large, if declining, percentage of overall government spending. However, the data also shows this pattern not to be uniform and to vary by Department and size of contract. Determining what kinds of activities were involved in each contract, however, is a huge task.² While revealing about some of the overall trends and dynamics in this area of government activity, these figures in themselves do not tell us anything about the nature of the policy work which consultants undertake or the reasons for it (Colebatch et al 2011) or its impact on policy-making and policy outcomes (Boston 1994).

Faced with such a limited set of data regarding the nature of policy work undertaken by policy consultants, we undertook two separate surveys to investigate the supply and demand aspects of this issue: one (on which we focus here) targeted the supply side of this process and was directed towards consultants. A second one focused on the government managers who administer consulting contracts and is the subject of another paper. In the next section we present some of the results from the first survey.

Data and Methods

In order to help understand how consultant's policy advice is solicited, developed, transferred, and used in the context of the Canadian policy advisory system, we administered a survey to a sampling of companies that had performed policy work for various levels of government in Canada between 2004-2012 as revealed in individual Proactive Disclosure contract accounts. The survey contained 44 questions on such subjects as their education and expertise, the size of their usual working groups, the types of tasks they performed, and their role in the policy advice process. and was administered on-line (Survey Monkey) in December 2012 to 2,432 consultants. The consultants were identified through sampling of over 35,000 contracts contained in the Proactive Disclosure database. We received 332 complete responses and 87 partial ones for a response rate of 17.23%. The survey questionnaire was designed to replicate as far as

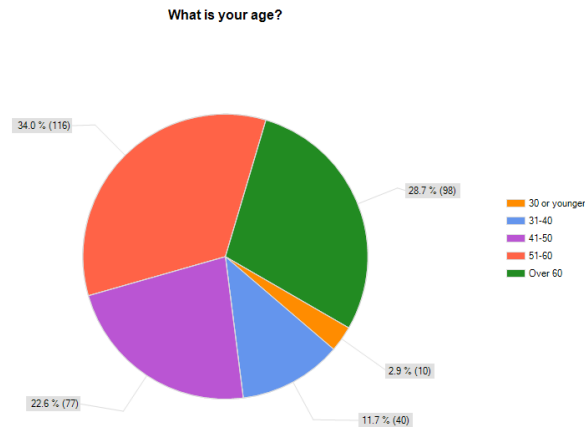
possible the exact questions asked of federal, provincial and territorial permanent policy analysts in previous surveys (Howlett and Newman 2010; Howlett and Wellstead 2011) in 2009-2010 in order to allow meaningful comparisons between these two actors in the Canadian federal policy advisory system (Howlett and Newman, Howlett and Wellstead etc.).

Survey Results: Background of Consultants

Demographics

Within this sample 70% of the respondents were men, and most of them operated in Ontario (68%), with British Columbia (9.1%), Quebec (6.5%) and Alberta (6.1%) the next largest. This differs from policy analysts in Canadian government, the majority of whom are women. In terms of age the greatest majority of the respondents was older than 40 and almost two thirds were over fifty. Again this differs sharply from the age profile of policy analysts in government, the majority of which are under 40.

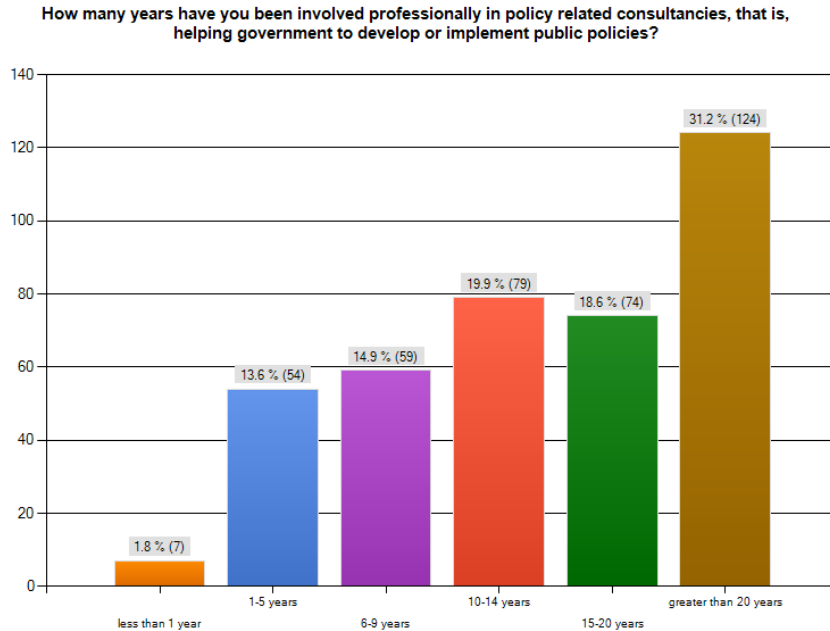
Figure 2 Age of Respondents



Work Experience

In our sample we also found that a large majority of the individuals who responded had substantial previous policy consulting experience with 30% greater than 20 years. Again this differs sharply from policy analysts in government, most of whom have been involved in policy work for less than five years.

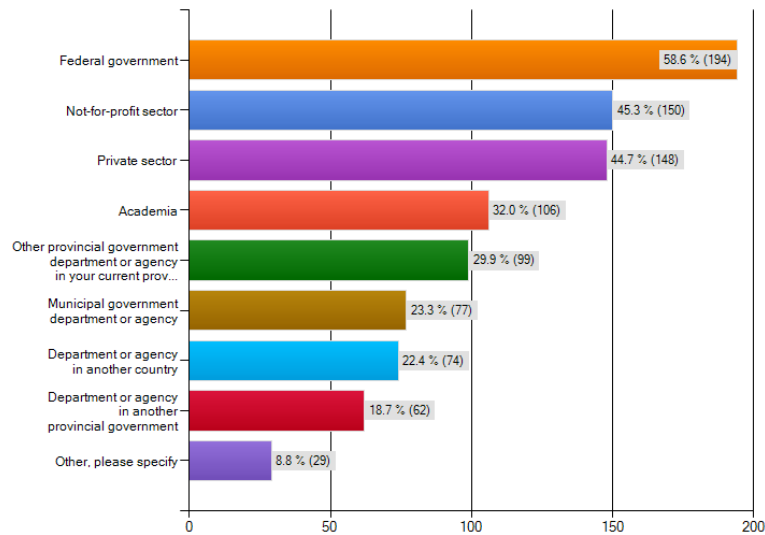
Figure 3. Policy Consulting Experience



Although the respondents were selected from a list of federal government contractors, there is some indication in the figures presented in Figure 4 that consultants move back and forth between governments at different levels and non-governmental locations. Among the respondents, work appears relatively evenly distributed between Federal and Provincial (or Territorial) governments. We can see that less common is the interaction of consultants with local and international entities. This is reflected in the fact that these two areas are also the ones in which consultants are also least likely to be involved (Q.17). Their work experience is broadly distributed among various institutional settings with the Federal government followed by non-profit and the private sector (see Figure 4)

Figure 4. Policy-Related Work Experience

Do you have professional policy-related work experience in any of the following environments? (Check all that apply)



We then looked at which government level was more likely to employ the policy consultants that answered our survey (see Table 2 below). The tables shows that most work was at senior levels of government and involved frequent interactions between the federal and provincial levels.

Table 2. Interactions with Various Levels of Government

	Rarely or Never	Annually	Quarterly	Monthly	Weekly	Daily
The federal government of Canada	10.7% (42)	12.7% (50)	21.9% (86)	18.6% (73)	21.6% (85)	14.5% (57)
Provincial or territorial governments in Canada	20.6% (78)	21.1% (80)	18.2% (69)	23.7% (90)	11.1% (42)	5.3% (20)
Local governments in Canada	43.9% (156)	13.0% (46)	20.0% (71)	9.9% (35)	9.3% (33)	3.9% (14)
International governments	54.3% (196)	19.9% (72)	11.4% (41)	8.9% (32)	4.4% (16)	1.1% (4)

Training

Most respondents have a graduate or professional degree (74.6%) or a university degree (23.4%). This level of professional and graduate training is much higher than the average professional policy analyst in government. However, like their internal government counterparts, consultants are also generalists. That is they are trained in a very broad spectrum of many non-technical disciplines ranging from environmental studies to social welfare, economics, urban planning and health (Q.21, Q.24).

However, only 26 respondents (7.7%) indicated their degree as public policy and like policy analysts in government, the policy related training for most of these consultants during their employment came from policy conferences (83.7%) or policy workshops (84.6%). About 45% completed courses in public administration, political science or economics, while a smaller percentage (14.4%) completed courses at the Canada's School of Public Service (Q.23). While a much larger number of consultants undertook policy-related courses at the post secondary level than did government analysts, almost 40% never did (See Table 3 below). This general trend towards non-technical generalist training is confirmed by the fact that among those who took policy-related courses only 36.6% completed any course on policy analysis or policy evaluation while 47.3% did not. Only 13.1% (45) completed any internal governmental training on policy analysis or policy evaluation, versus 86.9% (299) who did not (Q.30). It is also interesting to note that 61.5% (208) of respondents believe that they would benefit from further training in the area as opposed to 38.5% (130) who did not feel that it would (Q.31). This seems to indicate that their skill sets are inter-disciplinary and multi-faceted and are generally perceived to be more or less satisfactory for their work.

Table 3. Policy-Related Courses Undertook in Post-Secondary Institutions

Number of courses	None	One	Two	Three or More
	38.6% (130)	8.3% (28)	10.4% (35)	42.7% (144)

Job Conditions

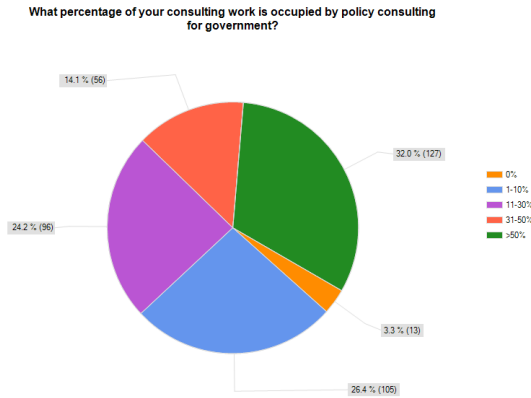
Interestingly only 39.3% of respondents were part of a formal policy consultancy work unit. In terms of work environment, most of consultants work either alone or in very small groups. As a matter of fact almost 95% typically operate in groups smaller than 10 people. This is opposed to the pattern in government of small unit work.

Table 4. Size of Typical Working Groups

Size of Group	1 to 5	6 to 10	11 to 20	21 to 50	More than 50
	84.0% (299)	10.4% (37)	3.9% (14)	1.1% (4)	0.6% (2)

It was also the case that many of these consultants spent a substantial amount of time dealing with policy consulting for governments. However only one third of respondents (32%) spend at least half of their work time on this area, meaning for most government work is an adjunct to work for non-governmental clients.

Figure 5. Percentage of Consulting Work



In general we found that consultants did not perform too frequently either ongoing or ‘firefighting’ tasks when we looked at the weighted averages for this scale (See Table 5 below).

Table 5. Weighted Averages of Task Frequency (0 to 5 Scale)

Task	Weighted Average
Tasks Demanding Immediate Action	1.89
Short Term Tasks (Less than one month)	2.30
Medium Term Tasks (Between 1 and 6 months)	2.71
Long Term Tasks (Between 6 and 12 months)	2.38
Tasks Ongoing for more than 1 Year	1.94

However, the distribution of these activities is such that we still found relatively significant percentages of respondents undertaking on a daily and weekly basic tasks that require immediate action (23.6%) and ongoing tasks (20.8%).

Trends and Dynamics

The survey also attempted to elicit a forecast of future consulting needs and of an analysis of current patterns of activity. Regarding the perceptions of the consultants about their work, 36.5% (126) of respondents believed that, during the previous five years, there had been an increase in the percentage of their consulting work. A slightly higher number, 37.7% (130) saw no variation, while 25.8% (89) has seen a decrease (Q.28). However, over the same timeframe, they saw the resources available for their work decrease (the weighted average for this answer is 2.72 on a 1 to 5 scale) (see Table 6).

Table 6. Change in the Amount of Resources Available

Greatly Decreased		No Change		Greatly Increased
15.5% (52)	21.5% (72)	43.3% (145)	14.0% (47)	5.7% (19)

The perception is that while there is some demand for higher quality policy research this is not necessarily an overwhelming request (see Table 7).

Table 7. Demand for High Quality Policy Research

No Demand	Some Demand	High Demand	Very High Demand
11.3% (35)	56.5% (75)	24.5% (76)	7.7% (24)

We also asked the respondents to measure the change in this type of demand over the previous five years. The answer showed a mild decrease (with a weighted average of 2.91 on a scale of 1 to 5) which reflects and is congruent with the statistical data presented earlier.

Table 8. Change in the Demand for High Quality Policy Research

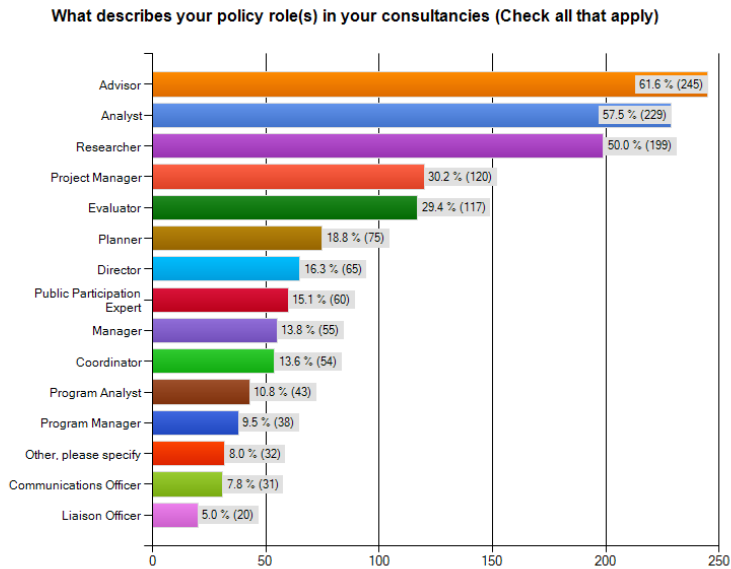
Greatly Decreased		No Change		Greatly Increased
12.1% (37)	19.9% (61)	39.1% (120)	22.8% (70)	6.2% (19)

Respondents also provided us with a not terribly optimistic evaluation of policy capacity in government. Respondents saw a drop in governmental policy capacity in historical perspective (68.7% either agreed or strongly agreed with this statement), and 58.4% either agreed or strongly agreed with the idea that much of policy capacity was situated outside of the formal government structure. These positions were compounded by the perception that those occupying posts with authority in making policy decisions usually had less technical expertise (66.5% either agreed or strongly agreed with this statement).

The Search for Substance: Content vs Process in Canadian Policy Work

One of the questions that we wanted to answer with our research was whether external policy consultants fall more into the camp of providing ‘process’ or ‘content’ advice. There is an interesting ‘division of labor’ among these consultants. In most cases their roles revolve around the production and analysis of information. Question 5 allowed the respondents to provide us with multiple answers regarding their policy role. The top three answers were advisor (61.6%), analyst (57.5%), and researcher (50.0%) (see Figure 6).

Figure 6. Policy Role of Consultants

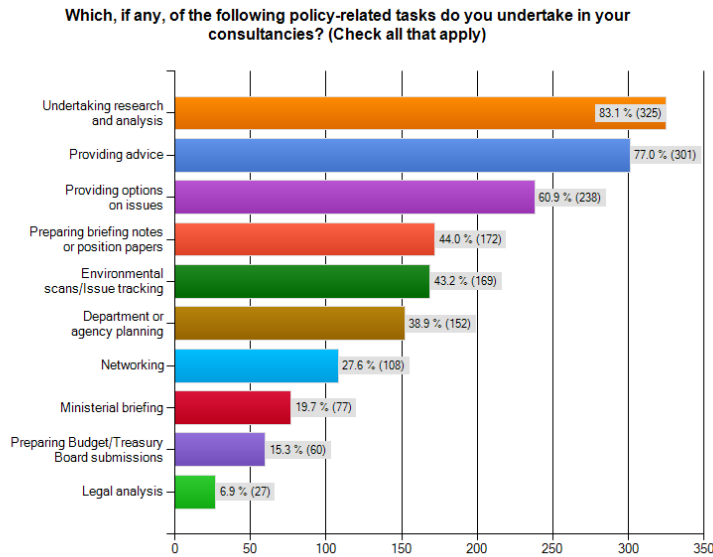


Interestingly enough, the role of supporting public participation, an area than many authors, including Halligan (1995), believed was an important driver of change in Policy Advisory Systems only accounts for 15.1% of all activity. These results however seem to confirm that the Canadian federal government has entrenched the use of external policy advisors in the advice, analyze and research function.

At the same time, external consultants are employed in a variety of functional areas spanning from the Environment, and Economic Development, to Health, Agriculture and Education. This confirms that this is a systemic trends across government with diverse policy needs being met through external expertise and input.

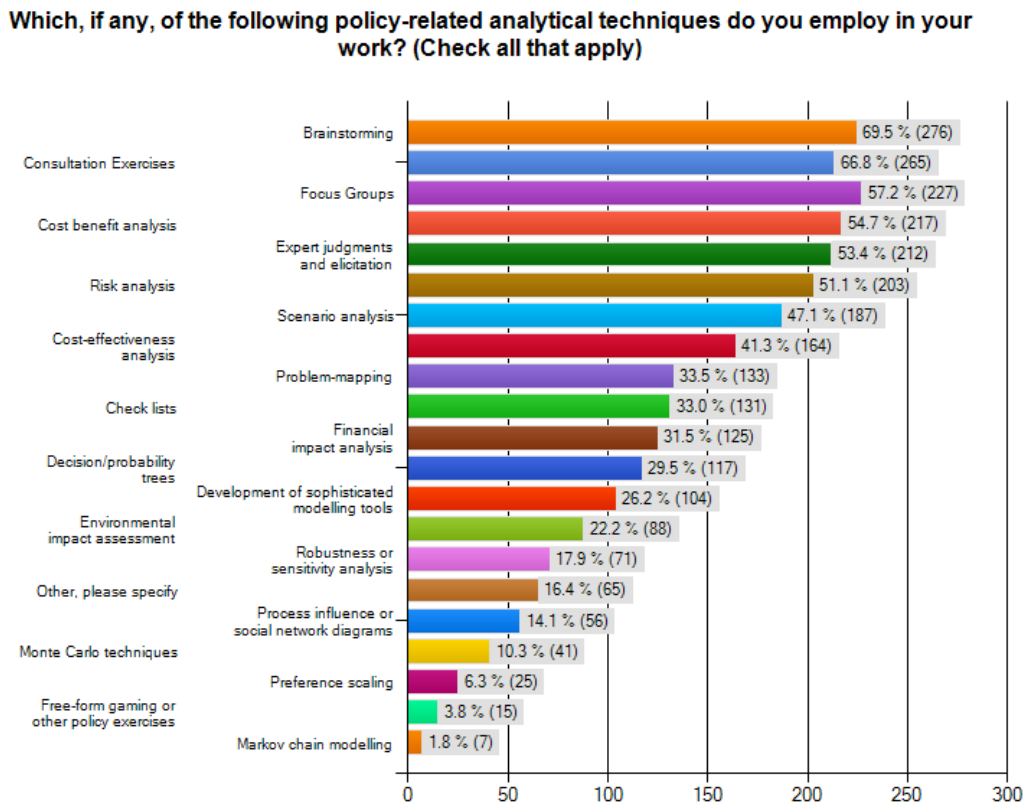
A similar answer came from a related question that aimed at measuring which policy-related tasks were performed by consultants. This question confirmed that conducting research (83.1%) and providing advice (77.0%) or options on issues (60.9%) were the most common activities for the respondents. We should also note that an important percentage of respondents also engage in preparing briefing notes or position papers, track issues, and planning (see Figure 7).

Figure 7. Policy-Related Tasks



This division of labor is reflected in the type of tools that consultants employ in their work in the policy field, which as we can see in Figure 8 below are quite varied.

Figure 8. Tools Employed By Consultants



While it is difficult to determine which of these elements is more likely to be utilized in supporting a ‘content’ rather than a ‘process’ situation, it is interesting to note that, in

terms of analytical tools, focus groups and consultation exercises appear to be employed relatively often by our respondents (see Table 9). At the same time, we also see that cost-benefit analysis, risk analysis, expert judgment and other tools more generally correlated with content-based work are commonly used. This support a pattern of bifurcation in the kinds of tasks undertaken by consultants.

Table 9 Types of Policy-Related Work

	Never	Yearly	Monthly	Weekly	Daily	N/A
Appraise policy options	17.2% (57)	36.4% (121)	26.5% (88)	9.9% (33)	5.7% (19)	4.2% (14)
Collect policy-related data or information	12.4% (42)	32.2% (109)	28.7% (97)	15.1% (51)	9.2% (31)	2.4% (8)
Conduct policy-related research	10.0% (34)	37.0% (126)	28.7% (98)	13.5% (46)	8.5% (29)	2.3% (8)
Identify policy issues	10.4% (35)	29.3% (99)	33.7% (114)	15.4% (52)	9.5% (32)	1.8% (6)
Identify policy options	9.6% (32)	32.2% (107)	34.6% (115)	14.2% (47)	7.5% (25)	1.8% (6)
Implement or deliver policies or programs	42.0% (134)	21.0% (67)	12.9% (41)	8.8% (28)	7.5% (24)	7.8% (25)
Negotiate with stakeholders on policy matters	35.2% (113)	23.4% (75)	25.2% (81)	6.5% (21)	3.4% (11)	6.2% (20)
Negotiate with central agencies on policy matters	42.9% (139)	29.3% (95)	14.8% (48)	4.0% (13)	1.2% (4)	7.7% (25)
Negotiate with program managers on policy matters	35.6% (113)	22.1% (70)	22.1% (70)	10.4% (33)	2.5% (8)	7.3% (23)
Consult with the public on policy matters	38.7% (125)	34.7% (112)	15.8% (51)	5.0% (16)	1.9% (6)	4.0% (13)
Consult with stakeholders on policy matters	11.0% (37)	34.0% (114)	37.6% (126)	10.7% (36)	5.4% (18)	1.2% (4)
Prepare reports, briefs or presentations for decision-makers on policy matters	5.6% (19)	31.9% (109)	38.9% (133)	14.9% (51)	7.6% (26)	1.2% (4)
Consult with decision-makers on policy matters	9.9% (33)	33.5% (112)	37.1% (124)	14.1% (47)	4.2% (14)	1.2% (4)
Brief lower or mid-level policy managers	20.7% (68)	25.0% (82)	34.1% (112)	11.9% (39)	4.3% (14)	4.0% (13)
Brief high level decision-makers such as cabinet ministers, ministerial staff, senior managers	29.4% (96)	40.5% (132)	17.2% (56)	7.7% (25)	1.5% (5)	3.7% (12)
Evaluate policy results and outcomes	16.5% (55)	38.3% (128)	24.6% (82)	10.2% (34)	7.5% (25)	3.0% (10)
Evaluate policy processes and procedures	21.7% (71)	34.3% (112)	25.4% (83)	9.2% (30)	5.2% (17)	4.3% (14)

However when we look in more detail to these answers we see that while consultants tend to provide reports and briefs, identify policy options and policy issues, and consult with decision-makers and stakeholders, the more content-based activities figure less prominently in policy consultants' activity. In particular we see how the processes of implementation and delivery and negotiation of policy issues are rarely undertaken in comparison with other activities. *This indicates that in general the role of the external advisor in the PAS is more closely correlated to the process-based phase of policy-making rather than the content-based one.* It is of particular interest that the processes of negotiation are apparently not something in which external consultant engage.

We also assessed the kinds and type of works conducted by consultants to see determine if the pattern found there in terms of distribution of content or process related

tasks differed from that found among professional policy analysts in government (see Appendix 1). In order to do so we created a weighted scale for answers to Questions 8, 9 and 15, which took into account the frequency with which each activity was undertaken and we compared it with the results from previous surveys undertaken at the Provincial level (See Table 10).

Table 10 – Weighted Analysis of Answers to Q. 15

	Policy Consultants		Ontario		BC		Quebec	
	Weighted Responses	%	Weighted Responses	%	Weighted Responses	%	Weighted Responses	%
Content	2,839	36.18%	5,828	35.78%	2,763	36.18%	859	35.00%
Process	5,007	63.82%	10,462	64.22%	4,874	63.82%	1,595	65.00%
Total	7,846		16,290		7,637		2,454	

*Note: Answers were weighted in the following manner: Never * 0, Yearly *1, Monthly *2, Weekly *3, Daily *4.*

The results of the process and content work analysis shows the distribution of work for consultants and three provinces. The findings is one of relatively similarity among the four surveys with the process side of the work accounting for about two thirds of the overall activity in all cases.

We applied a similar approach for the responses that we received from questions 9 and 10 of the survey which dealt with the functions performed such as legal analysis or project management (see Table 11 below). While the results are slightly different because of the questions asked, we still find a remarkable similarity between the consultants and professional analysts in each survey, with the slight outlier being the Province of Quebec.

Table 11 – Weighted Analysis of Answers to Q. 15

	Consultants		Ontario		BC		Quebec	
	Answers	%	Answers	%	Answers	%	Answers	%
Uncertain	156	6.55%	139	4.60%	93	4.87%	25	3.61%
Content	1,292	54.22%	1,752	57.92%	1,098	57.52%	371	53.54%
Process	935	39.24%	1,134	37.49%	718	37.61%	297	42.86%
Total	2,383		3,025		1,909		693	

To address the internal variance of some of the results we also looked at the list of tasks set out in in Q.15 and calculated what percentage of the total each activity took up (highlighted in green are Content-type activities) (see Table 12). Here we found that consultants are more likely to identify policy issues and policy options, but not enormously so. However, they are more likely to consult with stakeholders and present results, but are not involved in negotiations as much as government employees.

This tells us about the relative depth of engagement of the consultants and analysts in process and substance related activities. It indicates that on all of the five categories that we have assessed as ‘content’ in our analysis the consultants score above the average. Any policy process is almost certainly going to involve both a substantive

and a process dimension so it is difficult to extrapolate specific patterns from these results. However, we can say that from these answer that external policy consultants seem to operate in both fields although with a slight tendency towards process, rather than the substantive tasks often associated with consultants in earlier work on the subject (Saint-Martin 1998).

This suggests that external consultants play more than just a window-dressing role in the Canadian policy advisory system and are being called upon more than just for technical expertise

Table 12 – Percentage of Total Activity

Survey	Ontario	BC	Quebec	Consultants	Average
Appraise policy options	6.17%	6.35%	6.67%	6.22%	6.35%
Collect policy-related data or information	6.46%	6.50%	7.42%	6.86%	6.81%
Conduct policy-related research	6.57%	6.35%	7.25%	7.12%	6.82%
Identify policy issues	6.59%	6.73%	6.67%	7.07%	6.76%
Identify policy options	6.56%	6.66%	6.67%	7.00%	6.72%
Implement or deliver policies or programs	5.00%	5.46%	4.17%	3.81%	4.61%
Negotiate with stakeholders on policy matters	5.71%	5.62%	5.67%	4.48%	5.37%
Negotiate with central agencies on policy matters	5.08%	4.66%	4.83%	3.81%	4.60%
Negotiate with program managers on policy matters	5.57%	5.58%	4.67%	4.31%	5.03%
Consult with the public on policy matters	4.03%	3.93%	3.25%	4.41%	3.90%
Consult with stakeholders on policy matters	6.05%	6.09%	6.17%	7.00%	6.33%
Prepare reports, briefs or presentations for decision-makers on policy matters	6.60%	6.44%	7.67%	7.60%	7.08%
Consult with decision-makers on policy matters	6.22%	6.35%	6.58%	7.07%	6.56%
Brief lower or mid-level policy managers	5.95%	6.06%	6.17%	5.88%	6.01%
Brief high level decision-makers such as cabinet ministers, ministerial staff, senior managers	5.58%	5.43%	6.17%	5.19%	5.59%
Evaluate policy results and outcomes	5.98%	6.03%	5.33%	6.41%	5.94%
Evaluate policy processes and procedures	5.89%	5.77%	4.67%	5.76%	5.52%

Conclusions

In our research we have found confirmation in the work of consultants and the extent of their use of the shifting nature of the policy advisory system in Canada towards externalization, as Halligan suggested. Besides an increase in the use of external sources of advice that is evident from previous research (Howlett and Migone 2013; Howlett 2009; Prince 2007; Saint-Martin 2005, 2006; Speers 2007), and new budget data analysis provided some insights into the overall pattern of consultancy use and of their continued significant presence as an actor in the Canadian policy advisory system.

As for politicization, our survey shows that the types of activity most commonly undertaken by consultants were ones where they were engaged in tasks such as preparing briefs, exploring options and generally in what can be seen as ‘process’-driven activities (See Q. 15). This generates a picture of a professional public service that is increasingly engaged in ‘outsourcing’ policy research and analysis but that holds on to more politically oriented activities such as negotiation and implementation.

Ultimately the contemporary Canadian advisory system may have introduced a division of labor among internal and external members in which consultants, like their permanent counterparts in government, undertake a very large number of process-related tasks. They specialize, for example, in focus group and consultations and in various evaluative tasks such as cost-benefit analysis. While this is a significant finding which reveals a great deal about the interactions and ‘fit’ between the two actors in the Canadian policy advice system, it also continues to beg the question of substance. If both sets of analysts are engaged largely in process work, then who is determining its substance?

Endnotes

¹ At the provincial level it is often the case that data is very difficult to break down in any meaningful way when looking at consulting expenditures. The Federal administration includes policy consulting within category 0491 (Management Consulting), which comprises “consulting services for financial management, transportation, economic development, environmental planning, public consultation and other consulting services not specifically mentioned in other objects.” However, as will be immediately evident, this is still a very broad category.

² Our enquiries with the Departments and Agencies of the Federal Government found no way in which contract descriptions could be unearthed in a general and efficient way. This data is not required by the Proactive Disclosure legislation and is therefore only kept in the individual contract file.

Appendix 1 - A categorization of Content/Process Activities

Substantial/Content	Process	Uncertain
Providing Advice	Networking	
Providing Options on Issues	Undertaking Research and Analysis	
Environmental Scans/Issue Tracking	Department or Agency Planning	
Preparing Budget/TBS Submission	Ministerial Briefing	
Legal Analysis		
Undertaking Research and Analysis		
Preparing Briefing Notes or Position Papers		

	Regulation	Program Management
	Budgeting	
	Enforcement	
	Personnel Management	
	Program Delivery	
	Communications	
	Other	
Collect policy-related data or information	Appraise policy options	
Conduct policy-related research	Implement or deliver policies or programs	
Identify policy issues	Negotiate with stakeholders on policy matters	
Identify policy options	Negotiate with central agencies on policy matters	
Evaluate policy results and outcomes	Negotiate with program managers on policy matters	
	Consult with the public on policy matters	
	Consult with stakeholders on policy matters	
	Prepare reports, briefs or presentations for decision-makers on policy matters	
	Consult with decision-makers on policy matters	
	Brief lower or mid-level policy managers	
	Brief high level decision-makers such as cabinet ministers, ministerial staff, senior managers	
	Evaluate policy processes and procedures	

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