

19 December 1980

Policy Unit Gen 80

PRIME MINISTER

GOVERNMENT STRATEGY

We will be putting to you on Monday, as promised, our STRATEGY PAPER NUMBER 3.

The questions we have to ask in reviewing Government strategy seem to me to be these:

- (1) Are you satisfied that the Government's central strategy is going well enough?
- (2) If not - is this due to lack of clear objectives, or lack of an adequate strategy, or failure to implement the strategy?
- (3) If strategy or implementation are at fault - do you believe that colleagues and officials can put it right?
- (4) If so - will they do it by trying harder? Or by starting all over again? Or by working in a different way? Or some combination of these?
- (5) If putting it right requires working in a different way - where will this new way come from?

The paper is written from the businessman's viewpoint: that is, it assumes that when things do not go according to plan, you must look at the organisation and the way of thinking and working, rather than at the people concerned. Business experience suggests that even the ablest people are quite useless if the approach and organisation is wrong. The quality of people alone is not enough. Experience at making new things happen counts too. This is an entrepreneurial skill.

In the Policy Unit, we are amateurs in the political field, in the Parliamentary and legislative process. We would fall flat on our faces if we suddenly tried to operate in that area. But I think you accept that the businessman's way of thinking really does have something to offer to politicians and senior civil servants who do not get much training or direct experience of management as such. This is where I

I think we, and other political advisers with business backgrounds, can make the best contribution.

Papers - whether good or bad, short or long - can achieve nothing by themselves. I hope we shall have a chance to discuss the paper (which I will copy to Geoffrey and Keith) in the New Year.

A handwritten signature in dark ink, appearing to be 'JH', written in a cursive style.

JOHN HOSKYNs