

Conclusions and recommendations of the National Audit Office

Preparation of projects and reforms extending beyond parliamentary terms

The audit was targeted at the preparation of projects and reforms extending beyond parliamentary terms. The audit examined the prerequisites created for successful preparation of projects, programmes and reforms extending beyond parliamentary and government terms. The preparation of long-term projects was audited by means of four example cases. The cases examined were the health and social services reform, the social security reform, the Finnish Defence Forces' strategic capability projects (HX and Squadron 2020), and the digitalisation of public administration and the use of artificial intelligence at national level. The cases used as examples were long-term projects, programmes, reforms or phenomena the preparation of which had, for various reasons, extended to several parliamentary or government terms. The audit was based on the assumption that changes of parliamentary or government terms may lead to discontinuity that undermines the effectiveness of preparation.

Successful preparation extending beyond parliamentary terms requires clear and consistent objectives

As a rule, each Government decides what matters it wants to promote during the parliamentary term. However, it is obvious that a parliamentary term can be too short a time to prepare and implement major reforms, for example. It is not appropriate for society or central government finances to start preparing a comprehensive reform with major impacts from the beginning when the Government or the composition of the Government changes. Careful preparation makes it possible to avoid immediate needs for corrective action, which follow insufficient preparation and require additional work and funding. It would therefore be necessary in society to identify the issues in which preparation extending beyond parliamentary terms is needed and to consider how the effectiveness of preparation extending beyond parliamentary terms can be ensured.

On the basis of the audit, a fundamental prerequisite for successful preparation extending beyond parliamentary terms is that the objectives of the project, reform or programme prepared are clear, consistent and feasible. The prerequisites for successful long-term preparation are also improved if the objectives do not change significantly during the preparation and if the objectives have been set through a parliamentary process. Changing the objectives before the preparatory work is started or during the preparation causes additional work

and weakens the prerequisites for successful preparation. In the cases examined in the audit, there had been a broad consensus on the top-level objectives, but it had not always been seamlessly passed on to the practical preparatory work.

The fundamental prerequisites for effectiveness must be taken into account in preparation processes and project management

Based on the audit findings, the prerequisites for a successful reform or project can be ensured by good organisation of the preparatory work, sufficient resources and efficient decision-making. These three factors are essential in order for the project to meet the objectives set for it.

In the cases selected for the audit, these prerequisites had been met with various success. For example, the preparation organisation may have been complex and too broad in view of manageability, the preparation work has been under-resourced in relation to the workload, or the decision-making process has not supported smooth preparation. A further challenge to the preparation is caused by the fact that extensive reforms, in particular, are often cross-sectoral, which highlights the importance of well-organised work. Other factors that contribute to successful preparation are clearly defined responsibilities and resources.

In the cases examined in the audit, efforts had been made to use information obtained during previous government terms in the preparation of the reforms and projects even when the usability of the information was not optimal. Based on the audit, a common and sufficient knowledge base is of major importance for the preparation. It is possible, for example, to share information and expand the common knowledge base by parliamentary preparation, even if no common understanding is reached on the issues processed. An adequate knowledge base is needed to ensure that decision-making is efficient and that the preparation takes place effectively within the schedule defined for it.

The audit focused primarily on the preparatory phase of the reforms and projects selected as case examples, not on their content or implementation. However, the audit findings showed clearly that successful and efficient implementation of reforms requires that the implementation be already taken adequately into account at the preparatory phase.

The preparation of the projects, programmes and reforms examined in the audit had been monitored comprehensively and regularly. Based on the monitoring, identified deviations had also been responded to, for example by making changes to the preparatory organisation or by developing solutions to other identified problems.

Matters extending beyond parliamentary terms have been prepared in many different ways

The preparation of each project, programme and reform examined in the audit had different starting points, objectives and implementation. In some of the cases examined, the targets set for the preparation were achieved, while in others, they were not.

In the preparation of the health and social services reform during Prime Minister Marin's government term, it was acknowledged on the basis of the experience of previous parliamentary terms that the preparations should be rushed if the reform were to be completed during one parliamentary term. Regardless of this, the Government set the target that the reform was to be completed during the parliamentary term. To ensure that the target could be achieved, a simplified service structure model was prepared and completed during the parliamentary term. However, because of the tight schedule, the preparations had to be continued after Marin's government term.

The preparation of the social security reform utilised the experience gained from the health and social services reform, the preparation of which had failed in the previous government terms. A parliamentary committee was set up to prepare the reform, but the broad composition of the committee with its different divisions did not support efficient preparation. In addition, the task assigned to the committee was more detailed than what had been set out in the Government Programme. The prerequisites for efficient preparation were undermined by the extent of the objective set for the reform in the Government Programme.

The targets set for the strategic capability projects of the Finnish Defence Forces have been based on the guidelines set out in the parliamentary defence policy reports. The targets had been widely accepted and remained unchanged during the preparation. During the preparation, the Ministry of Defence assumed a significant coordinating role through the Programme Office established at the Ministry. The Programme Office was responsible for communications and stakeholder cooperation, for example, which aimed at guaranteeing peace at work for the rest of the project organisation.

The promotion of digitalisation has been included in government programmes as a general objective in several parliamentary terms. However, the development has not been based on a coherent strategy, and it has not been coordinated across administrative sectors, which may have been reflected in the fragmentation of the development. The prerequisites for stronger strategic steering and cooperation were improved in Marin's government term by means of the Digital Office. In the future, the digital compass prepared by the Digital Office aims to direct the digitalisation development in Finland, but the implementation of the compass is only just beginning.

Recommendations of the National Audit Office

The National Audit Office recommends that when the Government starts to prepare major projects, programmes or reforms,

1. it is examined whether the project, programme or reform extends beyond the parliamentary term and ensured that adequate prerequisites are created for its effective preparation
2. attention is paid to the clarity, consistency and permanence of the objectives when the preparation extends beyond the parliamentary term
3. it is ensured that those who participate in the preparation have an adequate and shared knowledge base
4. the prerequisites for high-quality implementation are taken into account in the preparation and decision-making.