



2ND QUALITY CONFERENCE FOR PUBLIC AMINISTRATIONS IN THE EU

*Copenhagen
2-4 October 2002*

Summary of the Conference on

INNOVATION – CHANGE - PARTNERSHIP

1. General approach

During the opening session, the Danish Prime Minister, Mr. **Rasmussen**, stressed 5 guidelines :

- The principle of freedom of choice : the same type of services should in this view be delivered by several actors.
- The need for a social safety network, to protect the socially weaker part of the population
- The importance of the respect of 'the rule of law', throughout transparency and simplicity
- The quest for efficiency and effectiveness in the public sector
- The need for decentralisation, so that services are delivered closely to the people, according to their expectations.

He agreed upon that changes should be operated in security for the people involved, so that the new situation becomes better as a whole.

The Danish DG of the Ministry of Finance, Mr. **Wolf**, explained challenges (demographic evolution; efficiency; necessary shift in public spending; need for quality of services delivered), drivers (breaking down monopolies; the eroding of government monopolies; focus on service delivery) and tools (e-government needs realistic expectations; CAF; networking; ...) in the modernisation of the public sector.

He argued this should result in innovation (how to implement it ?), change (a continuing process) and partnership (PPP).

Mr. **Johnston**, Secretary General of the OECD, emphasised on the need for sustainable development of the planet; he considers that sustainable economic growth, social cohesion (growth not only for Wallstreet, but also for the main street) and good governance, are key factors to achieve this goal and argued that the OECD approach is the best way to realise it (although he accepted that each society must find its own balance between these key factors, based on its cultural and historical background).

He opposed the 'old views' on active public intervention in the economy (need for strategic intervention in telecom, power generation, ...) to the actual OECD approach on the public sector, based upon:

- Withdrawal of government in market activities
- The need for healthy competition
- A government that makes the market work, instead of disturbing it by interventions.

He agreed that the social benefit of the OECD approach is not sufficiently perceived by populations. So he concluded that during this century governments should convince their populations of the advantages of their policy; considering NGO's (anti globalisation movement) as better communicators, he invited governments to realise a democratic re-appropriation of the OECD approach, by more transparency in governance.

2. Some interesting and more critical point of views

Ms **Bourgon** (Canadian Centre for management development) explained that all actual management techniques mainly try to realise 'more value for money'. In her view, this approach should shift to a search for more innovative organisations.

She argued that the actual management techniques accorded to the industrial period. These techniques are inappropriate to manage a knowledge based economy and knowledge based organisations.

The development of agencies that occurs generally, is OK for a user orientated policy, but has a lack of global view, while the need for cohesion should also be attained.

Decentralisation is generally OK as well, but needs more horizontal management.

The new economy thrives on globalisation, IT and technological innovation.

The role of the public sector in a knowledge based economy is to continue to create 'added value for society' (instead of more value for money). So, the public sector needs to innovate and that's about risk taking.

In this approach, not 'customers' or 'clients', nor 'citizens', but 'people' are important.

Dr. **Ridderstråle** explained the funky business were are living in; some crucial points in his approach:

- Theoretically we can choose our future – but is that really true ? or is your future just depending on your money?
- Disintegration of society leads us to new identifications (some of them are dangerous)
- Even our families aren't stable, so how will it be with our jobs ?
- The distribution of welfare by our economies, isn't a 'normal' curve; it's a double curve
- Why do we love Madonna - but not our public services ?
- The 'people's republic of Britney Spears' is economically more important than a country as Belgium or Denmark
- A lot of managerial innovations are hypes and thus illusions; common sense is much more important. The way services are organised (internal / outsourcing) is the real key issue in every managerial approach.
- Economic success needs a 'temporal monopoly', a temporal advantage on your competitors
- Are you ready to make a jump? : today E-motion is the keyword
- What do we really need to have a good life ? and isn't it all that about ?

3. Particular topics – public opinion and public sector reform

Public services are held account by the public opinion.

On the other hand, it is important to look for a genuine evaluation of performances of public services. Because of the increasing flexibility and the freedom of choice between providers (with the possibility to trade a public service), performance aimed and globally fixed standards will be developed.

The Danish Minister of Finance, Thor Pederson, stated the public sector must learn to think, act and be managed on the same terms as the private sector. The old bureaucrats must be smoked out! Not by the politicians, but by the public.

So, it is important for public services to demonstrate their success before an independent inspection.

Additionally, more customer care is necessary. Public services have to regain their 'licence to operate'. This customer approach needs innovative public services operating cost efficiently.

In orientating staff towards innovation and cost efficiency, the following principles are proposed:

- Communicate, communicate, communicate
- Empower your staff
- Get the leading staff on board
- Foresee early wins
- Management must be credible and trustworthy
- Changing the culture = changing the way people behave
- Make things measurable
- Give feedback
- Is the strategy clear ?
- Convince face to face.

In regard to a more customer focused government, experts also refer to the 'People's panel' organised in the UK.

In this approach 2 questions are important :

- Are these principles embedded ?
- Is the service level (perceived by the public and demonstrated before independent inspection) raising ?

4. Particular topics – E-government

The Conference constitutes a forum for different public services to demonstrate all kind of initiatives in the domain of e-government.

Lower transaction costs and the development of networks of co-operative units (= management of the tension between centralisation and decentralisation) are advantages from a managerial point of view. Designing information flows and the processes in the organisation are key factors to success.

Some important principles in regard of this matter :

- Contacting a public service, on-line, on paper, on call, ... remains purely a citizens choice
- E-government needs a citizen orientated design of the organisation (instead of an organisation orientated approach)
- Empower the front line workers to respond
- Shared information is crucial (transparency)
- Target-setting of performance management (and follow-up)
- The enabling of change. Not all changes will be successful; that's no problem, but continue to improve.

Experts also argue that if you can put information on-line, you have to put it on-line.

5. Particular topics – How to measure productivity in the public sector ?

Several discussion groups raised the question, how to measure productivity in the public sector. It appears that especially the Netherlands are ahead in this field. A point of discussion remains whether governments have to reward success (by giving more means or permit more flexibility) or, in contrary, have to invest in the weak points of an organisation.

6. Particular topics - Using CAF & benchmarking, ... ?

During the years to come, all public services will have to deal with assessment techniques to evaluate their performances.

These techniques will be used to permit benchmarks of performances and the development of globally fixed quality standards.

During the first Quality Conference in may 2000, a pilot version of a common assessment framework (CAF) was launched. The CAF has been designed as a tool for public administrators who want to improve the performance of their organisation. It provides a 'simple, easy to use framework, which is suitable for a self-assessment of public sector organisations', based on the EFQM-model.

The 2nd Quality Conference constitutes the official kick-off for the generalisation of the use of the CAF-model.

EIPA presents a on-line evaluation form after the self-assessment has been conducted that is part of a European CAF database. So, the achieved results can be compared against the average of other organisations.

7. Some conclusions

The main 'messages':

- The policy developed during the last years, will continue.
- CAF, benchmarks, quality standards setting and result-management will be generalised.
- Involvement of staff, redesigning processes and a consumer-approach are key issues.

At the conference there was a lack of attention to the role of politicians and legislative implications (what with the rule of law?) of managerial reforms.

Finally, it appears that PPP is promoted, but practical implications aren't examined thoroughly. Nevertheless, in the future, public services will more and more be provided, not only by public institutions or agencies, but also by private organisations.

8. Annex - List of 'best practice cases'

Austria

The Federal Agency for Welfare and the Disabled
Office of Public Order in Salzburg
City of Feldkirch

Belgium

The Crossroads Bank for Social Security
The Department for Welfare, Public Health and Culture of the Ministry of the Flemish Community
The Municipality of la Louvière

Denmark

The National Directorate of Labour
Aarhus County
Horsens Kommune: Organisation Case and Project WorkPlace
EFQM pricewinner 2000: Public Employment Service, Ringkøbing

Finland

Safety Technology Agency (TUKES)
Armoured Brigade
Office Facilities Administration of the city of Turku

France

Ministry of Agriculture and Fishery
Net-entreprises.fr
Cour des Comptes
Ministry of Justice

Germany

Federal Statistical Office
District Government of Hannover
Administrative District of Ebersberg

Greece

TAXIS system
Integrated System for Public Service Delivery. Ministry of Interior.

Ireland

Revenue Online Service [ROS]
Land Registry Electronic Access Service
Meath County Council

Italy

Ministry of Economy and Finances
Emilia Romagna Region
Trieste Council - Social & Health Service

Luxembourg

Police Grand Ducale
Administration of the Land register and of Topography (ACT)

Netherlands

National Police Force (KLPD in Dutch)
University of Utrecht Medical Centre (UMC)
Friesland College

Portugal

National Institute of Industrial Property
Municipality of Abrantes

Spain

Spanish National Transplant Organisation
The government body of the region of Valencia
Logroño City Council

Sweden

The Swedish National Police Service
The National Agency for Education
University of Umeå

United Kingdom

Finance and Benefits (FAB) team
HM Prison Holm House
Thomas Telford School

Luc HAMELINCK
CCOD – Belgium
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