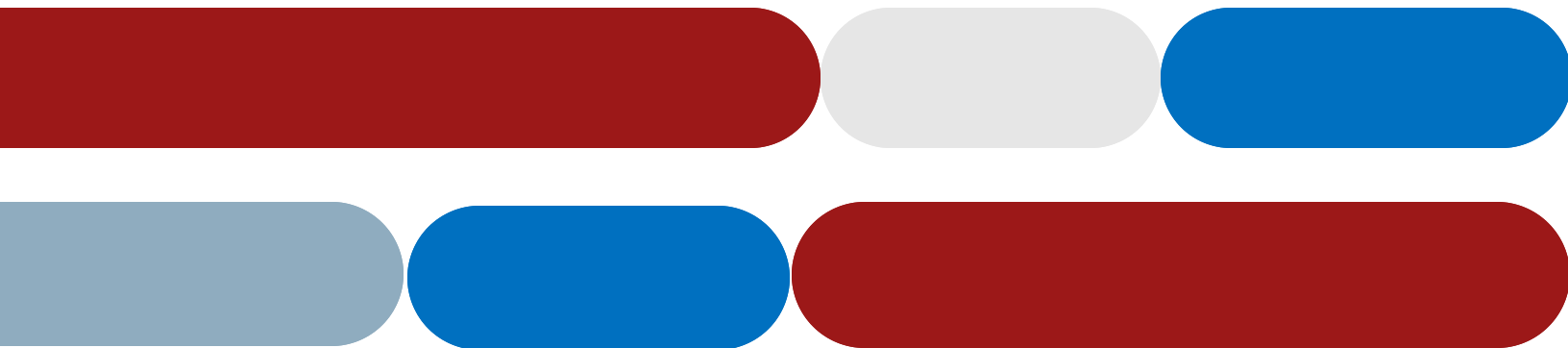# Rethinking Efficiency: Canada's Bold Productivity Imperative

Deep dives into productivity futures

CANADA
PRODUCTIVITY COUNCIL

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Executive Summary

For decades, organizations have relied on best practices to improve efficiency and control risk. But in a world defined by disruption, from AI to hybrid work to climate adaptation, efficiency alone is no longer enough.Canada's productivity future depends on bold practice: evidence-based experimentation that adapts, tests, and scales solutions fit for today's complexity. This white paper explores why traditional efficiency frameworks are reaching their limits and how bold practice can help Canada close its productivity gap while building resilience and innovation capacity.

The Context: The Limits of "Better"

Canada's Productivity Plateau
OECD data shows Canada's productivity growth has lagged behind peer nations for over two decades.
Despite substantial investment in modernization, Canada's GDP per hour worked remains 25–30% lower than the U.S. average (OECD, 2025).
The issue isn't effort; it's inertia.
Organizations are optimizing outdated systems instead of redesigning them for modern realities.

The Efficiency Trap
"You can't shrink your way to greatness." — Tom Peters

Pursuing efficiency through continuous tightening, more rules, more control, more process, often yields diminishing returns.
Efficiency-focused systems:
- Prioritize predictability over learning
- Measure output, not outcome
- Penalize experimentation

In stable environments, best practices deliver consistency. But in volatile, complex contexts, they can entrench stagnation.

02

The Case for Bold Practice

Bold Practice is not about abandoning structure — it's about building adaptability into the structure.
It combines evidence, experimentation, and purpose to design context-specific solutions that evolve with need.

Attribute	Best Practice	Bold Practice
Goal	Replicate success	Redefine success
Approach	Adopt proven models	Experiment within guardrails
Data Use	Validate	Learn and iterate
Risk Mindset	Avoid risk	Manage and learn from risk

Bold practice acknowledges that what works here, now, may not work elsewhere or forever, and that's okay.

03

Global Inspiration

Finland: Learning Systems

Finland's education reforms emphasized trust, autonomy, and experimentation. Schools were empowered to innovate locally within shared national goals, resulting in one of the world's highest learning outcomes without standardized testing overload.

Estonia: Digital Agility

Estonia's digital governance model, built on iterative testing and rapid prototyping, shows how small countries can lead globally by being agile, not oversized.

Singapore: Continuous Innovation

Singapore institutionalized innovation by embedding it into civil service culture, rewarding pilots and micro-experiments that deliver public value.

Each of these examples demonstrates the productivity payoff of bold experimentation.

04
Canada's Opportunity

Canada's decentralized, diverse economy is ideal for distributed innovation, small, bold experiments across sectors that collectively drive national performance.

CPC identifies three leverage points:

1. Policy Flexibility – Encourage test beds and adaptive frameworks in public programs.
2. Leadership Capability – Equip managers to design, measure, and scale bold practices.
3. Cross-Sector Learning – Share what works, and what doesn't, across industries.

By connecting these levers, Canada can move from isolated excellence to system-wide adaptability.

05
The CPC Framework: From Best to Bold

CPC proposes a five-step process for embedding bold practice into organizational improvement systems:

Step	Description	Example
1. Spot the Plateau	Identify areas where performance gains have stalled.	Service delivery metrics flat despite more effort.
2. Ask "What If?"	Reframe assumptions about what success looks like.	"What if we measured client outcomes instead of volume?"
3. Experiment Safely	Pilot small-scale, evidence-based changes.	Test a new workflow in one region or department.
4. Measure & Learn	Track both intended and unintended effects.	Use CPC's Decision Matrix to assess reward vs. risk.
5. Scale & Share	Spread proven bold practices across teams.	Publish outcomes in CPC's Knowledge Center.

This cycle transforms performance management into a living laboratory of learning.

06

Implications for Leaders and Policymakers

For Organizations

- Replace rigid KPIs with adaptive performance dashboards.
- Train teams to use decision matrices and pilot-based improvement.
- Reward experimentation, not just compliance.

For Policymakers

- Create safe regulatory sandboxes for bold innovation.
- Fund outcome-based, not activity-based, pilot programs.
- Recognize learning as a productivity investment.

For Leaders

"Courage is the new competence."

Leaders must model experimentation, asking better questions, protecting space for innovation, and reframing failure as discovery.

07

Conclusion: The Bold Productivity Imperative

Canada's productivity challenge will not be solved by working harder, faster, or cheaper, but by working smarter, braver, and more adaptively.

Bold practice offers a way to evolve systems without losing stability, to experiment safely while designing for resilience.

When Canada embraces boldness as a capability, not a risk, it will shift from managing productivity to creating it.

08

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