

# SEARCHING FOR SUBSTANCE: EXTERNALIZATION, POLITICIZATION AND THE WORK OF CANADIAN POLICY CONSULTANTS 2006–2013

**Michael Howlett**

Simon Fraser University and National University of Singapore

**Andrea Migone**

Simon Fraser University

**Abstract:** *The nature of policy advisory systems and the capacity and influence of individual system actors has been a subject of much interest in recent years, especially vis-à-vis observed trends towards the twin themes of politicization and externalization of policy advice. Studies to date for the most part have focused only on the capacity of highly visible advisory system 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 to undertake activities related to policy development and evaluation processes. The study reports on the findings of a 2012–2013 survey of such consultants in Canada and presents data on relevant aspects of their background, training, perceptions and capabilities compared to permanent policy analysts employed full-time by governments. It finds most consultants to be better qualified than their permanent counterparts and to primarily engage, like the latter, in process-related policy work. This answers some questions about the roles and relationships of these members of the advisory system but raises other questions about where the ‘substance’ of policies originates.*

**Keywords:** *policy advisory system, policy advisory capacity, consultants, politicization, externalization, policy advice, policy analysis*

**MICHAEL HOWLETT** – Department of Political Science, Simon Fraser University, Canada •  
Lee Kuan Yew School of Public Policy, National University of Singapore •  
[howlett@sfu.ca](mailto:howlett@sfu.ca)

**ANDREA MIGONE** – Department of Political Science, Simon Fraser University, Canada •  
[amigone@sfu.ca](mailto:amigone@sfu.ca)

Central European Journal of Public Policy  
Vol. 7 – № 1 – June 2013 – pp 112–133  
ISSN 1802-4866  
© 2013 Michael Howlett, Andrea Migone  
Licensed under [Creative Commons Attribution 3.0](https://creativecommons.org/licenses/by/3.0/)

## INTRODUCTION: POLICY CONSULTANTS AND THEIR ROLE IN THE POLICY ADVISORY SYSTEM

The concept of a policy advisory system was introduced in the mid-1990s in order to better depict the specific configuration and influence of actors involved in the provision and consumption of policy advice (Halligan, 1995). In practice this model focused on the analysis of institutional factors such as the proximity of advisors to centres of decision-making power and the impact this had on the distribution of influence. Although more recent studies have disputed the effects of purely locational factors in determining policy influence they have not rejected but rather modified the framework by also pointing out the significance and importance of the *content* of advice provided (Craft & Howlett, 2012).

Two significant trends in the evolution of contemporary advisory systems related to location and content, respectively, noted recently are significant and germane to this study. These are (1) “externalization”, in which various advisory activities previously undertaken largely by internal government actors are shifted outside government bureaucracies and (2) “politicization”, in which ‘technical’ analysis is replaced by non-technical advice (Craft & Howlett 2013, forthcoming).

Halligan noted as early as the mid-1990s that there were increasing pressures for more participation from both citizens and organizations outside of government and from international organizations and global flows (Halligan, 1995, p. 153) leading to conflict between the executives and the bureaucracies that had traditionally dominated advisory systems with these outside actors (Halligan, 1996, p. 150–151). Radin and others 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 type of advice now coming from actors positioned within both the governmental structure and outside it, while in the former case internal actors were becoming more politicized (Craft & Howlett, 2012; Eichbaum & Shaw, 2008; Radin, 2000).

Until now, the role played by policy consultants in these processes has been unclear (Speers, 2007). These consultants, professional analysts who are employed in the private sector but who provide advice and assistance to government on a contract basis, have been the focus of some attention by governments involved in contracting (Boston, 1994). However, the key concern of most existing governmental studies has been cost rather than influence (ANAO, 2001; House of Commons Committee of Public Accounts (UK), 2007; 2009; Auditor General of Canada, 2012a; 2012b).

Questions about the nature of consultants' work, its comparison with tasks performed by permanent government employees, and its impact and influence on policy outcomes have generally not been examined very closely (NAO, 2001; NAO, n.d.). This is partially the case due to limitations on information pertaining to contracts in official government sources which have made data collection and analysis of consulting activities from official sources difficult.

This article approaches these questions through the analysis of survey responses gathered from contractors who work in the area of policy consulting. In particular, in order to investigate externalization and politicization dynamics, it examines what types of activity consultants undertake in the policy advisory systems compared to those performed by government employees. Is consultants' work more oriented towards process activity like networking or communication, leaving the heavy lifting of 'substantive' advice to internal experts as was often thought to be the case in the past, or does it lean towards substantial tasks like identifying policy issues and proposing policy options to resolve them as proponents of the increased politicization and externalization of policy work hypothesis would have it? Both alternatives have been mooted in the literature but until now it has been difficult to ascertain the answer given the paucity of comparative data on the activities of each group. New data on the situation in Canada from both official government sources and survey research carried out by the authors now allows answers to these questions to be formulated.

## PREVIOUS RESEARCH INTO POLICY CONSULTANTS AND POLICY WORK

The questions explored in existing studies of policy work and policy advice in general have been related to understanding how policy advice is solicited, developed, transferred, and used in a specific advisory system. For example, studies have examined what the demand and supply of analysis is in specific countries, sectors and Departments; and how a specific subset of policy

advice is chosen to inform a certain policy (Colebatch et al., 2011). In this context, research on the impact of consultants is critical, given the greater role this group of advisors has had in policy-making in recent years (Perl & White, 2002; Speers, 2007).

Research on policy consultants has its historical antecedents in early articles on policy and management contracting written in the 1960s and 1970s (Deutsch, 1973; Meredith & Martin, 1970). It is also informed 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 Saint-Martin – see Saint-Martin, 1998a; 1998b; 2005a; 2005b; 2006. See also Bakvis, 1997).

Like much of the work on internal policy analysts in government, however, the actual work of external policy consultants is often surmised but not well known (Colebatch, 2005; 2006a; 2006b). In other words, it is still not clear from existing studies who policy consultants are, what they do on a day-to-day basis, what has been their training and background and how they view governments and their own efforts and influence in policy-making. These all subjects about which we now know a great deal about in the case of their permanent counterparts in government (Howlett & Newman, 2010; Stedman & Howlett, 2011; Wellstead & Howlett, 2010), however, and this now allows the possibility of a comparison of the work performed by these two key sets of policy advisors.

This article conducts such a comparative study by analyzing the results of a 2012 survey undertaken by the authors of consultants who had worked for the government of Canada on policy-related issues over the previous half decade. It sheds light on the nature of consultants and consultancy work in contemporary government and reveals some important findings about differences, and similarities, between the two groups. Not the least of these is that consultants tend to be better qualified than the analysts who employ them and, secondly, that their work is 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 policy advisory systems more generally since it sheds new light on the procedural orientation uncovered in earlier work on internal policy analysts (Page & Jenkins, 2005) while also raising additional questions about where substantive advice originates in such systems if not with either category of professional analysts.

## THE SIZE AND EXTENT OF POLICY CONSULTING IN THE CANADIAN CASE

Early studies of policy consultants were forced to make use of anecdotal or interview analysis as the authors were faced with unspecified and summary contract data which made it very difficult, if not impossible, to capture the overall dynamics of policy consulting (Howard, 1996; Perl & White, 2002). Both the spending on and penetration by policy consulting in the government, for example, were difficult to assess through official data on the subject.

In Canada the evidence until recently was quite poor at the federal level and non-existent at the provincial level. Despite the general paucity of studies and the lack of precise data on the subject until recently, however some general data was collected in the 1990s allowing Perl and White (2002), for example, to conclude that evidence for “a growing role played by policy consultants at the national government level is compelling in Canada” (Perl & White, 2002, p. 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 & White, 2002, p. 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.

This situation, at least at the federal level, has changed dramatically in recent years as new data on government contracting has become available. Canada now provides an excellent subject for case study analysis of both internal and external policy analysts and their activities. More importantly for the present study, Canada is one of the very few countries where data on both sets of actors can be compared and contrasted (Howlett, 2009b; Howlett & Newman, 2010; Prince, 2007; Speers, 2007).

The introduction of new reporting rules at the federal level in Canada in recent years now allows researchers to be much more precise about the exact nature of policy consulting at this level of government and about its temporal dynamics (Howlett & Migone, 2013a). While the data that is now available is still difficult to disaggregate and still lumps together into one category many professional services with little direct bearing on policy-making such as information technology, geology or accounting, lower reporting thresholds and mandatory reporting by Departments now allow researchers to analyze consultancies much better than in the past. Data is now available, for example,

showing that expenditures on policy-related consulting have levelled off in recent years, that a few Departments dominate expenditures in this area, and that a few large contracts let by them skew averages and other measures reported by earlier researchers (Howlett & Migone, 2013a).

The federal administration includes policy consulting within its internal expenditure category “0491 (Management Consulting)”. This comprises “consulting services for financial management, transportation, economic development, environmental planning, public consultation and other consulting services not specifically mentioned in other objects”. It should be noted that the category is homogeneous only starting from the 2006/2007 fiscal year reporting, while previous data is defined in a different manner and cannot be reverse engineered to fit the current definition.

The new data from the Public Accounts<sup>1</sup> shows the overall amounts spent in the 0491 category as they were allocated through individual budgets. This provides a complete picture of the expenditures in this area in the federal government (see Table 1).

From Table 1 a difference is evident in the sums listed for Management Consulting over the period in terms of actual vs. budgeted expenditures. In either case, the numbers have not grown steadily as many have assumed, but rather have levelled off and even declined since 2009 both in absolute terms and relative to overall federal spending. Table 2 below measures the total spending on management consulting as a proportion of the total spending of the Federal government. The evidence points towards a steady drop of spending in this category, which lost 2.66% since the 2006/2007 fiscal year.

1 The financial data for this study was collected from two sources: one set of data is taken from the new Proactive Disclosure websites created by individual Departments under the terms of the Federal Accountability Act of 2006. The second set of data comes from the Public Accounts of Canada. 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 dataset 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 C\$30,000, the dataset shows an average of C\$10,000 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 C\$100,000. The Proactive Disclosure dataset, on the other hand, under-represents the amounts spent, as the reporting of contracts below the value of C\$10,000 is not required. Nevertheless both datasets are a marked improvement from earlier years when contract disclosure thresholds were set at C\$100,000 and no individual Department records for contracts were easily accessible for study.

**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	C\$261,054,176.68	C\$555,516,709.43	C\$7,477,063,512.70
2007–2008	C\$347,094,921.94	C\$567,162,118.00	C\$7,923,709,891.00
2008–2009	C\$414,364,314.65	C\$585,692,394.10	C\$9,041,170,640.81
2009–2010	C\$448,848,332.83	C\$596,171,116.00	C\$9,899,165,162.00
2010–2011	C\$428,023,992.24	C\$525,578,869.00	C\$10,333,780,062.00
2011–2012	C\$359,413,275.71	C\$503,514,930.00	C\$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.

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

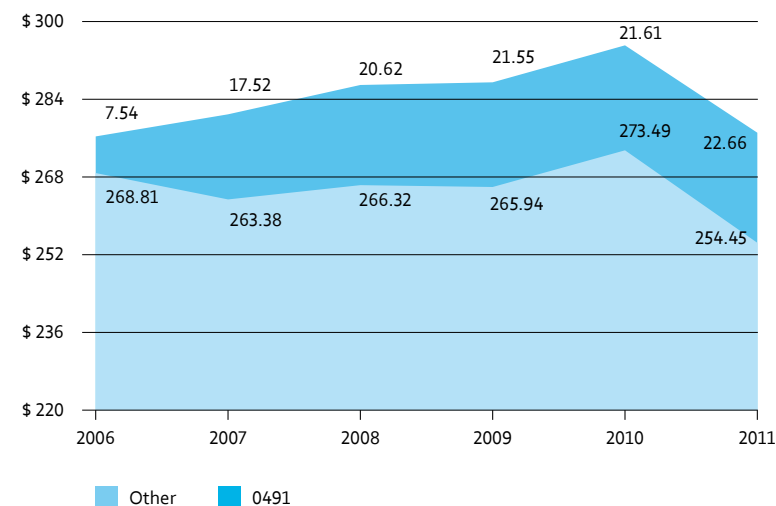
Fiscal Year	2006/2007	2007/2008	2008/2009	2009/2010	2010/2011	2011/2012
Percentage	7.43%	7.16%	6.48%	6.02%	5.09%	4.77%

Source: Public Accounts of Canada, various years

These data confirm the general finding from research undertaken by Macdonald (2011) on the importance of this category of activities in Canadian federal spending and its rather steady state. Howlett and Migone (2013a), however, found a general tendency of smaller contracts to drop in number in more recent years, while larger, longer term contracts have become more common, meaning that expenditures on larger contracts have increased, not declined. Further, disaggregating the data from the Public Accounts shows that although most administrative units experienced a decline in the expenditures for these spending categories, there are a few notable exceptions to this situation. For example the Department of Foreign Affairs and International Trade Canada (DFAIT) expanded its management consulting envelope three times over the period between 2006/2007 and 2011/2012 (see Figure 1).

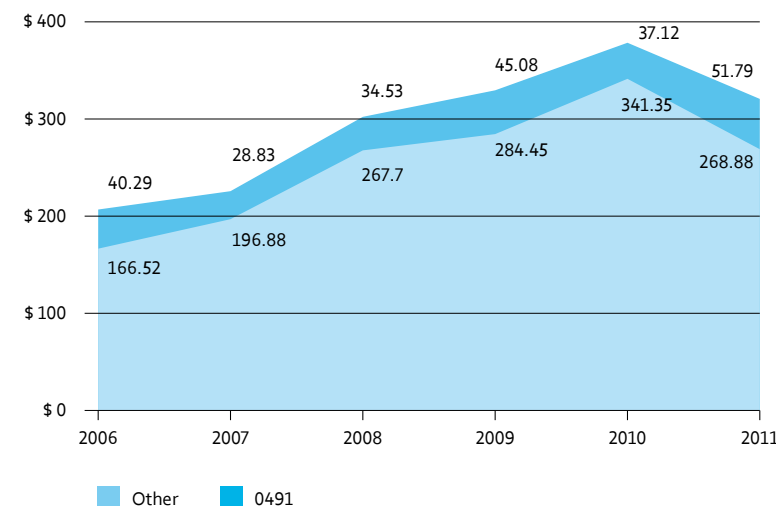
And a similar growth pattern also exists for the Department of Indian Affairs, where the amount for 2011/2012 represents an increase of 28.53% of the initial amount for the 2006/2007 fiscal year (see Figure 2).

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



Source: Public Accounts of Canada, various years

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



Source: Public Accounts of Canada, various years

In sum, therefore, these figures show that externalization of policy advice is a significant and ongoing feature of Canadian policy-making activity. The Management Consulting expenditure category accounts for a large, if slightly declining, percentage of overall government spending, although with some variations by unit and a general tendency towards larger and more permanent contracts. While revealing of some of the overall trends and dynamics in this area of government activity, however, these figures in themselves do not tell us very much about the nature of the policy work which these consultants undertake, the reasons for it (Colebatch et al., 2011), or its impact on policy-making and policy outcomes (Boston, 1994). In order to address these issues, both central to the evaluation of the externalization and politicization hypotheses, two separate surveys were undertaken by the authors to investigate the supply and demand aspects of Canadian federal-level consultant and contracting management behaviour. One, which is the focus here, targeted the supply side of this process and was directed towards consultants themselves. The second focused on the government managers who administer consulting contracts and is the subject of another study (see Howlett & Migone, 2013b). The next section presents some of the results from the supply survey.

## DATA AND METHODS

In order to help understand how consultants' policy advice is solicited, developed, transferred, and used in the context of the Canadian policy advisory system, the survey was administered 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 consultants' education and expertise, the size of their usual working groups, the types of tasks they performed, and their role in the policy advice process. The survey was administered on-line in December 2012 to 2,432 consultants identified through a sampling of over 35,000 contracts contained in the Proactive Disclosure database after non-policy related contracts were removed. The survey received 332 complete responses and 87 partial ones for a response rate of 17.23%.

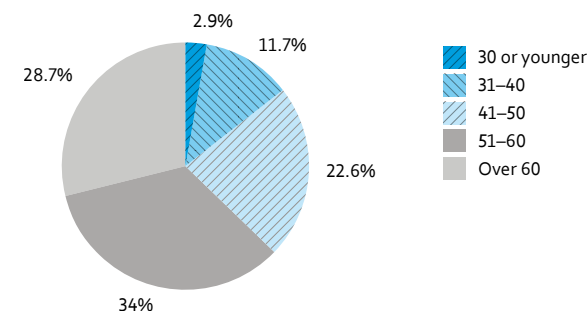
The survey questionnaire was designed to replicate as far as possible the questions asked of federal, provincial and territorial permanent policy analysts in previous surveys undertaken of internal policy advisory system actors by the authors (Howlett & Newman 2010; Howlett & Wellstead 2011). This was done in order to allow meaningful comparisons to be made between these two types of actors in the Canadian federal policy advisory system.

## SURVEY RESULTS: BACKGROUND OF CONSULTANTS

### Demographics

Within the sample 70% of the respondents were men, and most of them operated in Ontario (68%) where the federal capital, Ottawa, is located, 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 majority of the respondents were 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 whom are under 40 (Howlett & Newman, 2010; Howlett & Wellstead, 2011) (see Figure 3).

Figure 3 Age of Respondents



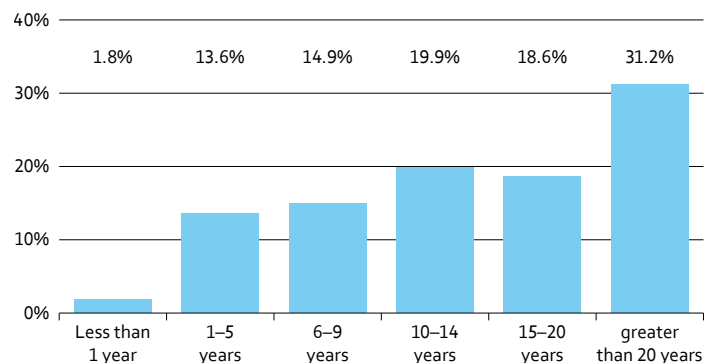
### Work Experience

The survey showed that a large majority of the individuals who responded had substantial previous policy consulting experience, with 30% having greater than 20 years experience. This represents another sharp difference from policy analysts in government, most of whom have been involved in policy work for less than five years (Howlett & Migone, 2013b; Howlett & Newman, 2010; Howlett & Wellstead, 2011) (see Figure 4).

Although the respondents were selected from a list of federal government contractors, there is some indication in the data presented in Figure 5 that consultants move back and forth between governments at different levels and non-governmental locations. Among the respondents, work is relatively evenly distributed between Federal and Provincial (or Territorial) governments. Less common is the interaction of consultants with local and international entities.

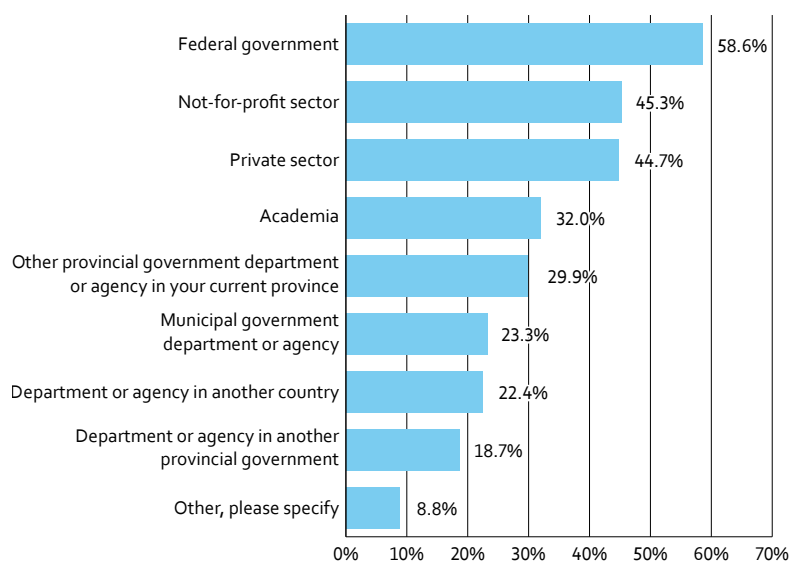
**Figure 4** Policy Consulting Experience

How many years have you been involved professionally in policy related consultancies, that is, helping government to develop or implement public policies?



**Figure 5** Policy-Related Work Experience

Do you have professional policy-related work experience in any of the following environments?



Work experience is broadly distributed among various institutional settings, with the Federal government first, followed by the non-profit and the private sectors (see Figure 5).

Regarding the government level that was more likely to employ the policy consultants, Table 3 below shows that most work was at higher levels of government and involved frequent interactions between the federal and provincial levels.

**Table 3** Interactions with Various Levels of Government

	Rarely or Never	Annually	Quarterly	Monthly	Weekly	Daily
<i>The federal government of Canada</i>	10.7% (42)	12.7% (50)	<b>21.9%</b> <b>(86)</b>	18.6% (73)	21.5% (85)	14.5% (57)
<i>Provincial or territorial governments in Canada</i>	20.6% (78)	21.1% (80)	18.2% (69)	<b>23.7%</b> <b>(90)</b>	11.1% (42)	5.3% (20)
<i>Local governments in Canada</i>	<b>43.9%</b> <b>(156)</b>	13.0% (46)	20.0% (71)	9.9% (35)	9.3% (33)	3.9% (14)
<i>International governments</i>	<b>54.3%</b> <b>(196)</b>	19.9% (72)	11.4% (41)	8.9% (32)	4.4% (16)	1.1% (4)

### Training

Most consultants had 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 for professional policy analysts in government. However, like their internal government counterparts, consultants are also generalists. 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 (Howlett & Newman, 2010; Howlett & Wellstead, 2011).

Only 26 respondents (7.7%) indicated their field of education was “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 School of Public Service. 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 4 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. Only 13.1% (45) completed any internal governmental training on policy analysis or policy evaluation.

**Table 4** Policy-Related Courses Undertaken in Post-Secondary Institutions

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

### Job Conditions

Only 39.3% of consultants 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 (see Table 5). Almost 95% typically operate in groups smaller than 10 people. This again is different from the general pattern in government of small unit (“policy shop”) work.

**Table 5** Size of Typical Working Groups

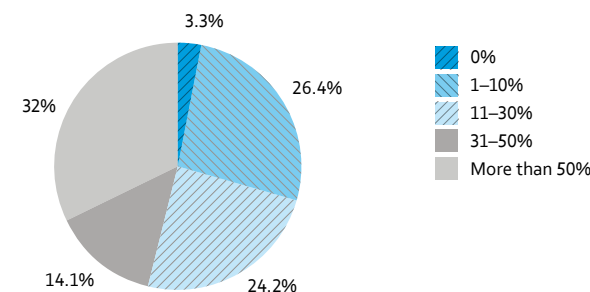
Size of Group	1 to 5	6 to 10	11 to 20	21 to 50	More than 50
	84.0%	10.4%	3.9%	1.1%	0.6%
	(299)	(37)	(14)	(4)	(2)

It was also the case that many of these consultants spent a substantial amount of their working time dealing with policy consulting for governments. However, only one-third of respondents (32%) spent at least half of their work time on this area, meaning for most government work is an adjunct to work for non-governmental clients (see Figure 6).

As for the type of issues they deal with, in general, consultants did not perform too frequently either ongoing or ‘firefighting’ tasks as shown by Table 6 below. Again, this is quite different from the pattern with internal analysts who reported much higher levels of this kind of work.

**Figure 6** Percentage of Consulting Work

What percentage of your consulting work is occupied by policy consulting for government?



**Table 6** 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

The scale’s range is Never (0), Yearly (1) Quarterly (2) Monthly (3) Weekly (4) and Daily (5).

### Trends and Dynamics

The survey also elicited a forecast from respondents of future consulting needs and their analysis of the quality of current patterns of activity. Regarding the consultants’ perceptions of the future demand for their work, 36.5% (126) of respondents believed that during the previous five years there had been an increase in their work. A slightly higher number, 37.7% (130) saw no variation, while 25.8% (89) saw a decrease. However, over the same timeframe, they saw the resources available for their work decrease (the weighted average for this answer was 2.72 on a 1 to 5 scale) (see Table 7).



**Table 7** Change in the Amount of Resources Available

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

The perception is also present that while there is some demand for higher quality policy research this is not necessarily an overwhelming request (see Table 8).

**Table 8** Demand for High Quality Policy Research

No Demand	Some Demand	High Demand	Very High Demand
11.3%	56.5%	24.5%	7.7%
(35)	(175)	(76)	(24)

The survey also asked consultants to measure the change in this type of demand over the previous five years. The answers 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 (see Table 9).

**Table 9** Change in the Demand for High Quality Policy Research

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

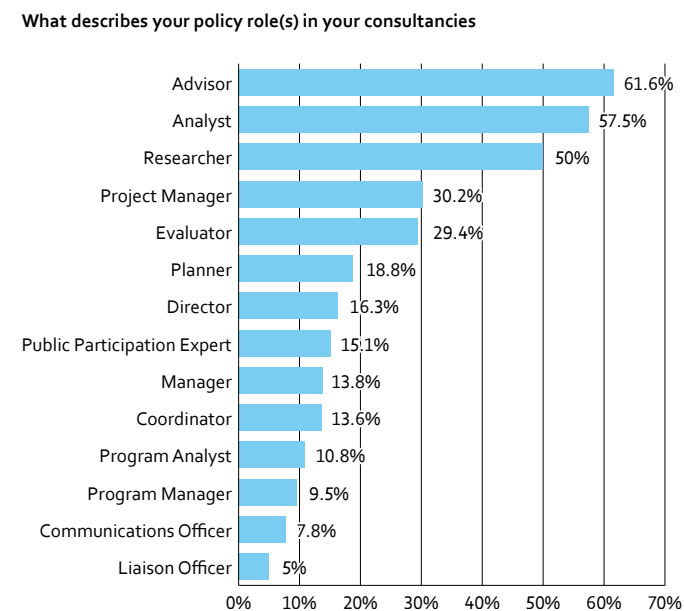
The consultants also provided a not terribly optimistic evaluation of overall levels of policy capacity in government. They saw a drop in governmental policy capacity in historical perspective (68.7% either agreed or strongly agreed with this statement), and 58.4% either agreed or strongly agreed with the idea that much 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**

Beyond these differences in age, training and other aspects of the external policy consultants’ demographic and educational background and work histories, the survey also explored the important question posed at the outset of the paper about politicization and policy content and probed whether they fell more into the camp of providing ‘process’ or ‘content’ advice. An interesting ‘division of labour’ was found to exist between these two groups of analysts which previous work had not described or anticipated.

One multiple-response question inquired about consultants’ policy roles. The top three answers were advisor (61.6%), analyst (57.5%), and researcher (50.0%) (see Figure 7).

**Figure 7** Policy Roles of Consultants

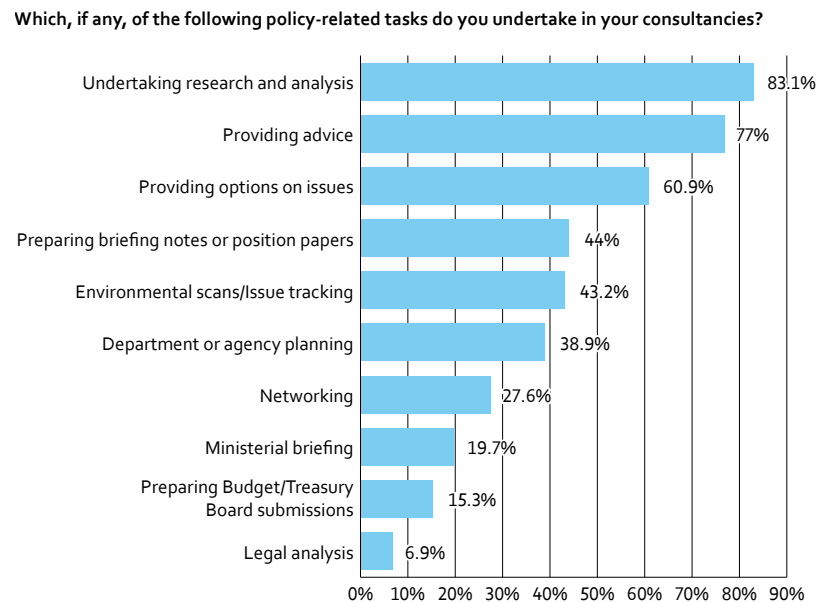


A related question about the policy-related tasks performed by consultants confirmed that conducting research (83.1%) and providing advice (77.0%) or options on issues (60.9%) were the most common activities of consultants.



It should further be noted that an important percentage of respondents also engaged in preparing briefing notes or position papers, tracked issues, and planned (see Figure 8).

**Figure 8** Policy-Related Tasks

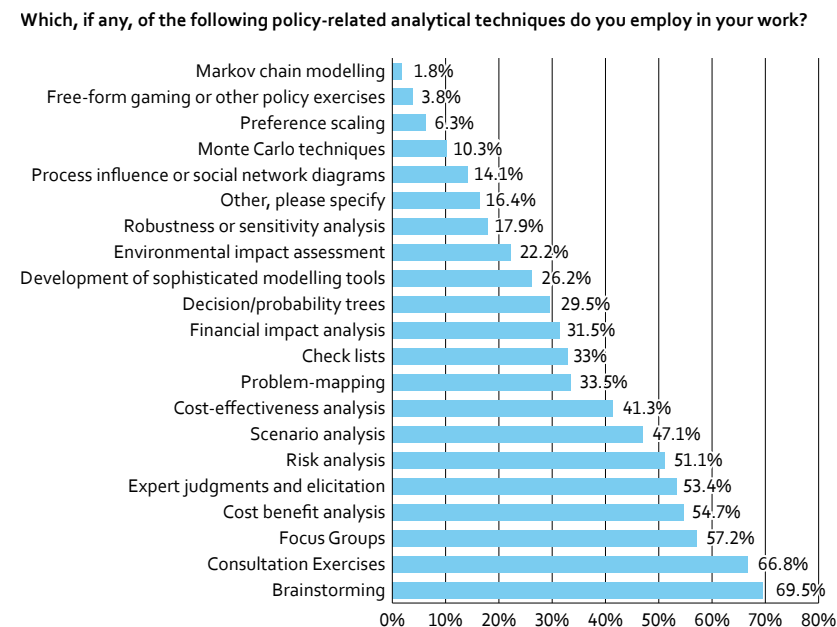


At the same time, external consultants were also found to be employed in a wide variety of functional areas including the Environment, Economic Development, Health, Agriculture and Education. This confirms the systemic trend across government of meeting diverse policy-related needs through the provision of additional external expertise and input proposed by the externalization hypothesis.

Exactly what kind of work this involves is made clear in Figure 9, which examines the kind of techniques external consultants apply in their work.

As this figure shows, in terms of analytical tools, focus groups and consultation exercises were employed relatively often. And, as Table 10 shows, consultants also rarely engaged in implementation or internal administrative work.

**Figure 9** Tools Employed By Consultants



Taken together these measures indicate that, in general, *the role of external consultants involves more process-based policy-making activities than content-based ones*. This suggests that ‘politicization’ has indeed occurred through the use of external consultants but not the kind of politicization often described and expected of them. That is, external consultants are not providing partisan advice instead of technical opinions, as often alleged, but rather political advice, writ large, pertaining to such issues as gauging the overall acceptability of government initiatives among the public through focus group activity.

**Table 10** Types of Policy-Related Work

	Never	Yearly	Monthly	Weekly	Daily	N/A
Appraise policy options	36.4% (57)	<b>26.5%</b> <b>(121)</b>	26.5% (88)	9.9% (33)	5.7% (19)	4.2% (14)
Collect policy-related data or information	12.4% (42)	<b>32.2%</b> <b>(109)</b>	28.7% (97)	15.1% (51)	9.2% (31)	2.4% (8)
Conduct policy-related research	10.0% (34)	<b>37.0%</b> <b>(126)</b>	28.7% (98)	13.5% (46)	8.5% (29)	2.3% (8)
Identify policy issues	10.4% (35)	29.3% (99)	<b>33.7%</b> <b>(114)</b>	15.4% (52)	9.5% (32)	1.8% (6)
Identify policy options	9.6% (32)	32.2% (107)	<b>34.6%</b> <b>(115)</b>	14.2% (47)	7.5% (25)	1.8% (6)
Implement or deliver policies or programs	<b>42.0%</b> <b>(134)</b>	21.0% (67)	12.9% (41)	8.8% (28)	7.5% (24)	7.8% (25)
Negotiate with stakeholders on policy matters	<b>35.2%</b> <b>(113)</b>	23.4% (75)	25.2% (81)	6.5% (21)	3.4% (11)	6.2% (20)
Negotiate with central agencies on policy matters	<b>42.9%</b> <b>(139)</b>	29.3% (95)	14.8% (48)	4.0% (13)	1.2% (4)	7.7% (25)
Negotiate with program managers on policy matters	<b>35.6%</b> <b>(113)</b>	22.1% (70)	22.1% (70)	10.4% (33)	2.5% (8)	7.3% (23)
Consult with the public on policy matters	<b>38.7%</b> <b>(125)</b>	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)	<b>37.6%</b> <b>(126)</b>	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)	<b>38.9%</b> <b>(133)</b>	14.9% (51)	7.6% (26)	1.2% (4)
Consult with decision-makers on policy matters	9.9% (33)	33.5% (112)	<b>37.1%</b> <b>(124)</b>	14.1% (47)	4.2% (14)	1.2% (4)
Brief lower or mid-level policy managers	20.7% (68)	25.0% (82)	<b>34.1%</b> <b>(112)</b>	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)	<b>40.5%</b> <b>(132)</b>	17.2% (56)	7.7% (25)	1.5% (5)	3.7% (12)
Evaluate policy results and outcomes	16.5% (55)	<b>38.2%</b> <b>(128)</b>	24.6% (82)	10.2% (34)	7.5% (25)	3.0% (10)
Evaluate policy processes and procedures	21.7% (71)	<b>34.2%</b> <b>(112)</b>	25.4% (83)	9.2% (30)	5.2% (17)	4.3% (14)

**CONCLUSIONS**

The data and survey results provided here confirm that the policy advisory system in Canada has experienced externalization through the use of external consultants and that the nature of the work being done externally contains a strong political element. New budget data confirms the increase in the use of external sources of advice over the past decade that was suggested in previous research (Howlett, 2009a; Howlett & Migone, 2013a; Prince, 2007; Saint-Martin, 2005a; 2005b; 2006; Speers, 2007), although the data also show that the trend towards rapid growth mooted in earlier studies has stopped, if not been reversed in many Departments.

As for politicization, the survey shows that the types of activity most commonly undertaken by consultants involved tasks such as preparing briefs, exploring options and generally what can be seen as 'process'-driven activities. This generates a picture of an internal professional public service that is increasingly engaged in 'outsourcing' policy research and analysis, but one that continues to hold on internally to some activities such as negotiation and implementation.

Ultimately, this data suggests that the contemporary Canadian advisory system has introduced a division of labour among internal and external analysts in which consultants, like their permanent counterparts in government, undertake a very large number of tasks in support of policies whose substance is developed elsewhere. They specialize, for example, in focus groups, consultations and various evaluative tasks such as cost-benefit analysis. While this is a significant and original finding which reveals a great deal about the interactions and 'fit' between these two key analytical actors in the Canadian policy advisory system and potentially others in other jurisdictions, it also continues to beg the question of substance. If both sets of analysts are engaged largely in process work, then who is determining the substance of policy?

**REFERENCES**

- Anao. *Developing Policy Advice*. 2001. Auditor-General Audit Report No. 21 2001–2002 Performance Audit. Canberra: Australian National Audit Office.
- Bakvis, H. (1997). Advising the executive: Think tanks, consultants, political staff and kitchen cabinets. In P. Weller and R. A. W. Rhodes (Eds.). *The hollow crown: Countervailing trends in core executives* (pp. 84–125). New York, NY: St. Martin's Press.
- Bevir M., Rhodes R. A. W. & Weller, P. (2003). Traditions of governance: Interpreting the changing role of the public sector. *Public Administration*, 81(1), 1–17.

- Boston, J. (1994). Purchasing Policy Advice: The Limits of Contracting Out. *Governance*, 7(1), 1–30.
- Colebatch, H. K. (2005). Policy Analysis, Policy Practice and Political Science. *Australian Journal of Public Administration*, 64(3), 14–23.
- Colebatch, H. K., (2006). (Ed.) *The work of policy: An international survey*. New York, NY: Rowman and Littlefield.
- Colebatch, H. K. (2006). What work makes policy? *Policy Sciences*, 39(4), 309–321.
- Colebatch, H. K., Hoppe, R., & Noordegraaf, M. (Eds.) (2011). *Working for policy*. Amsterdam: Amsterdam University Press.
- Craft, J., & Howlett, M. (2012). Policy formulation, governance shifts and policy influence: Location and content in policy advisory systems. *Journal of Public Policy*, 32(2), 79–98.
- Craft, J., & Howlett, M., (2013 forthcoming). The dual dynamics of policy advisory systems: The impact of externalization and politicization on policy advice. *Policy and Society*,
- Deutsch, J. (1973). Governments and their advisors. *Canadian Public Administration*, 16(1), 25–34.
- Eichbaum, C., & Shaw, R. (2008). Revisiting politicization: Political advisers and public servants in Westminster systems. *Governance*, 21(3), 337–363.
- Halligan, J. (1995). Policy advice and the public service in B. G., Peters & D. J. Savoie (Eds.), *Governance in a changing environment* (pp. 138–172) Ottawa and Montreal, ON: Canadian Centre for Management Development and McGill-Queen's University Press.
- House of Commons Committee of Public Accounts. (2007). *Central government's use of consultants*. Thirty-first Report of Session 2006–07. London, UK: House of Commons.
- House of Commons Committee on Health. (2009). *The use of management consultants by the NHS and the Department of Health*. Fifth Report of Session 2008–09. London, UK: House of Commons.
- Howard, M. (1996). A growth industry? Use of Consultants Reported by Commonwealth Departments 1974–1994. *Canberra Bulletin of Public Administration*, 80, 62–74.
- Howlett, M. (2009a). Policy advice in multi-level governance systems: Sub-national policy analysts and analysis. *International Review of Public Administration*, 13(3), 1–16.
- Howlett, M. (2009b). Policy analytical capacity and evidence-based policy-making: Lessons from Canada. *Canadian Public Administration*, 52(2), 153–175.
- Howlett, M., & Lindquist, E. (2004). Policy analysis and governance: Analytical and policy styles in Canada. *Journal of Comparative Policy Analysis*, 6(3), 225–249.
- Howlett, M., & Migone, A. (2013a, forthcoming). The permanence of temporary services: The reliance of Canadian federal departments on policy and management consultants. *Canadian Public Administration*.
- Howlett, M., & Migone, A. (2013b). Perceptions of consulting practices and options among Canadian government policy managers. Paper presented at the Annual BCPSA Conference, Vancouver, BC, Canada. May 2–3, 2013.
- Howlett, M., & Newman, J. (2010). Policy analysis and policy work in federal systems: Policy advice and its contribution to evidence-based policy-making in multi-level governance systems. *Policy and Society*, 29, 123–136.
- Howlett, M., & Wellstead, A. (2011). Policy Analysts in the bureaucracy revisited: The nature of professional policy work in contemporary government. *Politics & Policy*. 39, 613–633
- Levi-Faur, D. (2012). From 'big government' to 'big governance'? In D. Levi-Faur, (Ed.) *Oxford handbook of governance* (pp. 3–18) Oxford, UK: Oxford University Press.
- Macdonald, D. (2011). *The shadow public service. The swelling ranks of federal government outsourced workers*. Ottawa, ON: Canadian Centre for Policy Alternatives.
- Maley M. (2011). Strategic links in a cut-throat world: Rethinking the role and relationships of Australian ministerial staff. *Public Administration*, 89(4), 1469–1488.
- Meredith, H., & Martin, J. (1970). Management consultants in the public sector. *Canadian Public Administration/Administration Publique Du Canada*, 13(4), 383–395.
- National Audit Office. (N.D.) *Central government's use of consultants*. London, UK: National Audit Office.
- National Audit Office. (2001). *Purchasing professional services*. London, UK: National Audit Office.
- Page, E. C., & Jenkins, B. (2005). *Policy bureaucracy: Governing with a cast of thousands*. Oxford, UK: Oxford University Press.
- Peled A. (2002). Why style matters: A comparison of two administrative reform initiatives in the Israeli public sector, 1989–1998. *Journal of Public Administration Research and Theory*, 12(2), 217–240.
- Perl, A., & White, D. J. (2002). The changing role of consultants in Canadian policy analysis. *Policy and Society*, 21(1), 49–73.
- Prince, M. J. (2007). Soft craft, hard choices, altered context: Reflections on 25 years of policy advice in Canada. In L. Dobuzinskis, M. Howlett, & D. Laycock (Eds.), *Policy analysis in Canada: The state of the art* (pp. 95–106). Toronto, ON: University of Toronto Press.
- Radin, B. A. (2000). *Beyond Machiavelli: Policy analysis comes of age*. Washington DC: Georgetown University Press.
- Saint-Martin, D. (1998a). The new managerialism and the policy influence of consultants in government: An historical institutionalist analysis of Britain, Canada and France. *Governance*, 11(3), 319–356.
- Saint-Martin, D. (1998b). Management consultants, the state, and the politics of administrative reform in Britain and Canada. *Administration Society*, 30(5), 533–568.
- Saint-Martin, D. (2004). *Building the new managerialist state: Consultants and the politics of public sector reform in comparative perspective*. Oxford, UK: Oxford University Press.
- Saint-Martin, D. (2005a). Management consultancy. In E. Ferlie, L. Lynn & C. Pollitt (Eds.), *Oxford Handbook of Public Management* (pp. 671–694). Oxford, UK: Oxford University Press.
- Saint-Martin, D. (2005b). The Politics of Management Consulting in Public Sector Reform. In E. Ferlie, L. Lynn & C. Pollitt (Eds.), *Oxford Handbook of Public Management* (pp. 84–1056). Oxford, UK: Oxford University Press.
- Saint-Martin, D. (2006). Le consulting et l'état: Une analyse comparée de l'offre et de la demande. *Revue Française D'Administration Publique*, 120(4), 743–756.
- Speers, K. (2007). The invisible private service: Consultants and public policy in Canada. In L. Dobuzinskis, M. Howlett & D. Laycock (Eds.), *Policy analysis in Canada: The state of the art* (pp. 339–421) Toronto, ON: University of Toronto Press.
- Wellstead, A., Stedman, R., & Howlett, M. (2011). Multi-level policy analytical capacity in Canada: A structural equation model (SEM) study of federal, provincial and territorial policy analysts and analysis. *Public Policy and Administration*, 26(3), 353–373.