McKinnon

A guide to good practices for use in policy projects

About
MCKINNON

McKinnon was founded in 2015 by Grant Rule and Dr. Sophie Oh, with the aim of strengthening Australia's democracy. McKinnon's aspiration is for Australia to have the world's most effective governments, focused on the long-term interests of the Australian community. McKinnon's work focuses on four key areas:

- exceptional political leadership, as positive leadership is crucial in a high-functioning democracy
- exceptional public sector, with the right capabilities and institutions to deliver high quality service delivery, evidenced based policymaking
- strong democratic institutions, as trusted, responsive and apolitical public institutions are vital assets for a thriving democracy; and
- world-leading policy, supporting innovative solutions to Australia's biggest challenges

McKinnon is non-partisan and motivated only by the public interest. For further information, please email info@mckinnon.co

ACKNOWLEDGEMENTS

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1 — INTRODUCTION

This document aims to provide a practical guide to **contemporary good practice in public policy development in Australia** and includes two parts:

1. **The McKinnon Policymaking Checklist:** A list of practical questions to be used during policy projects.

2. **The McKinnon Policymaking Guidance:** More detailed information about actions to take within policy projects, to support the use of the checklist and understanding of policymaking processes.

While more comprehensive policymaking guides are available in the Australian context, this guide is intentionally simplified. It is a practical tool—to be used rather than studied—and is particularly aimed at supporting practitioners who are newer to the policymaking process.

These resources are **intended to be used by policy practitioners (inc. public servants, consultants, advocacy groups)** within policy projects and can serve as a:

- **Checklist to follow when working on policy** (such as drafting a business case), to improve the quality and rigour of the policy being developed

- **Checklist to follow when reviewing policy** (such as a central agency reviewing cabinet submissions or business cases), to ensure that all stages of the process have been adequately followed and limit the risk of poor policymaking leading to adverse outcomes

- **General training tool** to inform understanding of the policymaking process, providing a concise overview of policymaking relative to more technical policy guides.

This guide is designed to evolve over time, adapting to the needs of users and incorporating the latest evidence on best practices in policymaking. We welcome your feedback—please get in touch at info@mckinnon.co to share how this guide could be improved or better tailored to different policy types and contexts.
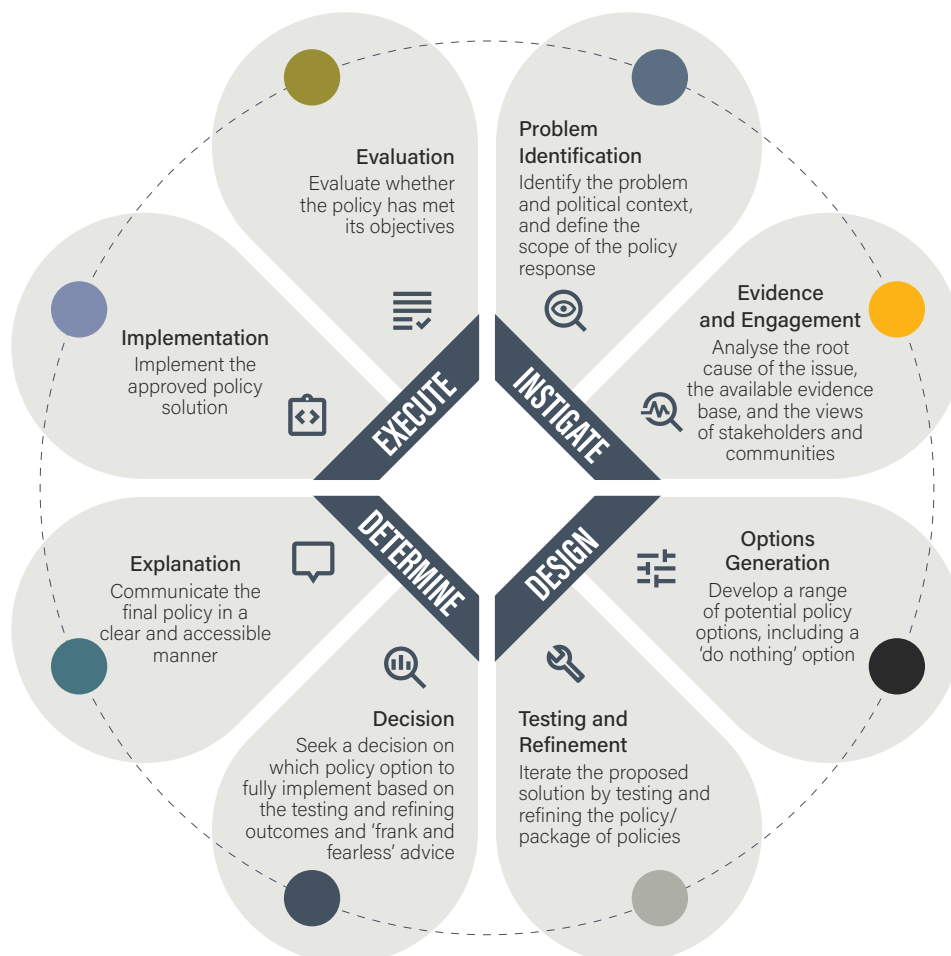
This guide was informed by research by the Institute for Public Policy and Governance (IPPG) at the University of Technology Sydney (UTS), commissioned by McKinnon. UTS identified commonly found elements of good practice in policymaking based on an extensive review of major policy development frameworks and academic literature, complemented by consultations with policy experts and professionals. McKinnon supplemented this initial analysis with additional research and consultations, culminating in the identification of McKinnon's eight elements of good policymaking.

OVERVIEW OF THE ELEMENTS OF POLICYMAKING

This guide outlines eight commonly found elements of good policymaking, falling into four domains:

- **Instigate** the policy project – define the problem, scope the policy solution and understand views of key stakeholders and existing evidence

- **Design** the solution – develop options, understand their risks and challenges, and move to test and refine solutions

- **Determine** what policy is to be implemented – seek approval of the proposed policy solution and communicate it to relevant stakeholders

- **Execute** the policy – implement the proposed solution and conduct an evaluation to understand whether the policy has met its objectives

Figure 1: McKinnon's eight elements of good policymaking

Evaluation
Evaluate whether the policy has met its objectives

Problem Identification
Identify the problem and political context, and define the scope of the policy response

Implementation
Implement the approved policy solution

EXECUTE

INSTIGATE

Evidence and Engagement
Analyse the root cause of the issue, the available evidence base, and the views of stakeholders and communities

Explanation
Communicate the final policy in a clear and accessible manner

DETERMINE

DESIGN

Options Generation
Develop a range of potential policy options, including a 'do nothing' option

Decision
Seek a decision on which policy option to fully implement based on the testing and refining outcomes and 'frank and fearless' advice

Testing and Refinement
Iterate the proposed solution by testing and refining the policy/ package of policies

TAILORING TO THE POLICY CONTEXT

While there is a logical flow between the elements, in practice, policymaking is rarely linear. Policymakers may need to revisit specific elements as the process progresses and maintain ongoing engagement with stakeholders, with policies always subject to subsequent modifications or termination. For example, when iterating a policy, policymakers may need to move to the implementation stage implement pilots and use these findings to improve their understanding of the problem and develop further options. Policymakers should remain flexible and open throughout the policy development process to accommodate changes as more information becomes available.

The intensity of engagement with each element also depends on the context, type of policy, and the demands on policymakers. It is vital to ensure that each element of the policymaking process is tailored to the specific policy and context.
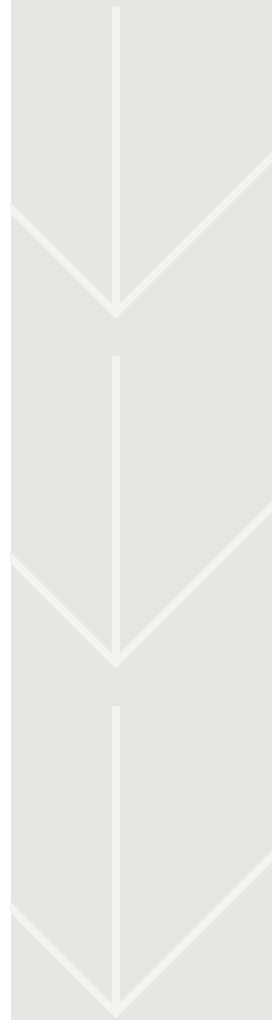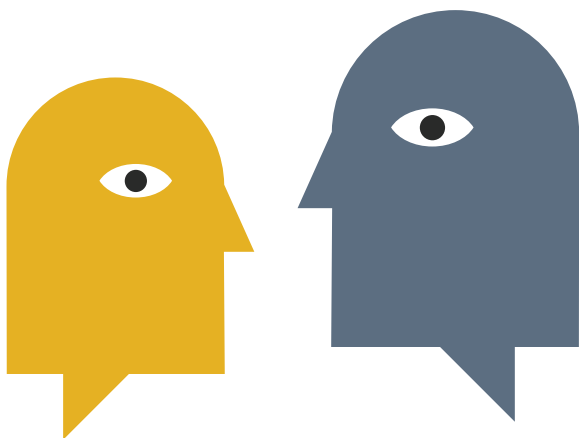
FURTHER POLICYMAKING RESOURCES

For further resources on good practice policymaking, see the McKinnon Policymaking Tools Focus Area on the Analysis & Policy Observatory (APO). This repository of policymaking tools supplements this guide with more detailed information and provides a regularly maintained collection of best practice policymaking.

FURTHER APO READING ↗

CREATING PUBLIC VALUE

Much like private sector actors are driven by creating value for clients and shareholders, policy practitioners should focus on articulating and driving 'public value.' Mark Moore's Strategic Triangle provides a framework for delivering public value prompting policymakers to articulate the public good of a proposal (public value), the social and political support behind it (authorising environment), and the system's ability to deliver it (operational capacity).

These three aspects of the Strategic Triangle can be used to provide a lens over the findings, options, or actions within each stage before moving to the next one. Ensuring optimisation of these three 'corners' of the Strategic Triangle is central to ensuring that policymaking translates good ideas to good policy, and that common policy and political blind spots are avoided.

For more information on the Strategic Triangle see this Concept Note on Public Value.

Figure 2: The Strategic Triangle

PUBLIC VALUE
Does it add to the public good?
- Benefits outweigh costs?
- Who wins? Who loses?
- Values, justics, legitimacy

AUTHORISING ENVIRONMENT
Do we have support?
- Legal authority to act?
- Complies with rules and norms?
- Party, parliament and public support?

OPERATIONAL CAPABILITY
Can we deliver?
- Delivery plumbing system in place?
- Capacity to design, deliver and monitor?
- Delivery partners and networks capabable?

2 MCKINNON POLICYMAKING CHECKLIST

Using this checklist

For each element, you are prompted to consider its relevance to your policy context and purpose. For example, for an emergency one-off COVID-19 response policy, the 'Testing and refinement' element may be considered 'Less relevant' given the time urgency to implement a policy solution.

For each question, you are asked to articulate what a good response looks like, prompting you to think about what best practice would look like in your circumstance. For example, if the question asks whether relevant stakeholders have been engaged, list the most appropriate policy process for your circumstance. Then you can determine whether you have met this benchmark when ticking off the final column, or whether more action may be required.

For more information on each element of the policymaking process as you progress through this checklist, refer to the McKinnon Policymaking Guide.

For further resources on policymaking, refer to McKinnon Policymaking Tools on APO. Here you can find resources to support you through each element of policymaking: Problem Identification | Evidence and Engagement | Options Generation | Testing and Refinement | Decision | Implementation | Evaluation.

INSTIGATE

Problem Identification

Identify the problem and define the scope of the policy response.

Question	What does a good response look like?	Has sufficient action been taken?
Is the problem documented, and has agreement on the problem been sought?		
Has the reason the problem is on the agenda now been identified (inc. political context)?		
Have all those affected by the problem, both directly and indirectly, been mapped?		
Have existing commitments and actions made by government and non-government actors (e.g., NGOs) to address this problem been documented?		
Is a policy response required? Why is there a need for government intervention (i.e. a market failure)?		
Are the purpose, scope, and timeframe of policy development clearly defined?		
Have the challenges, enablers, and budget requirements of policy development been identified?		

INSTIGATE

Evidence and Engagement

Analyse the root-cause of the issue, the existing evidence base, and the views of stakeholders and communities.

Question	What does a good response look like?	Has sufficient action been taken?
Have the key actors who should contribute to the policy been identified?		
Has engagement been tailored to each stakeholder?		
Has robust evidence of the root-cause of the problem been outlined?		
Have gaps in the existing evidence base been addressed (e.g., through further research)? Have any necessary assumptions been made, and has their influence on selecting the best policy option been clarified?		
Has evidence on what has and hasn't worked in the past, and in other jurisdictions been compiled? Have any contextual factors that could affect how existing solutions may be applied to the current context been considered?		
Have the different policy levers available to address the problem been identified? Have the expected impact of using each of those levers been analysed?		
Has baseline data been collected to inform policy analysis and evaluation?		

DESIGN

Options Generation

Develop a range of potential policy options.

How relevant is this element to the policy context?

Highly relevant

Somewhat relevant

Less relevant

Question	What does a good response look like?	Has sufficient action been taken?
Have the specific policy outcomes and the methods/data for measurement been identified?		
Has a series of feasible and practical policy options been developed, including a 'do-nothing' option?		
Has the differential effect of each option on different stakeholders been identified?		
Have the costs and benefits of each option been estimated?		
Have the risks of each option been identified, as well as opportunities to mitigate those risks?		
Have the costs of inaction or delayed action in implementing a policy solution been identified?		

DESIGN

Testing and Refinement

Iterate proposed solution by testing and refining the policy/package of policies.

How relevant is this element to the policy context?

Highly relevant

Somewhat relevant

Less relevant

Question	What does a good response look like?	Has sufficient action been taken?
Have the policy options been tested to ensure that they are feasible and fit for purpose?		
Have the potential unintended consequences, challenges and barriers to implementation been identified during testing? Have options to address them been considered?		
Has the policy been refined based on feedback from testing? Have these changes (or lack thereof) been documented and communicated?		
Have the views of people/groups likely to be affected by the policy been documented and addressed?		
Have any changes in the policies purpose, scope or intent that have resulted from the testing been recorded?		
Has the way delivery should be conducted been outlined? Have key implementation tasks been identified and allocated, providing clear accountability?		
Have the resources, timelines and risks of broader implementation been identified?		
Has the way success will be measured and evaluated been defined?		

DETERMINE

Decision

Seek a decision on which policy option to fully implement based on testing outcomes and 'frank and fearless' advice.

Question	What does a good response look like?	Has sufficient action been taken?
Has approval for the policy been sought from the relevant authority/decision maker?		
Has the decision maker been provided with all the information they need to make an informed decision? Was the advice both 'frank' and 'fearless'?		
Have the decision and decision-making process been recorded in detail?		

Explanation

Communicate the final policy in a clear and accessible manner.

Question	What does a good response look like?	Has sufficient action been taken?
Have all relevant stakeholders been informed about the policy?		
Has communication of the policy been tailored to best meet the needs of each audience segment?		
Have the policy intent, process and markers of success all been clearly communicated?		

EXECUTE

Implementation

Implement the approved policy solution.

Question	What does a good response look like?	Has sufficient action been taken?
Have implementation, ongoing delivery and oversight roles and responsibilities been clearly defined?		
Do the implementers have the capacity to effectively implement the policy? If not, have any knowledge gaps been filled?		
Does policy implementation embed ongoing monitoring and evaluation, including feedback loops?		

EXECUTE

Evaluation

Evaluate whether the policy has met its objectives.

| Question	What does a good response look like?	Has sufficient action been taken?
Has the purpose and audience of the evaluation been identified?		
Has the individual/entity best placed to undertake the evaluation been identified?		
Have mechanisms to evaluate the policy's medium- and long-term outcomes been put in place?		
Has an evaluation method been selected? Have multiple evaluation methods been used where required?		
Has the information and data required to meaningfully evaluate the policies impact been collected?		
Have actionable findings and recommendations been provided through the evaluation?		
Have findings and recommendations been tested with stakeholders, including front-line service providers?		
Have evaluation findings been used to inform next steps for the policy?		
Has the evaluation and its outcomes been shared internally and externally?		

3 — MCKINNON POLICYMAKING GUIDANCE

For each of the eight elements of the policy process, this guide provides:

- **Outcomes** – outlines the key outcomes expected from each element of policymaking, and its purpose
- **Good practice** – lists the actions policy practitioners should undertake to ensure good practice in the policy element.
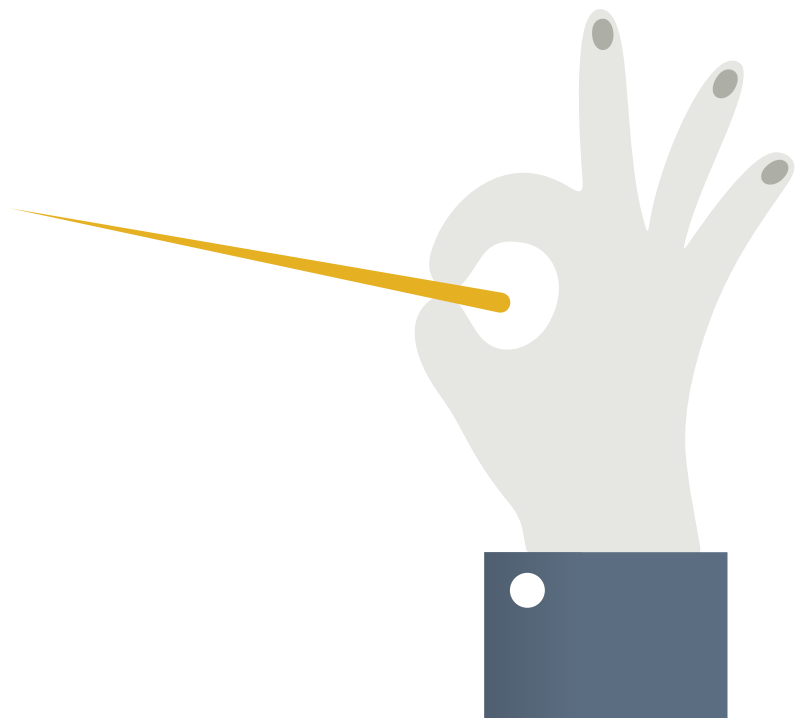
INSTIGATE

Problem Identification

> **Outcomes**
> - **Identify the problem** to ensure the solution addresses the underlying issue rather than its symptoms
> - **Clarify the policy context, purpose and scope** to inform the policy's scale, preferred outcomes and key stakeholders

Good practice

Understand the reason/s for the policy work

- Understand how the problem (and any proposed solutions) came onto the agenda and why a policy response is imminently required
- Define and seek agreement on problem, including context and drivers
- Map affected stakeholders, directly or indirectly and positively or negatively
- Understand existing commitments and actions from government and other providers (e.g. other governments, industry, NGOs)
- Confirm whether government intervention is required

Clarify the expected outcomes of the policy

- Define the intended purpose, scope and timeframe of policy development
- Confirm whether government has the levers and support to address the problem

- Understand the intended budget for the solution (if there is one, or if not what a reasonable expenditure might be), and the likely impacts on other budget items
- Identify existing enablers to support the policy formulation process (e.g. Premier' Business Roundtable for engagement with industry)
- Define the desired outcomes of the policy (i.e. what success looks like)

Scope and plan the approach to developing the policy

- Understand who the decision maker is, what decision will be required, and when
- Map the key actors in policy development, including the authority responsible for policy formulation and other stakeholders who need to be involved
- Identify initial knowledge gaps to help inform your research, including information and data that may be required to answer key questions

INSTIGATE

Evidence and Engagement

Outcomes

- **Engage with key stakeholders** to enlist their expertise and limit the risk of suboptimal solutions or implementations
- **Build evidence of the problem** to identify and fill knowledge gaps and enable well-informed solutions
- **Identify a long list of potential solutions** based on evidence and an understanding of success and failure in other contexts

Good practice

Engagement with evidence, insights and experience needs to be early and often and should build on existing policymaking infrastructure, while developing new strategies and connections as needed

- Map interested parties, communities and organisations, including representative groups, service delivery and service users
- Identify other agencies, jurisdictions, sectors impacted and the expertise they contribute

Tailor engagement to stakeholders (e.g. technical and scientific, industry, people with disabilities, geographically dispersed, First Nations communities), and understand the right mechanisms for various stages of the policy process

Collate and analyse information and evidence to understand the problem

- Compile and commission relevant evidence, including developing an understanding of what is already known about the problem, how the problems manifest for different groups and what the data/information tells us

- Assess the robustness of the data/evidence
- Identify and address gaps in the evidence base, including making any necessary assumptions and being transparent about the level of confidence in those assumptions
- Pinpoint any legal, operational and risk issues that require consideration

Analyse the evidence of potential solutions

- Map what has/hasn't worked in the past and elsewhere (i.e. other jurisdictions)
- Identify contextual factors which affect how successfully existing solutions can be applied to the current problem
- Determine what policy levers are available and how they can be used (e.g. legislation, tax/funding, direct service provision, information)
- Analyse the impact (outcomes and costs) of the potential policy levers, and the range of likely 'winners' and 'losers'
- Collect baseline data relevant to policy analysis and future evaluation
- Collate an initial long list of potential solutions

DESIGN

Options Generation

Outcomes
- **Define a short-list of well-thought-out policy options** to enable robust understanding and comparison between policy approaches
- **Understanding of the costs and benefits of each option**, including 'no action' option

Good practice

There is generally no perfect solution– policymakers should be clear about what they are trying to achieve, and for whom, including developing multiple options

- Clarify the specific outcomes being sought and how it will be measured
- Identify a range of policy solutions, including understanding for each:
  - Whether it is feasible and implementable
  - The required inputs (cost, implementation timing)
  - The impact it will have (i.e. benefits)
  - How will the benefits and costs differentially affect stakeholder and population groups
  - Risks (inc. unintended consequences) and how they can be mitigated
  - Whether there is sufficient support for the option at this time
  - How different policy options may interact together
- Understand the cost of inaction or delaying action (i.e. a 'do-nothing' option)

Co-design options with key stakeholders and implementers, to ensure their views and expertise are embedded within the policy options

- How will the benefits and costs impact stakeholders and population groups

In developing policy options, policymakers may realise that the scope of the policy and political context have not been sufficiently identified, the problem has changed or that new light is shed on the problem through stakeholder consultation.

Policymakers should remain open to 'going-back' and doing further work to identify the issue and analyse the policy landscape before proceeding to developing a series of policy options (see **Figure 3**).

Figure 3: Example of potential non-linearity in the policy process – Further problem identification

Problem identification

Options generation
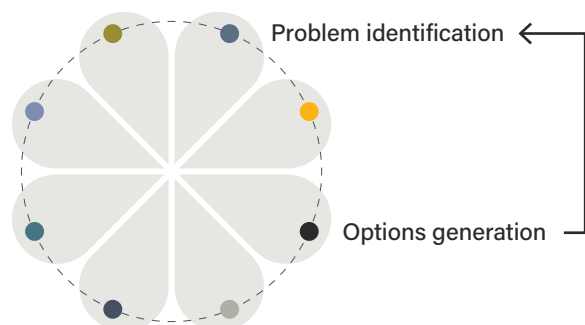
DESIGN

Testing and Refinement

Outcomes

- **Test the policy/policy package,** ranging from consulting on ideas to operating a pilot
- **Refine policies based on lessons learnt from testing,** remaining open to adjusting all aspects of the policy and decisions

Good practice

Test policy solutions to ensure they are feasible, fit for purpose, and the trade-offs are understood prior to a final decision or full implementation

- Analyse the feasibility, affordability and trade-offs of the different solutions
- Identify the strengths and weaknesses of the current system and how the policy would affect it
- Map problems and barriers to implementation, and how to address them
- Evaluate risks or unintended consequences, and consider how to mitigate them
- Seek to improve the proposed policy solutions
- Engage with those affected by the policy to test the solution

Refine policy solutions as more information becomes available (including considering scalability in the case of pilot programs)

- Document what was learned during the testing and adjust the purpose, scope and intent as required
- Refine the proposed solution based on the findings from testing and re-engage with stakeholders and evidence as required

Build a plan for delivery success, including considering phased implementation and rollout, based on an understanding from the front line and service delivery insights

- Identify key tasks and assign responsibilities
- Seek necessary resources
- Establish clear timelines and milestones
- Confirm that all implementation risks have been addressed

Outline the key evaluation questions – how will policy success be measured?

> If seeking to operate a pilot program (e.g. trial education program in a small number of schools), policymakers may be required to consider several additional elements of policymaking such as seeking approval, implementing and evaluating the pilot. This should occur before continuing to a decision about broader implementation, reflecting the importance of adaptability in the application of the policymaking elements (see **Figure 4**).

Figure 4: Example of potential non-linearity in the policy process – Pilot Program

Testing and refinement
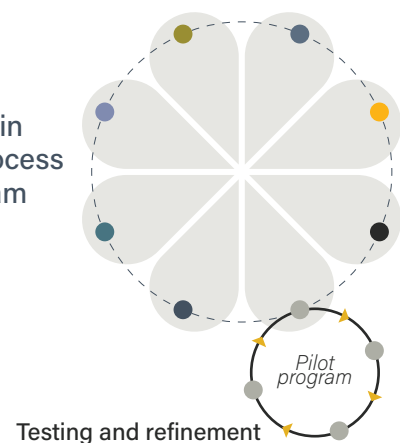
DETERMINE

Decision

Outcomes

- **Provide decision makers with 'frank and fearless' advice**, presenting a range of options, evidence, rationale, and the anticipated impacts and risks of the solutions
- **Seek a decision and authorisation to proceed**, adhering to established decision making procedures

Good practice

The process for decision making needs to be clear

- Understand the type of approvals that are required (e.g. staged approval, with or without piloting, final approval)
- Identify who has the authority to approve the solution and what the process is for seeking their approval
- Clarify who should have input (central agencies, parliamentary counsel, etc.)
- Produce the necessary product for approval, including ensuring that the decision maker is in possession of all the information they need to decide, and that advice is 'frank and fearless'
- Ensure that a range of workable options is presented to decision-makers to enable a real choice
- Maintain accurate records of the decision

Explanation

Outcomes

- **Provide tailored and accessible communication to community**, stakeholders, and implementers to ensure they understand the scope, intent, and outcomes sought from the policy/ policy package
- **Provide transparent information about the policy/policy package, it's proposed outcomes and its policy process** to foster public support, accountability, and confidence in government, while encouraging good policymaking processes

Good practice

The policy rationale needs to be well told and tailored to audiences

- Map who needs to be informed about the policy, what they should know, and how and when the information will be communicated
- Tailor the communication to the needs of each audience
- Communicate the policy intent, how it was developed and how success will be measured, monitored and evaluated
- Ensure that all communication is provided in a clear, accessible and informative manner to all relevant stakeholders

Continue to monitor and be receptive to feedback on the policy/policy package and its impacts following policy development and decisions-making

EXECUTE

Implementation

> ### Outcomes
> - **Allocate resources and responsibility** for project delivery
> - **Effectively implement the policy/policy package** to translate policy decisions into practical action
> - **Remain open to continuous improvement and adoption**, recognising that implementation is an iterative process

Good practice

Define roles and responsibilities, build capacity and provide training

- Clearly allocate implementation, ongoing oversight and performance management roles and delegate power where required
- Clarify purpose, responsibility and interdependencies of all those involved
- Ensure that implementers have the skills to effectively implement the policy

Policy implementation should embed ongoing monitoring and evaluation, and be responsive to specific policy contexts

- Incorporate an evaluation strategy into implementation, including setting data collection, baselines and targets
- Design reporting mechanisms and feedback loops to allow for ongoing policy iteration
- Engage stakeholders and maintain communication about policy success
- Set decision criteria for continuing, modifying or terminating the program based on evaluation results

Evaluation

See the Australian Government's Commonwealth Evaluation Toolkit for further guidance on conducting an evaluation

> ### Outcomes
> - **Evaluate the impact of the policy/ policy package**, allowing policymakers to demonstrate impact
> - **Distribute the evaluation and use it to inform future policy advice**, including any changes to the current policy

Good practice

Develop an evaluation plan and objectives

- Understand the purpose and audience
- Determine who is best placed to undertake an evaluation (e.g. in-house and/or external evaluator)
- Evaluate implementation and process as well as medium- and long-term policy outcomes

Collate and analyse information and data on the policy/policy package

- Select the evaluation methods, including considering multiple forms of evidence to corroborate findings
- Collect and analyse information and data required to answer the key evaluation questions

Report and disseminate evaluation findings

- Provide detailed and actionable suggestions
- Test and communicate recommendations with stakeholders, including any service providers

Integrate findings into future policy decisions

- Decide whether the program should be continued, modified or terminated
- Make the evaluation and outcomes assessment widely available
- Use the evaluation findings to inform future policy advice

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