

The Human Challenge

**- The impact of Demographic Change and Increasing Diversity
on Policy Making, working conditions
and staff involvement in public administrations -**

**by
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I would like to start by introducing myself and the university I am coming from: Since 1986 I have been holding a chair for Public Administration at the German University of Administrative Sciences Speyer, a postgraduate school which was founded in 1947 after the model of the ENA.

Speyer University has over the decades gained a reputation both as a research centre and think tank for administrative science and public administrations. At the same time we have always emphasized our role as a leadership college for public administrations - especially those on the level of the German Laender - , this being an approach which directly combines scientific teaching with input from the administrative practice.

My practical leadership experience results from my appointment as a secretary of state for Rhineland-Palatinate and my former function as rector of our university. Together with my colleague Helmut Klages I founded in 1992 the Speyer Quality Award. This award was started with the aim to contribute to the modernization of administrative bodies through benchmarking and mutual learning. In cooperation with the governments of Germany, Austria and Switzerland this award has been held seven times until 2005.

Recently our university in cooperation with Bertelsmann Foundation and the European Group for Public Administration (EGPA) have launched a European Public Sector Award (EPSA). We were very grateful that the ENA was represented by Mme Françoise Camet in the kick-off meeting in Berlin.

The motto of the EPSA is: Innovation for Europe – Increasing Public Value. This concept of Public Value was firstly introduced by Mark Moore from the Kennedy School of Government in Harvard and deals with Strategic Management and the outcomes for the common good. This new European Award will have three fields for application and prizes: Collaborative governance, targeting with scarce resources and coping with demographic change. We look forward to learning of many innovative practical examples and we hope to discover new solutions, especially with

regard to problems inside and outside government which arise from the demographic change. Further information to that Award can be found on: www.eps-award.eu. In this context I would like to mention that the Innovative Public Service Group (IPSG) in The European Public Administration Network (EPAN) will hold an Expert Conference under the German EU-Presidency on May 2nd in Bonn on demographic change which is one of the key topics of the German government under its presidency.

Beatrix Behrens just presented the impact the demographic change will have on the recruitment, the development and the training of public servants as well as for leadership and cooperation inside public administrations. She furthermore illustrated the concepts the federal Employment Agency intends to follow in order to face these challenges. I would like to add to this report some implications of the demographic evolution for economic and financial developments as well as for policy planning and service delivery.

Due to the demographic change governments already have to face lower tax income and increasing social budgets as well as consequences for state pension systems. National economy will have to cope with the reduced purchasing power and fewer working people. The search for talents will increase in private enterprises as well as in public administrations. Society as a whole will have to tackle integration problems, changing family structures and changing ways of living.

Governments will have to adjust their spatial planning systems to shrinking and changing communities. Maintaining infrastructure will not only require permanent fix costs but even costs for modernising and reshaping and these costs will have to be covered by fewer people.

Public services must be accommodated and reconfigured for the needs of elder persons. New services for families or people with migration backgrounds must be created. Probably some services will not be abandoned but altered. In sparsely populated areas they will be offered in a mobile form.

These challenges raise new questions about instruments and attitudes of public management in general and human resource management in particular.

Public policy will reassess policies and decisions against their compatibility with demographical developments. Some of the governments of the German Laender have already established such a demography check. Public administrations must strive to achieve their targets with less resources and to use these resources not in a consumptive, but in a sustainable way in order to foster intergenerational equity. The whole life cycle of infrastructure, products and services must be included in planning and budgeting systems as well as in new governmental accounting and controlling systems.

A diverse community and the differentiated needs of citizens respectively customers will require differentiated services. When designing and delivering these services the users will be involved in order to achieve relevant benefits. Enabled or supported by

new information and communication technologies public administrations will be able to match special needs of citizens with special services. Thus public administrations will not be forced to concentrate on mainstream products only, as the theory of the long tail by Chris Anderson suggests. You can find some further information to this theory in the journal *Futuribles*, the issue of April 2007, here in the library of the ENA.

Public Administrations can benefit from other concepts of Web 2.0 too, i.e. solutions of administrative problems by establishing an architecture of participation with citizens and to use the knowledge emerging out of these relations.

Some further questions will arise: How can we anticipate future challenges like demographic change, natural disasters or terrorist attacks at an early stage in order to pro-actively build up new capacities and create new concepts for collaborative governance with partners in private enterprises or societal organisations? Another question: How can we – on one hand - maintain constitutional and traditional European values and practice tolerance on the other hand towards people with other value frameworks when living and working together?

The challenges caused by the demographic change run parallel to some other questions concerning the role and self-understanding of civil servants. Civil servants must cope with many irritations in modern change processes and are in search of their identity. They are faced with the necessity to become public managers while at the same time they feel the pressure and expectations both of politicians and civil society. They need to reposition their professionalism in the face of current trends in modernizing government such as economization , opening up government to citizens, sustainability and delivering public value. At the same time they are asked to maintain a traditional public servant ethos.

The ideal civil servant today is meant to be self-active, but accountable; self-responsible but team oriented; flexible, but with clear targets; professionalized, but open to new ideas; committed, but judging from a distance; curious and open minded, but resilient to new modernization waves. Most importantly he or she should feel obliged to serve the common good.

Public leaders are meant to encourage and embrace all these values and virtues, give a good example, bring people together in mixed and effective teams, inspire and motivate them, give feedback, unlock their potentials, provide opportunities for learning and developing and - last but not least - create well-performing organizations.

Is this asking too much of people who are – after all – only human? Maybe, but while we are expecting a lot we also see that important challenges like the demographic change do not only present us with problems. Important changes can also be turned into a new chance to seize the human challenge and to improve the working conditions, the culture and the instruments of public administrations.

Sometimes increasing diversity is seen as a danger or a risk. We should turn this attitude and see diversity as a chance to get other perspectives and approaches, to combine the knowledge of different persons, to bring them together and to build mixed teams in order to make borders to bridges and to use the variety and differences for improving the performance of our organizations.

The headline of this panel suggests that European public policy managers also deal with and share the same issues. I thank you very much for your attention and I am looking forward to hearing about your experiences and comments on this matter.