



Public Sector executive survey

Global executive summary

January 2015

Gathering insight for Public Sector leaders

What keeps public sector executives up at night?

This is the question that the Institute of Public Administration of Canada (IPAC), in collaboration with its partner organizations, attempts to answer with the Public Sector Executive Survey. Conducted on a biennial basis since 2009, the findings from the survey take the pulse of appointed officials.

In the spring of 2014, IPAC partnered with Deloitte, one of the world's leading professional services firms, to conduct the latest survey of public sector trends in Australia, Canada, New Zealand, and the United Arab Emirates (UAE). Over 2,200 executive-level civil servants participated across federal, provincial / regional, and municipal levels of government. Each participant was invited to complete a 30-minute online survey, comprised of nine sections addressing public sector priorities, inter-jurisdictional cooperation, public sector renewal, performance management, risk management, accountability, and fiscal constraints. The survey was administered in the spring and summer of 2014.

The results of the survey will help public sector leaders across global markets learn from each other about emerging issues, and how governments in each country are responding to new opportunities, challenges and trends. This global executive summary describes the nine key insights that emerge from this survey.

We encourage you to review these findings and reflect on how they may shape the challenges and opportunities that lie ahead for your jurisdiction.

Sincerely,

Dr. Robert Taylor

Chief Executive Officer

Institute of Public Administration of Canada

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Survey overview

The survey had six main sections and a total of 36 questions

1. Public Sector Priorities
2. Public Sector Renewal
3. Program Management / Risk Management / Accountability
4. Fiscal Constraints
5. Public Sector Engagement with the Academic Community
6. Inter-jurisdictional Co-operation



Respondent profiles

- Target respondent was Deputy Minister / Senior Executive
- 12% of respondents from Federal levels, 72% from provincial or regional levels, and 9% from local / municipal levels
- 58% of respondents were men
- 45% of respondents have more than 20 years experience in the public sector
- 70% of respondents in current position 5 years or less



Survey focus

The survey had an inherent focus on nine key questions for public sector leaders

1. What personnel development and human resources issues are most pressing
2. What lessons have been learned relative to human resource capacity and motivating teams
3. What public sector management policy and program priorities exist across governments
4. How effectively are civil servants and academia working together
5. What new forces will be impacting government in the coming years
6. What stakeholder engagement priorities exist
7. What progress is being made with inter-jurisdictional collaboration
8. Are performance management frameworks in place and working
9. How is government functioning in a new era of fiscal constraints



A “New Public Sector Norm” emerging across all countries

Relative to the nine core questions, **fiscal constraints and rising stakeholder expectations are the “new norm”, and public sector executives need to respond by:**

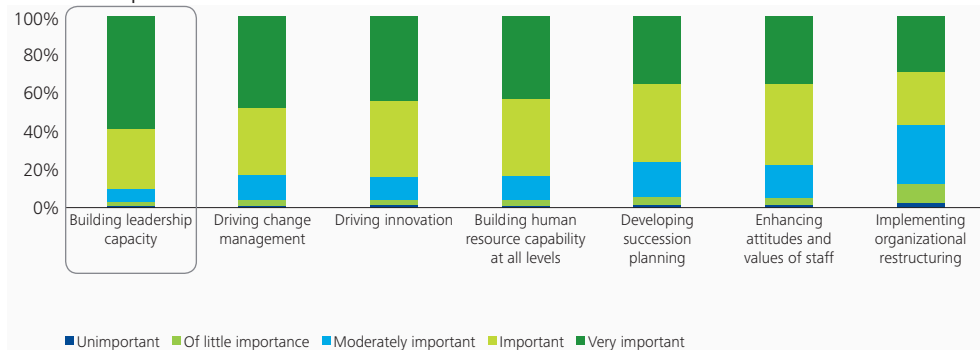
1. Human resource priorities are on **Building leadership capacity and Driving change management**
2. Driving human resource capacity is being impeded by **short term focus and lack of HR tools**
3. Policy and program priorities focus on **Innovative Service delivery** (citizen self-service and engagement of third parties)
4. There appears to be a **growing divide between academic and practitioner communities**
5. **Advanced analytics and mobile communications** are two powerful forces impacting government in the coming years
6. Focusing on **stakeholder engagement around programs / services and building trust** in public institutions are key priorities
7. More effective **inter-jurisdictional collaboration is required**, with enhanced roles for municipalities and central government
8. **Performance management frameworks** are generally in place, but not effective enough for management
9. Government needs to find better ways to **function effectively despite fiscal constraints**

Insight #1

Need for leadership capacity and driving change management in an era of fiscal challenges

- 90% of survey respondents stated that **Building Leadership capacity** is an important HR priority
 - #1 priority for each of the four countries in scope
 - Notably higher in NZ (96%) and lower in UAE (82%)
 - UAE looks more like building supports, continuous improvement
 - Room for improvement in coaching and leadership development tools
- A close second priority in importance rating is **Driving Change Management** (82%)
 - #2 priority for Can/Aus/NZ, #4 for UAE
 - Perhaps related to demographics – large majority is C/A/NZ is 40+ (>80%) whereas only ~47% is over 40 years old in UAE
- **Driving Innovation** also achieves more than 80% rating as an important priority

Personnel development and human resources issues



Source: Public Sector Executive Survey, Question 5 *Over the next 2 years, how important will be the demand for the following personnel development and human resources issues for your organization?*, n=1,503



Executive focus

Given other immediate priorities, government is not fully prepared to build the next generation of leaders.

Implications for Public Sector Leaders:

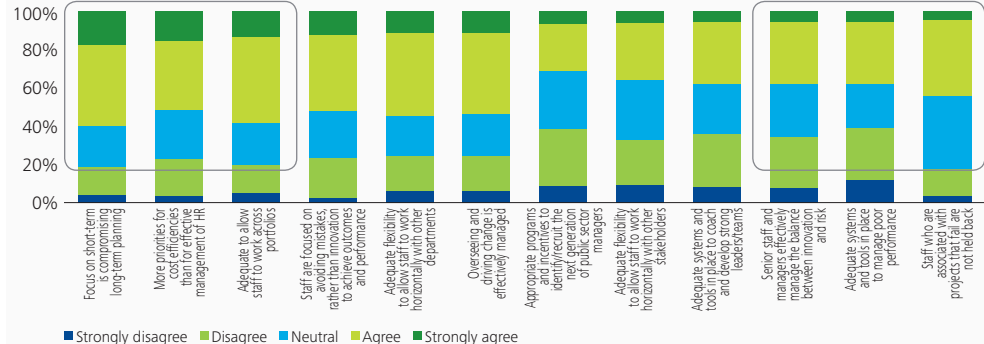
- What ability do government have to hire the “right” staff
- What training and leadership development is required
- Can HR capability be enhanced despite fiscal constraints
- Need to work on identifying future managers / leaders

Insight #2

Driving human resource capacity is being impeded by short term focus and lack of HR tools

- Survey shows that all four countries agree that the need to build **human resource capacity at all levels** and drive innovation will be important HR issues for their organizations
- 60% of respondents agree that a **focus on the short-term is compromising long-term planning**
 - Barriers to driving innovation:
 - Overwhelming agreement (~60%) that short term focus is compromising long-term plans
- Majority (55%) agree that staff are too focused on avoiding mistakes rather than innovation
- Only 37% agree that senior staff effectively manage the **balance between innovation and risk**
- **Leaders appear to lack adequate systems, and tools** to build HR leadership and manage HR performance

Capacity building and motivating teams



Source: Public Sector Executive Survey, Question 11 Please indicate the extent to which you agree or disagree with the following statements about building capacity and motivating teams.



Executive focus

Governments' strategic planning role is compromised by short term focus and lack of HR tools.

Implications for Public Sector Leaders:

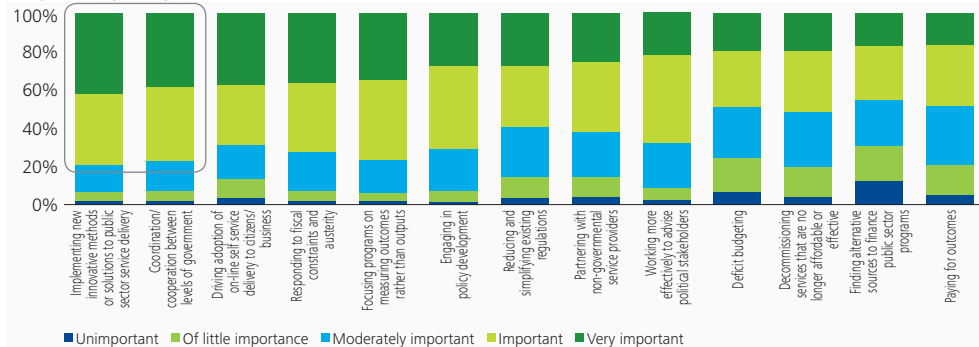
- Is there a way to meet short term efficiency focus AND build HR capacity
- What kinds of leadership and performance tools would be useful

Insight #3

Policy/program priorities are on innovative service delivery and coordination across government

- Globally, 79% of respondents say that implementing innovative solutions to **public sector service delivery** is important, and their top priority selection
- 45% of the same respondents have seen an increase in **third party service delivery agents** over the past 2 years
 - More than 50% believe that service outsourcing to third parties will continue to increase in the coming years
 - However, only 35% agree that third party service delivery agents can deliver quality services at “much lower cost” than traditional government models
- Concerns of privacy and data security rank highest as impediments to growth of third party collaboration
- A close second, priority, **Coordination between levels of government** is deemed to be an important priority by 77% of respondents
- Citizen adoption of On-line services** is deemed important by 70% of respondents

Policy and programing priorities



Source: Public Sector Executive Survey, Question 6 *Over the next 2 years, how important will the demand of the following areas of policy and programming be for your organization?*



Executive focus

There is a growing push for innovative approaches, but we are struggling to bring them forward.

Implications for Public Sector Leaders:

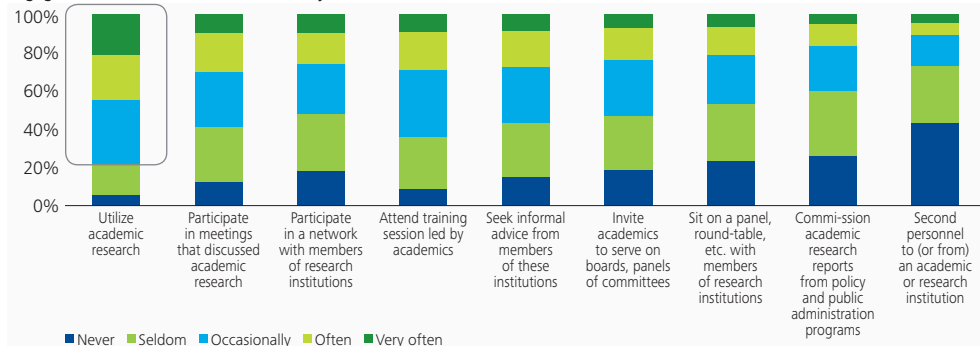
- Why do a majority of respondents expect increase in third party service delivery but only about a third of them agree that is better/cheaper
- What kind of government coordination between levels is possible and being planned
- How can government drive higher citizen adoption rates / demand for on-line services

Insight #4

Increasing divide between academic and practitioner communities

- Globally, respondents are more likely to engage with the private sector or the non-academic sector (such as social enterprises) than the academic community
 - 50% of respondents often engage with the private sector while only 19% of respondents often engage with academia
- When respondents do engage the academic community they are most likely to do so through the use of academic research
 - 78% of respondents utilize academic research at least occasionally
- More active forms of collaboration with academia are **rare** amongst respondents
 - Only 27% of respondents often seek advice from academic institutions
 - Only 26% of respondents often participate in a network with members of research institutions
- While most respondents have, at one time, engaged with the academic community, ongoing collaborative relationships are rare

Engagement with the academic community



Source: Public Sector Executive Survey, Question 9 *In the past 12 months, how often did you or your senior staff...*



Executive focus

There is an evident disconnect in value creation potential between academia and public sector.

Implications for Public Sector Leaders:

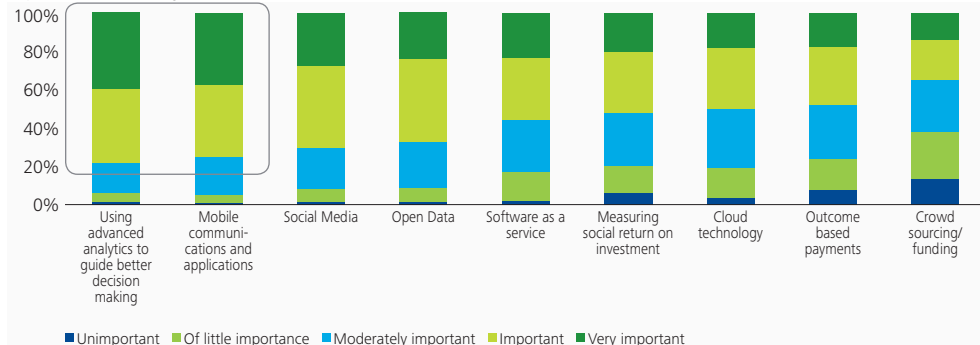
- Why are public servants more likely to engage with the private sector than academia?
- What are the implications of the disconnect between academia and public administration for evidence-based decision-making?
- How can the two communities' approaches be reconciled to develop better policy?

Insight #5

Advanced analytics and mobile communications are key forces shaping government

- **Advanced analytics** is rated as important by over 80% of global respondents
 - AUS/CAN/NZ place highest importance on using advanced analytics to guide better decision making (for UAE, mobile communications ranks 1st)
 - Canada and UAE stand out as a countries that place the highest importance on Social media impacts to government
- **Mobile communications** is also rated as important (77% of participants) in all four countries
 - Strongest opinion of importance in UAE
- Driving **adoption of on-line service delivery** to citizens / businesses appears to also be a global priority (more than 68% of respondents rate this as important)
- **Social Media** and **Open Data** also receive relatively high importance scores at over 70% each

Impact of forces on organization



Source: Public Sector Executive Survey, Question 8 *How important will each of the following forces be to how you manage and interact in the next two years?*



Executive focus

Are countries able to compete with the global trend in mobile technology as EGovernment interface?

Implications for Public Sector Leaders:

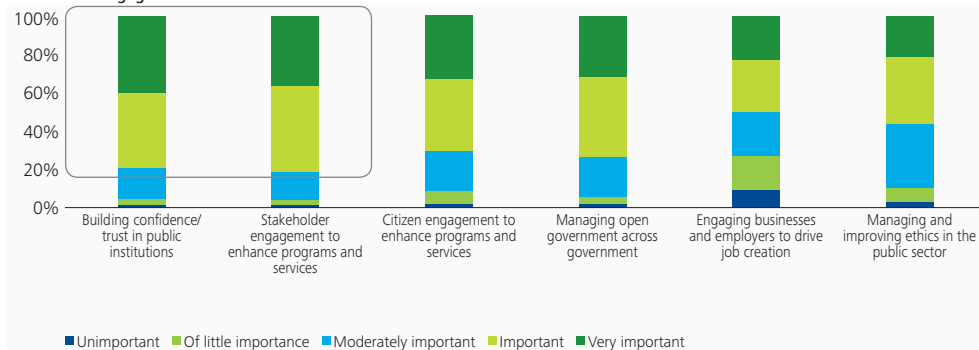
- What kinds of decisions would analytics support
- What barriers exist regarding analytics (vision, data, tools, HR)
- What parts of Mobile (internal / external) are most critical and what IT requirements exist
- What initial steps have been applied to social media and open data

Insight #6

Building trust in public institutions and engaging stakeholders to enhance programs are priorities

- **Building confidence and trust** in government (80%) and **engaging stakeholders** (82%) to enhance programs/ services are key priorities
- Very strong agreement that there is a lot of importance on this globally over the next 2 years (Globally >75% rank it as most important)
 - UAE specifically delineates “Citizen Engagement” as more important than the more general “Stakeholder Engagement”
- CAN and AUS both placed highest overall importance on building trust and confidence in public institutions over stakeholder engagement
- Engagement with the private sector is the most common form of external engagement for senior staff (50%), but engagement with social enterprises is also significant (35%)
- **Open Government** is deemed important by 75% of participants

Stakeholder engagement



Source: Public Sector Executive Survey, Question 7 How important will each of the areas of stakeholder engagement be for your organization in the next two years?



Executive focus

Executives have built an ethical public service, but they are concerned about low trust towards their institutions.

Implications for Public Sector Leaders:

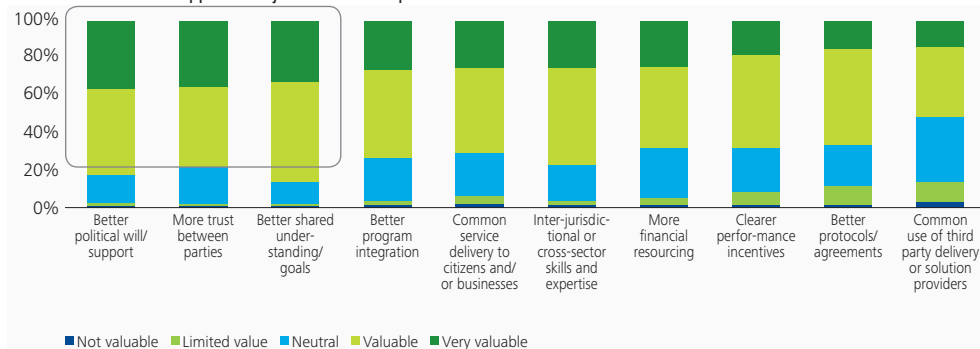
- What factors have caused a loss of trust in recent years
- Are there particular stakeholders that should be consulted
- How is “Open Government” defined and what are the barriers

Insight #7

Inter-jurisdictional collaboration is growing, yet facing challenges

- About 90% of organizations are engaged with other jurisdictions through some degree of policy formulation, equipment sharing, or service delivery
- 75% of organizations are likely to be working towards more inter-jurisdictional cooperation in the next two years
- 77% of respondents stated that coordination / cooperation between levels of government will be an important area of policy and programming over the next two years
- 30% of respondents agree **local government** should have a more significant role in shaping the policy agenda
- 45% of respondents find that the central government is doing an 'average' job at supporting cross-sector collaboration; only 30% find it "effective"
- The most valuable factor to facilitate or support inter-jurisdictional co-operation is **better political will**
 - **Other factors include trust, better understanding of goals, and better program integration**

Factors to facilitate or support inter-jurisdictional cooperation



Source: Public Sector Executive Survey, Question 29 *What factors would be most valuable in facilitating or supporting more inter-jurisdictional and sector cooperation and results?*



Executive focus

The future role of public servants will be to ignite the discourse about horizontality.

Implications for Public Sector Leaders:

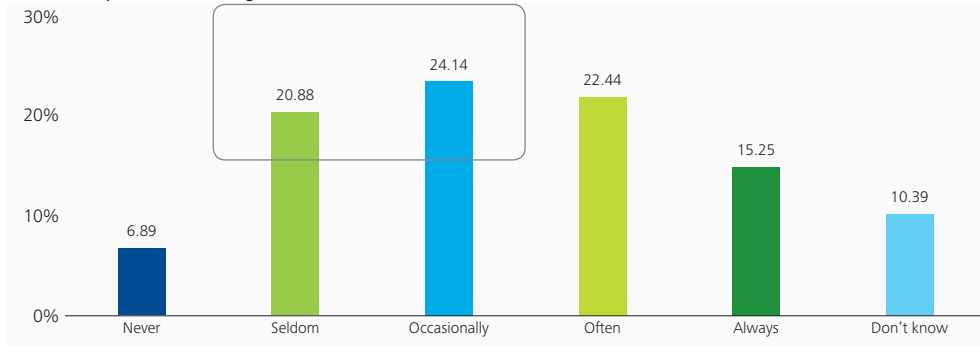
- What are the best examples of inter-jurisdictional collaboration; how did the initiative work and with what benefits and costs
- How can Municipalities be more involved and how can Central Government be more effective

Insight #8

Performance Management Frameworks are generally in place but not effective

- Participants from all four countries place importance of focusing programs on measuring outcomes rather than outputs (76% overall rating)
- Measuring outcomes vs. outputs requires a robust and effective performance management framework
- Most respondents find their organizations risk management **framework to be effective**
- 43% of respondents commonly use program risk management frameworks to guide decision making
- **More than 72% of respondents commonly use PMFs for the purpose of taking action and making decisions**
 - BUT Only 34% of respondents find their PMFs effective
- Only 40% of organizations “often” manage performance, accountability and risk for third party suppliers
- 50% of respondents believe accountability is well understood across their organization; 15% believe it is not well understood
- Over 50% believe that their oversight and accountability agencies are effective at monitoring performance

Utilization of performance management frameworks



Source: Public Sector Executive Survey, Question 12 *How often does your organization employ program performance management frameworks for the purpose of taking action and making decisions?*



Executive focus

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Implications for Public Sector Leaders:

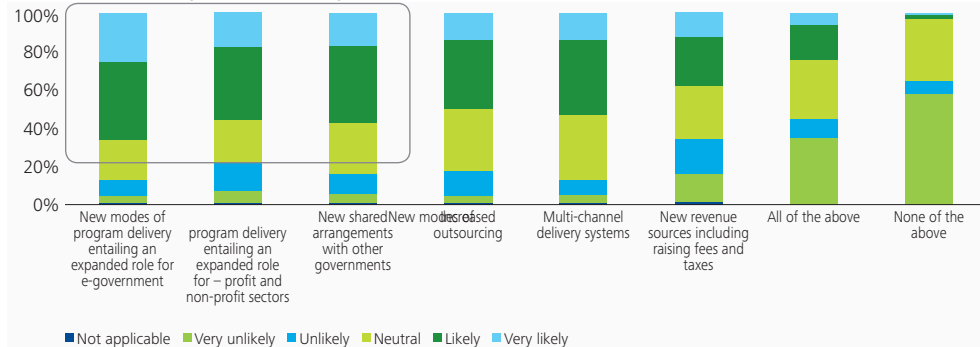
- Are Public Sector organizations relying on their oversight and accountability agencies for performance monitoring instead of building it in design and delivery
- Is it time for Centres of Excellence to drive increased use and effectiveness of performance management to drive better program results that are focused on outcomes instead of outputs

Insight #9

Fiscal Constraints and new means of public sector management are the new normal

- 43% of respondents stated that their operating budget has decreased by 10% or more over the past five years
- 70% of respondents claim that **Investments in IT** are still the most important spending priority
- **Only 50% of respondents agree that decreased budgets have led to greater efficiencies**
- Over 60% of respondents agree that fiscal constraints have **adversely affected staff morale and culture**
- About 50% of respondents agree that fiscal constraints have **reduced policy development, “big thinking”, and internal processes/systems**
- 50% of respondents find that financial constraints have slowed or **stalled their organizations diversity/equity strategy**
- Almost 70% of respondents will respond to fiscal challenges by considering **new modes of program delivery through e-government**. Other likely actions will include:
 - Expanded roles for NFP and Private Sector
 - New shared arrangements with other gov'ts
 - Increased outsourcing

Potential actions resulting from fiscal challenges



Source: Public Sector Executive Survey, Question 41 *As a result of fiscal challenges, how likely is your jurisdiction/organization to seriously consider...*



Executive focus

Fiscal efficiency will take us only so far; we need to implement systemic changes for the longer term.

Implications for Public Sector Leaders:

- Why are governments not being successful in realizing better efficiencies
- How can staff morale and culture be enhanced in times of fiscal challenge
- How can policy development and “big thinking” continue in a fiscal challenging environment

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Designed and produced by the Deloitte Design Studio, Canada. 15-2723T