



# **GERMAN DIGITAL COUNCIL: AN “INSIDE-OUT” CASE STUDY**

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## Introduction

In early 2018, German Chancellor Angela Merkel's conservative Christian Democratic Union, the Christian Social Union, and the Social Democratic Party finalized a coalition agreement. That coalition agreement laid out the priorities for the coalition government and allowed Chancellor Merkel to continue in a fourth term leading the German Government. The 177-page agreement covered many important priorities, including nearly 15 pages on digitalization. One small, but critical piece of the digitalization platform was the directive: "*Die Bundesregierung wird einen Digitalrat berufen, der einen engen Austausch zwischen Politik und nationalen sowie internationalen Experten ermöglicht,*" directing the federal government to appoint a "digital council that will facilitate a close exchange between political, national, and international experts." From that one line emerged the German Digital Council (GDC), a body that since its formation in August 2018 has had a significant impact on the digital policies of Chancellor Merkel's government and the ways in which the Chancellery and ministries have adopted digital technologies and agile working methods.

Despite the many contributions of the GDC, its operation has been fairly opaque. This opacity was – as will be discussed below – an intentional part of the GDC's operational strategy, as part of an effort to focus on implementation and building trust-based partnerships with the ministries at the expense of self-promotion and personal agenda-setting through media. As a consequence, however, the basic design, structure, operation, and impact of the GDC has not been easily accessible beyond a relatively small group of involved parties.

This case study is an attempt to document and share some of these important and, thus far, undocumented details about the formation and operation of the GDC. The insights documented below are based on a series of group and individual interviews that the authors conducted with members of the GDC and members of the Chancellery that worked closely with the GDC. Throughout the various interviews, we sought to better understand the following broad areas:

- **Expectations:** What were the expectations before the GDC started? What worked better than expected? Where have expectations not been met?
- **Impact:** What has been achieved from your perspective?
- **Process:** What would you do differently if you could start all over again? What made the GDC different compared to other commissions? What accounts for that difference?
- **Context:** What were the political challenges in launching the GDC? What were the political responses to the work of the GDC?

In order to facilitate an honest and open discussion among the interviewees, the responses were shared with us confidentially. Although the members of the GDC are public, we have strived to ensure that our synthesis of their comments does not identify specific sources, except with their consent.

The goal of this case study is to open up the black box that is the GDC. In order to capture this inside perspective, we rely on the perspectives of members of the GDC and a handful of government officials who worked closely with them. Although we received important, and at times divergent, perspectives on the Council, these responses reflect the privileged perspectives of those whose views and voices were part of the GDC (and indeed, one of the authors of this case study is a member of the Council). A full and impartial assessment of the GDC and its impacts is an important undertaking, and it should prioritize interviews with key stakeholders that were not a part of the GDC. Such an undertaking is beyond the scope of this document, but we hope that this case study will be an input in that future work. While the COVID-19 pandemic was not a focal point of these interviews, it further highlights the importance and urgency of some of the areas the GDC was working on.

This case has three main pieces. First, in order to provide some context, we begin with a brief summary about the goals and modes of operation of the Digital Council, as documented in the Council's Bylaws and other framing materials. Following that, the bulk of this case describes the reflections, insights, and observations from the perspective of those involved in the Council on the operations, successes, and challenges of the GDC. And finally, the case concludes by identifying some of the factors that other governments and organizations should consider when creating their own bodies to assist in bringing independent expertise into their digital policymaking and transformation processes.

This short case study offers a first-of-its-kind documentation of the design and operation of the German Digital Council model – a rather unique body that piqued the interest of several foreign governments that seek to understand how to best navigate digital transformation issues at a national level. It seems also important to document the workings of the Digital Council for Germany itself and for the benefit of its future administrations.

## **Design Choices**

### **Operational Principles**

As noted, the German Digital Council emerged from a directive in a federal government coalition agreement. From there, the GDC was set up as an independent body and was organized with a robust set of Council Bylaws (“Geschäftsordnung”). These

Bylaws set forth the Council's core purposes, focal areas, and working methods for advising the federal government.

The Bylaws are particularly interesting with regard to at least three design features of the GDC: (1) The definition of the Digital Council's functions; (2) the thematic focus areas; and (3) its mode of operation, particularly the default choice to operate confidentially.

(1) Under the Bylaws, the GDC was established with **three main stated goals (or purposes) to meet the federal government's needs**. The first goal was for the GDC to ask both critical and constructive questions about government projects from a digital perspective. Using its unique expertise, the GDC would give examples of best practices and point out weaknesses in order to advance these projects. Second, the GDC would alert the government to new technical and economic developments. It would urge the government to get involved early in these new developments in a timely manner. Third, the GDC would act as a symbol for "digitalization" and its supporters during its interactions with the government – it would stand for innovation, the joy of experimentation, and the engagement in social discussions, embodying these ideals when advising the government.

(2) Given the breath of these overarching goals, the Council Bylaws narrow in on **six topical focus areas** where the GDC could best advise the federal government within the digitization sphere. The focus areas are:

1. Digital state, including but reaching beyond e-government
2. Changes in the work world and the economy through digitization and new technologies
3. Data and society (regulation and competition, utilization, and business models)
4. Competencies, particularly for furthering educational training and for skilled workers in general
5. The start-up scene (encouragement, advice, role modeling, and scaling)
6. Mindset, culture, and risk awareness

The Bylaws also clarify that "digital infrastructure," "cybersecurity," and "research" are topics outside the scope of the work of the GDC, as these subject areas are already addressed in other forms. Within this thematic scope, the Bylaws task the GDC to develop concrete, measurable activities, which in turn are regularly assessed and adjusted as necessary. Members of the GDC can take on "sponsorships" for specific topics.

(3) As noted, the Bylaws outline a few **key procedural guidelines for the working of the GDC**. The principles stipulate that GDC meets at least twice per year with

the Chancellor and key members of the cabinet, in addition to working meetings. The Chairperson (as all members) is appointed by the Federal Government, leads all meetings, and is the central point of contacts, supported by the Department (“Referat”) 621 of the Federal Chancellery. The Chairperson works with the Federal Chancellery, represented by the Head of Department 6, to prepare and organize meetings and content, and manage meetings with the ministries.

The Bylaws specify that all meetings of the GDC are confidential, including any written documentation, unless agreed otherwise. Moreover, all members of the Digital Council, as well as experts, are subject to confidentiality obligations with respect to consultations with the federal government, both within the context of the regular meetings as well as with regard to information exchanged between the meetings. Any Council publications are discussed and decided by the Council prior to publication.

## **Members of the German Digital Council**

*The core design principles of the composition of the Digital Council were: Internationally recognized experts with a track record in their fields, diversity, and the willingness to engage to help Germany become better in the area of digitalization.*

*The members are in alphabetical order: Ada Pellert, Beth Noveck, Chris Boos, Ijad Madisch, Katrin Suder, Peter Parycek, Stephanie Kaiser, Urs Gasser, and Viktor Mayer-Schönberger.*

*Council diversity: almost gender parity with 4/9 female members, 4 different nationalities, living or working in 4 different countries, an age difference between the youngest and oldest member of 20 years, various academic and non-academic backgrounds, and experience in start-ups and large corporations as well as academia.*

## **Members**

Unlike typical expert commissions in Germany, which are frequently built through a stakeholder consensus process with each stakeholder group being represented on the commission, membership of the GDC was envisioned differently from the start, for the reasons further discussed below. The GDC brings together nine independent experts from academia, research, and the private sector with a wide range of practical

experiences, who don't represent a particular organization or party (the 10th member stepped down from the GDC soon after its formation).

The council only gets an allowance (fixed for the chair and pro rata for the GDC members), although the time commitment at times has reportedly been equivalent to a part-time job.

## Activities

Throughout its tenure, and embracing the flexibility the Bylaws offer, the GDC has participated in a **broad range of activities** to advance their goals in advising the federal governments on the topic of digitization. Overall, the GDC has made a variety of contributions, which impacted the federal government on both its digital knowledge and the way that it operates.

As with any body that primarily exists to advise the government, the GDC has made **recommendations** to the Cabinet on a broad range of digitization-related topics. Additionally, the GDC has participated in some less “traditional” advising functions as well. One of its activities with great potential for long-term impact was **workshops** to facilitate knowledge transfer in a hands-on way. During these workshops, the GDC would train senior government leaders on digital topics that these leaders could then apply to their own workstreams.

The GDC also helped to **incubate new efforts** in digitization, for example by encouraging the creation of a country-wide data strategy. Using its expertise, the GDC also provided **project-based implementation support** for some digitization efforts. In general, the GDC created an invaluable network between its members and industries it represented and the federal government during its regular meetings over the past three years.

A number of the GDC's efforts are documented in text boxes throughout this case study to offer a sense of the types of contributions and to highlight some of the GDC's accomplishments.

## Reflections and Insights from Key Actors

The German Digital Council operated largely outside of public view. This was a result of both institutional and individual decisions. As an institution, the GDC did not host public meetings, and the topics discussed in its meetings with the Chancellor and her ministers were not publicly documented or publicized. Individually and collectively, the members of the GDC did not speak publicly about the work of the Council, instead directing their energies toward building trusted relationships with ministries and advancing the work of the Council. As a consequence, however, the institutional memory of the Council resides almost entirely within the minds of those who directly partici-



## **DigitalService4Germany**

*DigitalService4Germany was born out of the need to deliver user-centric software in a more timely manner than past government software projects that had been bogged down by extensive documentation requirements and long development cycles. It was created as an independent unit outside of traditional administrative structures and processes in order to avoid these past concerns, with the aim of developing digital solutions that work for everyone. GDC members helped with numerous aspects from the start, using their entrepreneurial experiences to advise on both high-level concepts and details surrounding D4G's decision making and management.*

*D4G uses both a flexible administration style and a specific entrepreneurial & empathetic company culture to achieve its goals. Additionally, D4G's project management style is goal-oriented, recruiting talent based on project-needs, and setting performance-based salaries. It keeps decision making processes separate from traditional administrative structures, and has a diverse supervisory board that oversees performance.*

*Translating governmental needs to the world of digitalization is a massive effort and so far, D4G has hired 30 employees working on 4 projects as of March 2021. The organization will continue to scale after its first projects are completed and reflected upon. In addition to its digital solutions, D4G aims to inspire government processes through innovative methods and entrepreneurial thinking.*

pated in the work of the GDC. Thus, understanding the formation and operation of the GDC necessitates relying on the reflections of those directly involved in the Council.

This section summarizes the reflections, insights, and observations from the key actors directly involved in the GDC. Through a series of group and individual interviews of these key actors, we asked them to reflect on their expectations for the Council, the context that shaped the formation and operation of the Council, the process of the Council's work, and the impact that the Council had (as well as the factors that may have limited its impact). Through the course of those conversations, four broad themes emerged:

1. The role of leadership
2. The composition of the GDC
3. The learning mindset and culture of the GDC
4. The challenge of being politically consequential

Below we share what the key actors shared with us about the GDC across each of these broad themes. We have clustered, summarized, and anonymized the responses, but we have endeavored to apply as little normative judgment as possible, not reflecting our own views or assessments on what is correct or incorrect.

## Role of Leadership

*“Leadership should always be a coach or enabler, not someone who is trying to influence, dramatically, the outcome of the people they’re working with.”*

Perhaps the most significant and frequently mentioned theme that emerged in our interviews with members of the German Digital Council and those that worked with the Council was the important role that Katrin Suder played as the Chair of the Council. One government official described Suder as the “most important part” of the Council, and the members of the Council seemed to agree on that assessment. Her role extended from supporting the selection of Council members to the day-to-day operation of the Council itself, and to serving as a key liaison between the government and the Council.

Although Suder did many functional jobs as part of her position as Chair of the Council, in describing her contributions, the members of the Council mostly focused on **the impact of her leadership and management style** more than any particular job she did. The quote highlighted above captures a sentiment that we heard from many members of the Council. Notably, several members of the Council described Suder as a “coach” (in the sports rather than mentoring sense) or an “enabler” which the members contrasted with a more traditional top-down management style. In particular, the members noted that Suder’s leadership was passive, in the sense that she gave everyone on the Council the chance to voice their ideas. Thus, Suder’s style was not to tell the members what they should be doing or to herd them toward her preferred outcomes, but instead to give the members the space and support they needed to reach their own decisions.

Although several members described Suder’s management style as “unassertive,” it would be incorrect to mistake Suder’s coaching style as inaction. Instead, Council members said that Suder did an immense amount of work preparing the Council for meetings, **enabling and empowering them to be able to impact government.** For

example, the members described how Suder would have one-on-one conversations with each Council member in advance of each meeting in order to ensure that the agenda reflected the views of all the members and to lay a foundation that would enable the members to reach consensus on key issues in each meeting. Indeed, several members said Suder was a “role model” for the group; the significant amount of work that Suder did before and after each meeting earned her the respect of the members and encouraged them to work harder as well.

The final way that Suder helped influence and shape the Council was through her **communication skills, both within the Council and in connecting the Council with the government.** Both GDC members and government officials noted that Suder had prior experience both in government and in the private sector, and this gave her the skills necessary to communicate with the diverse members of the Council, and to help translate the Council’s work for government. Members of the Council credited Suder with defining a “language” and communication style that worked well within the Council, while also serving as an “ambassador” and “translator” between the Council and the government. Across all of our interviews, the role that Suder played, often in the background, was most frequently and consistently mentioned as one of the most important elements of the GDC’s work.

## The GDC’s Composition

*“How huge a difference it is to not have this be about stakeholder politics.”*

As noted earlier, one of the more notable differences between the GDC and other expert commissions in Germany was the way in which the GDC council members were selected and the composition of members that resulted. Other commissions are frequently built through a stakeholder consensus process, where each relevant stakeholder group is given one or more “seats” on the commission, and selects their own representatives to the commission. The Chancellery, however, took a different approach in forming the GDC by instead **taking a more top-down and centralized approach in identifying and recruiting the membership** of the Council.

Based on our interviews, there does not seem to be one single reason as to why the Chancellery adopted this unique approach; instead this choice seemed motivated by a variety of factors. In particular the government prioritized the following factors:

1. **New Voices:** One government official told us that they considered it of critical importance on a topic like digital transformation to bring in “fresh” voices. Often traditional approaches to forming commissions draw on a small pool of repeat players, and in this case the government placed an emphasis on bringing in new voices that might not be identified through the stakeholder-representative

approach. As one government official told us, “You can’t learn a lot just talking to the same people.”

2. **Rapid Recruitment:** Our interviews indicated the government, perhaps because of the limited time in which the GDC could operate, prioritized speed for selecting members. The desire to have a speedy process was one factor pushing toward centralizing the process.
3. **A Portfolio Approach emphasizing diversity:** A centralized approach allowed the government to select members in a holistic manner. This allowed them to ensure that they had diverse expertise, and diverse backgrounds including gender parity.

Each of these factors seemed to be a reason why the Chancellery opted to take a more centralized, top-down approach to selecting members. Our interviews did not, however, indicate whether one particular factor was more influential than the others.

Once the decision was made to centralize the selection of members, it then became important to determine how the Chancellery would select members. The first step in that process was the creation of design criteria to guide the selection. One government official told us that they believed it was critically important that the relevant officials developed and agreed upon **clear design criteria**. In fact, the official said that had there not been clear, ex ante design criteria, they would not have participated in the Council, believing it was a precondition to the successful selection of members. The design criteria that was agreed to included the following:

- Diversity in gender, backgrounds, and personalities
- A small group overall with the willingness to engage actively
- Diversity in expertise, but also people who had prior experience working with government and/or in the private sector
- Independent voices and not people who came from big companies, unions, or political parties

Overall, the aim was to select a small group of people who would both be able to work well together but also work well with the Chancellery and the ministries.

The design criteria allowed the Chancellery to quickly find highly-qualified, expert candidates without engaging in a systematic, lengthy process. According to our interviews, a long list of potential candidates was developed through some informal consultations with trusted advisors and web searches. Notably, there was **no process for formal nominations** from key organizations like political parties or unions. The long list of potential candidates was narrowed through a process of desk research, consultations



with ministries, application of the design criteria discussed above, and ultimately interviews between select candidates and a senior member of the Chancellor's staff.

In many respects the ultimate effectiveness of this selection process is inextricably connected to the effectiveness of the Council as a whole, and as such an objective assessment will be required to fully evaluate this process. That said, it remains important to understand how the people involved with the process reflected on the merits of this process. One government official expressed the view that it is **important for the government to know at the outset what kind of advice they need**: visionary advice to inspire them or implementation guidance. In this case, according to the official, the government needed inspiration, but from people who could actually teach the Chancellor and the ministers new ways of thinking about digitalization. And according to that official, the selection process was successful in finding the people who could do that. Similarly, several members of the Council expressed relief that the Council composition was built around expertise and not "stakeholder politics," which gave them the space to provide that visionary and educational input to the Chancellor and the ministers.

Although the participants seemed to think the selection process was successful, they also noted a few challenges. One government official noted that by centralizing the selection process and not accepting stakeholder nominations, they were taking a "risk." And although they seemed to believe that the risk paid off, it was not without cost, as many of those stakeholder organizations complained publicly and privately about not being included. The participants also noted that the selection process was not perfect. In particular, the participants noted how despite efforts to select for personalities that could work well together, one member left the Council when he was not a good fit with the group.

## Learning Mindset and Team Culture

*"Many of us have had a strong learning experience in this group, and this, in addition to the friendships, was an incentive to stay on board"*

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*"If the team is working, decision-making always evolves in the way that is best"*

One of the design criteria in selecting the members of the Digital Council was individuals who would work well together and get along. Comity, however, was not an end in itself, but was viewed by government officials as a means to making the Council more effective. According to the members of the Council, this collegiality had three main benefits: (1) a team culture enabled a unified and supportive environment; (2) a learn-

ing mindset led to iterative improvement; (3) they were able to resolve disputes through consensus. We explore the factors that contributed to these elements below.

### *Team Culture:*

Throughout our interviews, Council members consistently used “team” language to describe their relationship with each other. This language echoes the “coach” language that Council members used to describe Suder’s leadership of the Council. Several members contrasted this team-oriented approach to traditional committees, where individual personalities may matter less. These members described how **a team environment requires that everyone understands the team’s goals, share a common commitment to solving problems, and has a willingness to subjugate their own ego and personality for the needs of the team.** Multiple members underscored how this requires both a greater investment of mental and emotional energy as well as a more significant investment of time than a standard committee. Moreover, they warned that a single person who does not make that commitment to the team can destroy the culture.

According to the members, although the team culture emerged early in the process, it was not spontaneous. Several members pointed to the role that Suder played in creating an environment that could sustain a team culture. Suder, for example, created **a goal-oriented environment that focuses on problem-solving and not personal advancement.** Similarly, Suder’s own investment of time and energy, set an example for the members to commit deeply to the cause. Another factor that helped build and sustain the team dynamic were shared non-business activities; one member described how a group climbing activity helped shape and build the team dynamic. Other members described how they developed social motivations for sustaining their efforts on the Council. The cohesive team culture, in addition to already being a geographically diverse group, enabled a smooth transition to a remote environment in response to COVID-19. However, it is unlikely that the team culture would have maintained the same level of success in a remote environment had in-person activities not taken place prior to the pandemic.

The impact of this team mindset, according to the members, was that they were able to address challenges in a more cooperative way. For example, members noted how they were coming from different backgrounds and had different working styles. Although these differences could have been a barrier to their work, their shared, goal-oriented commitment to problem-solving encouraged them to show **greater flexibility in working methods and styles.** Ultimately the members credited this flexibility with allowing them to blend knowledge and skills from different fields, which accelerated the process of moving ideas to impact. Similarly, the members described how the team mentality made it possible to present to the Chancellor and ministers as a united team,

even though each member had their own ideas and inputs. This singular message increased the clarity and impact of their recommendations for the government.

### *Learning Mindset:*

The GDC, both substantively and procedurally, represented an experiment in commission design. As such, there was no master plan for the Council and no one knew what would be effective and what would not. As a result, several Council members underscored the importance of the “learning environment” that they fostered on the Council. This learning environment, according to participants, gave them the space to identify what was working, change what was not working, and iterate quickly. One member compared the experience to working in a startup environment, with experimentation and rapid iteration. And, as will be discussed in the next section, it echoes the agile method on which the Council trained government officials and ministers. Another member compared the learning mindset to being in a classroom environment where **everyone is engaged in the spirit of learning from one another.**

Here also, the learning mindset did not spontaneously arise, but was instead the product of intentional efforts that gradually emerged over time. In particular, participants described several mechanisms that the Council used to foster this learning mindset. For example, participants described how each meeting ended with brief retrospectives where they could collectively reflect on what had just occurred. Even if the Council did not know how to do something at first, these retrospectives allowed them to gradually learn and recognize what worked. Similarly, one participant noted how there were **both group debriefs and individual debriefs after each meeting**, all in the spirit of iterative improvement.

Lastly, another way that the learning mindset was cultivated within the Council was through spaces for individual leadership and exploration. The topical areas within the scope of the GDC is far-reaching and exceeds what any single small group could cover in two years. As a result, Katrin Suder asked each member to identify specific areas that they were interested in working on and leading. With input from the Chancellor’s office, Katrin Suder and the members identified six topics that would be the focus of the GDC. By organizing the topics around the interests of the members, the participants felt that this encouraged **a learning environment where they could be both teachers in areas where they had expertise, and learners in the areas where other members had expertise.**

### *Consensus Decision Making:*

The preceding sections document the collegial atmosphere within the Council and some of the steps that helped foster that environment. It would be a mistake, however, to assume that the collegial attitude was a product of low-key or laidback personalities.

## Digital Skills and Lifelong Learning

*The GDC has continuously emphasized the important role that digital skills – and skill-building through lifelong learning – play to empower people to help shape the digital transformation and participate in an increasingly networked society. Initiatives incubated by the Council have included internal and external, and informal and formal programs.*

*An early focus was on encouraging and supporting network-building among civil servants within the government who were already driving digital transformation processes within the government. Based on the GDC's strong endorsement, members of the federal government have been offered the opportunity to join, based on a competitive application process, one of Germany's leading fellows programs (the ada fellowship). This program connects talents and executives from business and politics with digital thought leaders in a year-long curated program. Starting with the ada fellows as a core group, the Council helped build a vibrant internal community of "digital ambassadors" and change-makers from various ministries and units, making a creative space for mutual learning and open exchanges of experiences concerning e-government topics.*

*In the realm of formal (internal) education, the GDC encouraged the overhaul of the curriculum of the state-owned leadership academy, with the goal to promote digital skills, working methods, and an entrepreneurial mindset. In addition, and more hands-on, members of the GDC initiated and implemented a workshop series for civil servants from various ministries – including state secretaries – to learn about and practice agile working methods and design-thinking.*

*The Council has also emphasized the need to offer citizens additional tools and open resources to understand the increasingly important role data plays in society and to bolster efforts to build data literacy skills. The Council supported the development of a cost-free app on data literacy (Stadt Land DatenFluss), which was produced and distributed by the German Adult Education Association. The app offers adults an accessible way to gain a deeper understanding of the role of data and helps promote data literacy.*

*Across all activities, the GDC emphasized that learning in the digital age is not a dossier that can be left to one ministry, but as a strategic issue needs the leadership of the Chancellor. The GDC supported the national initiative "Digitale Bildung" launched in February 2021 with Chancellor Merkel as the chairwoman. Under the auspices of the ministry of education and research, it is now aiming to create a national network bringing together initiatives across many different areas of education.*



The participants, however, described a more combustible situation with multiple “alpha” personalities. In fact, participants described meetings that were intense, loud, and full of very different ideas for how to proceed. Such personalities and strong opinions could have easily led to paralysis and conflict on the Council, but instead participants described how the energy was channeled into a common desire to achieve something.

The factors described above – the team culture and learning mindset – made it possible, according to the participants, for these strong personalities to voice disagreement but ultimately reach a consensus decision. The participants described a process that they called both “professional” and “respectful” but also “very direct, honest, and loud.” During the process, individual members with special expertise and experience in one area would often be tasked to prepare initial discussion input, which served as an invitation and opportunity for everyone to make their own arguments and share their perspectives. Throughout these deliberations, Council members listened respectfully to each other, and then after a period of arguing and debate, they could reach a collective decision. The facilitating member then often continued to serve as the lead in the respective domain area, embracing and carrying forward the consensus that emerged from the intense deliberations. This internal division of labor in terms of subject matter facilitation allowed the Council to manage the massive workload and to leverage its members’ strengths, while also incorporating the perspectives and inputs of all members in an equal manner. The participants credited the strong team dynamic for giving them a strong sense of common purpose, even where they disagreed. And they credited the learning mentality for giving them a strong respect for each other. And collectively they believed these allowed them to reach consensus even after heated disagreements.

## Being “Politically Consequential”

*“We want to solve problems, not advance ourselves.”*

The Council was ultimately not a social club, and while the fact that the members of the Council liked each other helped enable cooperative, consensus-based work, it was not the purpose of the Council. Instead, the purpose of the Council was to improve Germany’s policies around digital transformation. Throughout our interviews, Council members shared a focus on implementation and impact over ego and self-aggrandizement. As one government official described the Council, everyone was asking “What can we do?” There was **a strong desire among the participants to have a tangible impact on German digital policy and execution**, and they ultimately believe they were successful on that front.

The participants described three key factors that they felt contributed to their ability to have an impact. First, the Council members emphasized the importance of having members with government experience because they were not naive to the political

environment; **they understood that having impact often requires working quietly behind the scenes.** Second, the Council decided not to publish white papers or sets of written recommendations, but instead **they chose to emphasize “field” work, running workshops, training ministers and their staff,** and being directly engaged in hands-on projects. And third, the participants mentioned the importance of their **ongoing, regular meetings with the Chancellor and ministers** as a mechanism for shortening the feedback loops between advising and implementation. According to the participants, these factors enabled them to actually translate their ideas and advice into impact.

In the course of the interviews, the Council members and government officials described four broad areas where the Council had a measurable impact on the Chancellery and the government as a whole:

- 1. *Creating an Agility Mindset:*** Government officials credited the Council with training them and people within the ministries about agile processes. Council members conducted trainings with senior government leaders, helping them understand how they could use agile processes in their own work. One government official noted the stark change that occurred; initially people within the ministries were skeptical about agile methods, but now every ministry frames their work using concepts learned in these trainings.
- 2. *Provoking Conversations:*** The Council members believed that they influenced the government by provoking conversations and raising issues that never would have surfaced at such senior levels of government otherwise. One member said they felt like they had opened up the “Overton window” on issues like data literacy that would not otherwise be on Chancellor’s desk.
- 3. *Developing Skill Sets:*** The Council members repeatedly emphasized the importance of the training programs that they initiated and led with members of the government. In particular, Council members spoke about the need to “scale” their impact throughout government, and one important way to do that was through training senior leaders with important digital policy skills that they could deploy across their own ministries.
- 4. *Reducing Paperwork:*** One government official described how an important impact of the Council was helping the government understand how to move to digital communications and reduce or even eliminate paper. Although the Council’s recommendations were initially adopted by only the Chancellor’s office, the government official described how additional government agencies are slowly adopting the recommendations, including that all inter-ministerial communication was switched to digital.

These are just some of the spaces in which participants felt they were able to have an impact on Germany's digital policy and transformation.

### **Shaping Governance: The German Data Strategy**

*Relatively early, the Digital Council highlighted the importance of the use of data, particularly non-personal data, for the economy and society. It struck a chord with the chancellor and a number of cabinet members. The Federal Chancellery was tasked with drafting an official "data strategy," a kind of white paper mapping out governance activities to further and facilitate the responsible use of data. Members of the Digital Council were consulted in the process of drafting a "key points" document released in December 2019 and involved in the numerous versions of the final "data strategy" document that was adopted in January 2021.*

Although participants uniformly felt that they had a positive and tangible impact on Germany's digital policy, Council members also discussed two key challenges that they felt made it difficult to assess or understand their impact. First, they felt that **it was very difficult to measure impact on policy and the digital transformation**, particularly because they were not producing papers. One member noted that typically committees are judged based on the outputs that they produce, but given that they were not producing tangible outputs, it was harder to measure. The members described how they tried to create measurable objectives and key results (OKRs), but they eventually gave up because they found it too **challenging to find appropriate, measurable criteria that accurately reflected the work they were doing**. Moreover, participants noted that OKRs failed to capture the impact of their work (e.g., training 50 senior government officials in digital skills does not capture the ultimate impact of that training). Ultimately the Council decided their own internal assessment of impact should be on mindset changes and skill growth among government officials, even if that did not fully capture their true impact.

A second challenge that the participants described was a mismatch in time horizons; although the Digital Council had about two and a half years to work, the pace of change within government was in many ways slower. One government official lamented that they wished the Council had a full legislative term. They observed that there was a necessary ramp up time for the members to learn the relationships between ministries,

build trust with ministers and their staff, and ultimately for the trainings and skills to begin to actively change the ministries. Thus, by the time that the Council's work was beginning to scale and have a visible impact, the attention of the members was elsewhere. Indeed, at multiple points in our group interviews, Council members were noticeably surprised to hear about impacts they had initiated that had taken time to develop and were only now emerging. Further, the COVID-19 pandemic also exacerbated the mismatch in time horizons – the pandemic interrupted and shifted priorities, which also made evaluating the progress on these priorities difficult.

In addition to challenges measuring the impact, participants also noted several obstacles to impact itself. One primary challenge that the participants identified is that although they were advising the Chancellor and the ministries, they were not a formal part of the government and **had no formal authority to translate their advice into impact**. As one Council member told us, “We are not the government. We are just advising the government.” This posed two significant challenges for the Council. First, participants described **challenges in getting acceptance, trust, and buy-in from the ministers**. The Chancellery, which felt ownership over the Council, was generally supportive of – and open to the inputs from – the Council, in part because Chancellor Merkel was interested in and invested in the work of the Council. According to the participants, the ministers, however, did not initially share the same enthusiasm for the work of the Council. And one official observed that in the German system of government, the ministries operate with greater independence from the Chancellery than executive agencies have from the White House in the United States, for example. Thus, Chancellor Merkel's views on the Council did not necessarily affect the authority of the Council within the ministries, and there was a lot of initial skepticism within those ministries. Government officials surmised that they were skeptical in part because the GDC was new and in part because the GDC was critical of existing government practices. One government official noted that over time the ministries learned that the Council was motivated to improve policies and not advance their own personal agendas, and then they began to trust the Council more. But without any formal authority, this trust was necessary to have any impact within the ministries.

The lack of formal authority created other challenges for impact, particularly given the **Council's limited ability to monitor and influence implementation within ministries**. By design the GDC had no formal offices, no staff, and no formal communications mechanism. Many members of the Council liked this set up, noting that it gave them independence and emphasized their self-governance. However, one government official described how it also may have limited the effectiveness of the Council. In particular, the official observed that ministers would often make commitments in the Council meetings and then not communicate them back to their ministries. In the absence of a formal staff, the Council lacked the ability to follow up directly with the ministries and instead had to rely on the ministers or other staff to take on those tasks.



## Register-Modernization-Act

*One of the essential foundations for citizen-friendly digital administrative services is electronic administrative registers, such as registers of civil status, resident registers, or land registers. These registers contain records and documents that citizens must repeatedly submit in paper form to public authorities. The leading e-government nations have digitized and centralized these registers nationwide. Authorities can query these data points cross-federally and process them (partially) automatically in respective administrative procedures.*

*A centralization or harmonization of data has not been implemented in Germany due to its strong federalism and sensitivity surrounding data protection. A unique identifier necessary for harmonization has been introduced, but only in the tax sector with the tax-ID. A legal framework has failed due to the fact that the governing parties could not agree on a politically viable compromise due to the strong data protection concerns and national census verdict by the Federal Constitutional Court from 1983.*

*The politically independent members of the Digital Council had well over 200 discussions with decision makers from the ministries and politicians from both government parties. These activities built the necessary trust in both governing parties for setting up a high-level decision-making group, which developed a register harmonization architecture and law using the tax-ID. A draft bill was also passed by the parliamentary representatives in the Bundestag and also confirmed by the Länder chamber.*

In an effort to try to have more accountability, the Council developed informal approaches. For example, when ministers made commitments during Council meetings, the Council tracked those commitments and at subsequent meetings those projects would be listed in a slide deck with red, yellow, or green colors to indicate progress on the project. Through this informal mechanism of **accountability through naming and shaming**, the Council tried to ensure that progress continued. Although the Council members believed this was an effective mechanism, one government official noted that without a staff to conduct follow-up and monitor the ministries, the Council had to rely on the ministries to self-report their progress and at times those reports were not

accurate. For example, Council members noted that this sometimes led to “re-reporting” of work already being done, which could use up a lot of the meeting time.

Similarly, without formal authority, the Council sometimes struggled for ministers’ attention. Although the Council was originally planning to hold meetings in the evenings, which would have given more space for attention and discussion, the meetings were instead scheduled for mornings immediately following cabinet meetings. The consequence of this is that **ministers were often distracted by the pressing crises of the day** that preceded the GDC meetings.

One government official noted that other commissions gain attention at ministries through publishing reports and then appearing in national media discussing their work. Because the Council did not communicate more publicly, this form of leverage was unavailable to the Council. That said, Council members seemed to believe that had they been more public, it would have been harder to ultimately build trust with the ministries. Additionally, Council members believe the non-public nature of the Council was beneficial in insulating them from the disruptions of party politics.

Although there were clearly challenges that members of the Council faced in translating their advice into tangible impact, their overall impression of their impact was positive. As one Council member described, they were really inventing a whole new way of advising the government. And in that light, participants accepted that there would be some challenges along the way, as they worked to establish this entirely new process within the German government.

## Conclusion

As stated at the outset, the goal of this case study is to offer an inside view into the inner workings of the GDC as a resource for those who seek to better understand the process that went into the design and operation of the Digital Council. In the above, we have described some of the self-reflective assessments of those involved with the GDC. It is not, however, a comprehensive, impartial assessment of the GDC.

By providing an inside view into the operations of the GDC, our ultimate aim is to provide a resource to other governments that seek to understand how a digital council could bring independent expertise to digital policymaking and transformation. An impartial, third-party assessment of the GDC, while valuable for many reasons, would actually provide scant additional guidance to other governments. Many of the factors that may have contributed to the GDC’s success (or failures) are contextual and specific to the GDC and the German political context. Notably, factors such as the German parliamentary system, the Chancellor’s direct involvement, the relationship between

## Factors and Considerations When Exploring a Digital Council Model

1. Context Matters: It is important for governments to think about the context in which their digital council will operate. For the GDC, they were lucky to have the active support of the Chancellor and to exist because of the government's coalition agreement. Other governments should consider:
  - Are senior members of the government supportive of the council?
  - Will senior officials be actively involved in the work of the council?
  - What mandate exists for the council?
  - What formal and informal authorities will the council have?
  - What expertise on digital transformation already exists within the government?
2. Diversity of Perspectives: It is important, particularly on issues like digital transformation, for governments to hear from a variety of voices and perspectives. The GDC, at some political cost, eschewed traditional member selection processes in order to select a group of experts not usually heard through such channels. Other governments should consider:
  - What voices does the government need to hear on issues of digital transformation?
  - Does the government need the council to provide inspiration or implementation expertise?
  - What voices are already present (either within government or through lobbying)? What voices are missing?
  - What stakeholders should be a part of the process?
  - What other mechanisms exist for including key stakeholders?
  - Who decides who is on the council?
  - What should be the design criteria for the council membership?

- 3.** Team Culture and Learning Mindset: A council's effectiveness will, in part, be influenced by the ability of the council to collectively solve problems together. The GDC built a strong team culture grounded in mutual respect and shared commitment to learning, which helped them remain cohesive through difficult times. Other governments should consider:

  - How can the council develop shared norms and a common sense of mission?
  - What decision making mechanisms will the council use?
  - How will conflicts be addressed within the council?
- 4.** Central Role of Leadership: The leadership on the council itself can have a significant impact on the culture and effectiveness of the team. GDC members credited Katrin Suder with her strong role in enabling individual members, serving as a key bridge to the government, and creating a team-oriented culture. Other governments should consider:

  - Who will lead the council?
  - What authorities will they have?
  - What is the leadership style that will best support the effectiveness of the council?
  - What experiences or expertise should the leader have?
- 5.** Importance of Institutional and Human Interfaces: A digital council will ultimately rely on interfaces with other parts of government. The GDC did not have any formal staff or authorities, but was still able to achieve impact through building relationships across government ministries, establishing trust, and finding mechanisms for holding ministries accountable. Other governments should consider:

  - What formal authorities will the council have?
  - What resources will the council be able to use?
  - How will the council interact with other government bodies?
  - What mechanisms can be used to ensure accountability and transparency?



- 6.** Measuring Success and Failure: Having an impact often requires a mechanism for measuring progress and maintaining accountability. The GDC struggled to find appropriate measures for success, particularly because they were ultimately trying to change mindsets within government, which was difficult to measure. Other governments should consider:

  - What are the objectives of the council?
  - What will success look like?
  - What objective criteria could help measure success?
  - How will failures be handled?
- 7.** Accepting the Limits: Ultimately a digital council is only one tool in enacting policy change within a government. The GDC members appreciated their independence from the government, but also recognized that it created disadvantages for having an impact. Other governments should consider:

  - What is the ultimate desired change across government?
  - What agencies or ministries need to cooperate to achieve that change?
  - What resources are needed to facilitate cooperation across government?

the Chancellor and the ministries, the relationship between individual members of the GDC, the presence of a global pandemic, and many other factors each contributed to ultimate impact of the GDC, and most are not replicable. But what can be gleaned from the above discussion are a set of process-oriented factors that can be analyzed and considered in the development of a digital council elsewhere. It is these factors that we believe can be useful to other governments as they consider the role that a digital council could play within their own unique political contexts.

What worked (or did not work) for the German Digital Council is in many ways specific to the unique needs and context of the German government and its digital strategy. But we hope that the factors identified above can help other governments as they think through how a digital council structure could help them in effectuating their own digital transformation.