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# *Future of Government - Tomorrow's Leading Public Body*

## *Cyprus, Nicosia*

**Cyprus,  
Nicosia**

**25 September  
2013**

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*Global Leader Government &  
Public Services*



**pwc**

# Issues for today and the *future...*

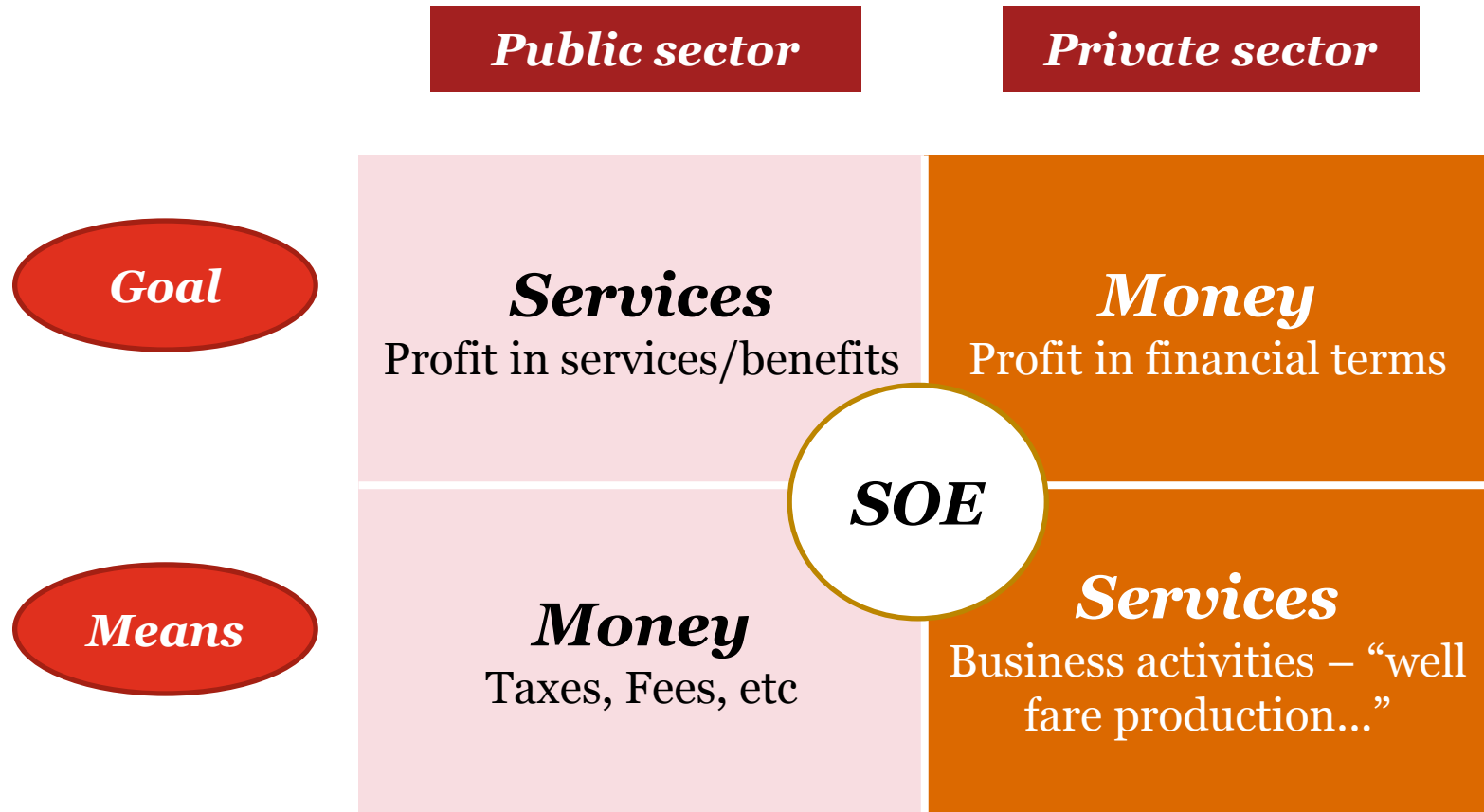


- Are we uploading or down loading in Cyprus?
- Are we creating or consuming a legacy?
- Do we lead in the new interfaces and in-between spaces - x industries and sectors – Government, Private, Not for Profit and University?
- Are we measuring input or outcome/Impact in the public sector?

# *Setting the Scene*

# *1*

# Understanding a different logic

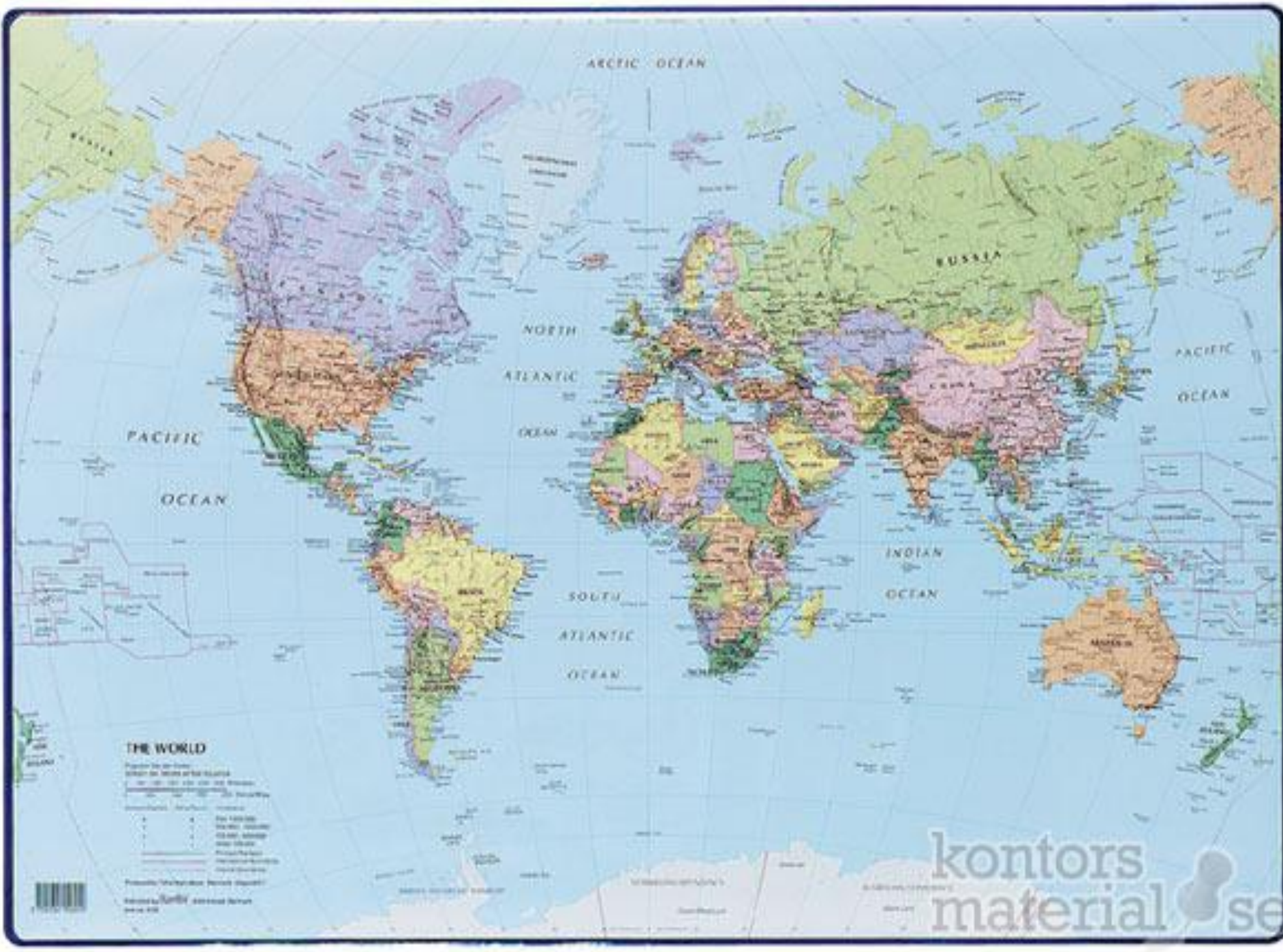


# *Increasing global competition, with nations competing for...*





**COGNITIVE LANDSCAPE**



ARCTIC OCEAN

RUSSIA

NORTH  
ATLANTIC  
OCEAN

PACIFIC  
OCEAN

PACIFIC  
OCEAN

INDIAN  
OCEAN

SOUTH  
ATLANTIC  
OCEAN

AUSTRALIA

THE WORLD

- Scale in Kilometers
- Scale in Miles
- Scale in Feet
- Scale in Feet
- Scale in Feet
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- Scale in Feet
- Scale in Feet









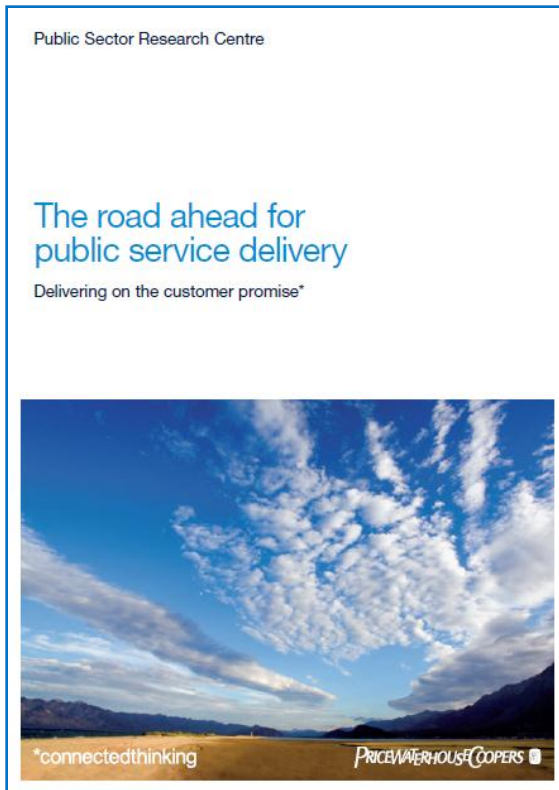
# *Future of Government*

# 2

# *A continued look at how government evolves to continue to deliver public services*

*Delivering on the 'citizen promise' remains a constant challenge*

## *Some key PSRC research...*



*and many more...*

2007

Future of Government  
PwC

2013

# Global trends impacting our society

## Globalization → Glocalization Amalgamation

- Global and local focus at the same time
- Increased global system risks

## Financial /Economic crisis

- Debt, deficit, economies under pressure
- More for less and less for less

## Economic diversification

- Need for more sustainable / resilient diversified economies

## Demographic & Social changes

- Ageing population
- Social instability and change of values

## Climate change / Sustainability → “Sustainagility”

- Food shortage / misdistribution
- Water scarcity
- Energy security

## Increase world population – Urbanization & “Rurbanisation”

- Urbanomics, Smartcitization
- Territorization, rurbanization
- Mass movement population

## New Technologies & “Smartcitization”

- ICT, eMobility, eHealth, Smart Grids
- New industry clusters emerge
- Innovation driven growth

## Competition → Co-opetition

- Spheres of society and industry merge
- Competition and collaboration merge

## Knowledge & Experience society Individualization / Personalization

- Need for new service approach
- Multichannel communication
- From commodities to personal experience

# Navigating seismic shifts into the future

*From...*

*To...*

Citizen **under** control

Citizen **in** control

Governing **for** citizens

Governing **with** citizens

Organisation **silos**

Organisation **networks**

Public sector organisations as **big, all-in-one giants**

Public sector organisations as **small, flexible, purpose-driven entities**

Government as **service provider**

Government as **service facilitator / broker / commissioner**

Government owning **inputs and processes**

Governments and citizens owning **outcomes & Impact**

Measuring **outputs**

Measuring **outcomes and impact**

**Forced cooperation**  
based on **enforcement**

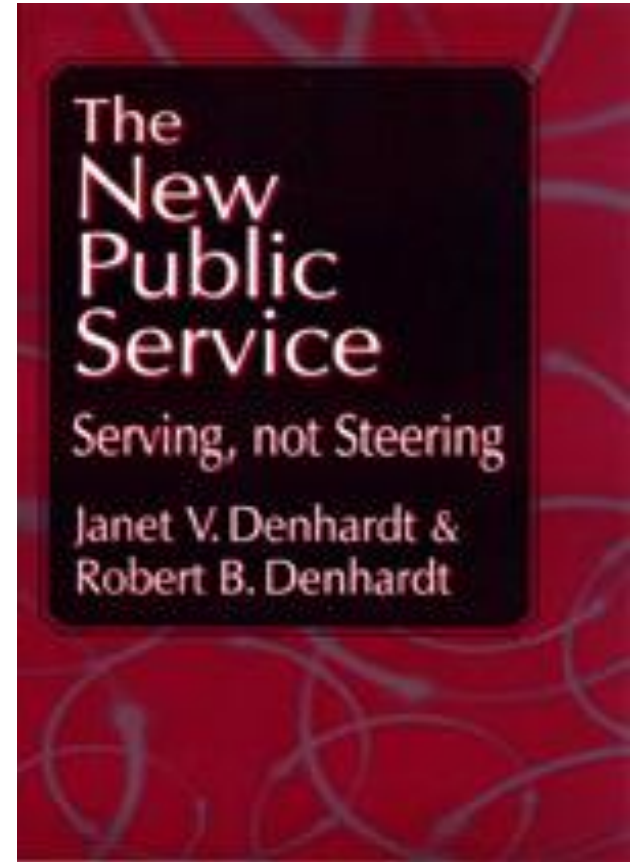
**Mutual collaboration**  
based on **trust**

Trust in the **“strong leader”**

Trust in **each other**, the **“servant leader”**

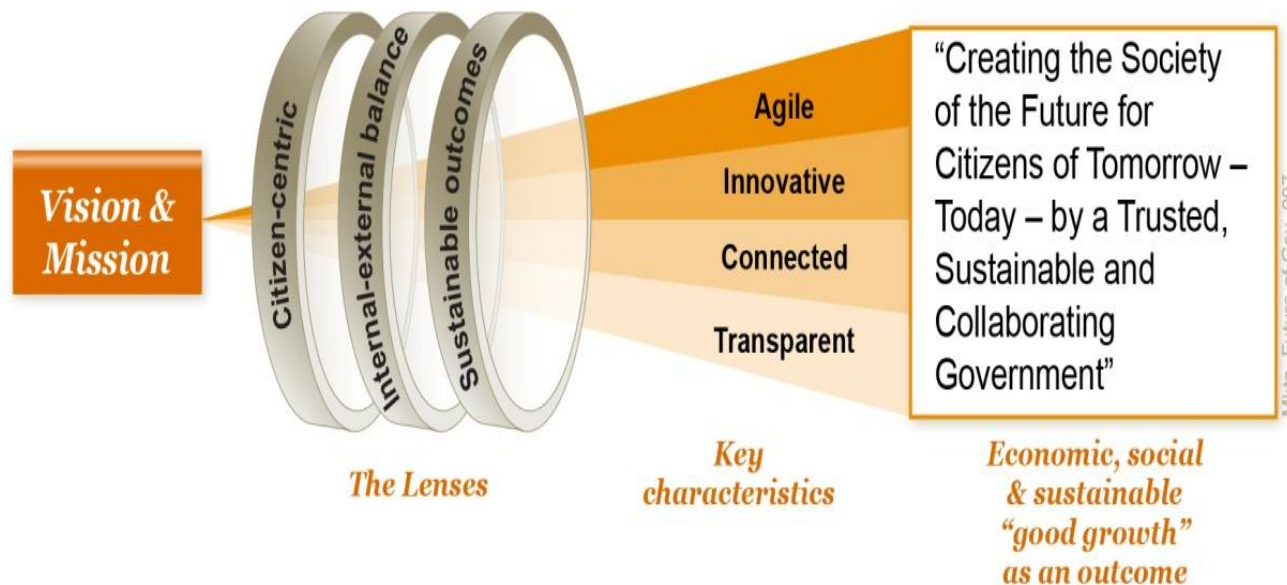
# Old Public Management, New Public Management and *NEW Public Management*

- Serve citizens, not customers.
- Seek the public interest.
- Value citizenship and public service above entrepreneurship
- Think strategically, act democratically
- Recognize that accountability isn't simple.
- Serve, rather than steer
- Value people, not just productivity



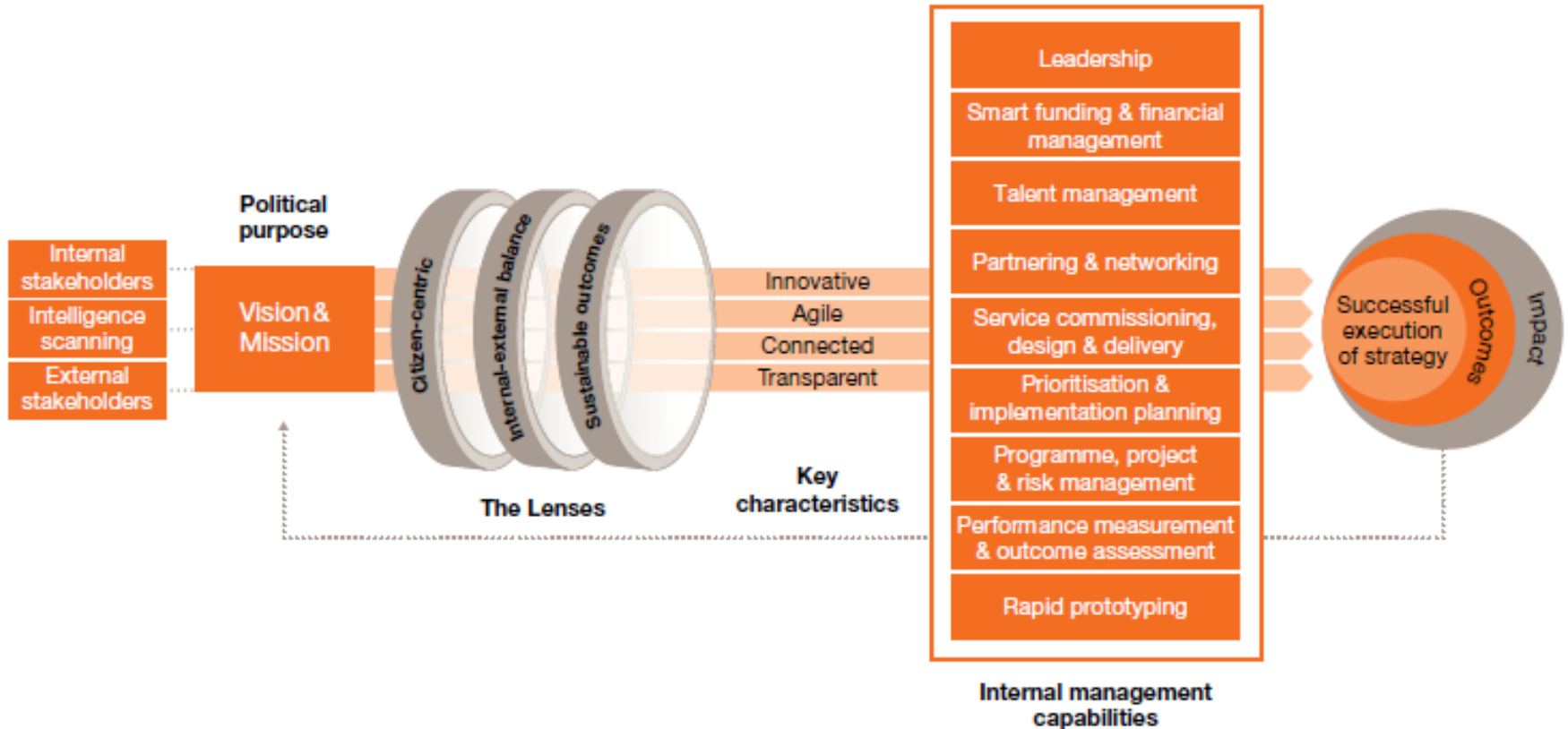
# Future of Government

## Tomorrow's leading public body...



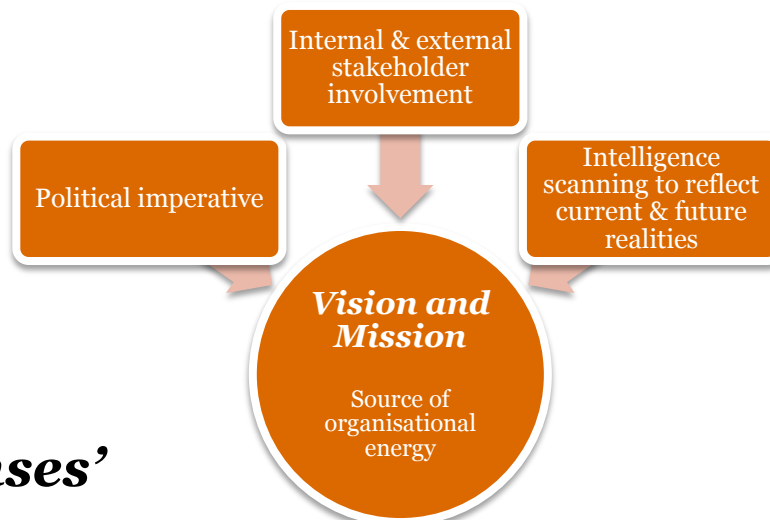
***"...projecting a clear and vibrant picture for the future which energises internal and external stakeholders"***

# *The future leading public body – projecting and creating the society of the future*





# Vision & mission guiding transformation



## The three 'lenses'

### Citizen centricity

- Citizen as a customer, partner, collaborator, co-producer
- From 'managing the customer' to 'serving the citizen'
- Engaging citizens via: *Citizen's Jury / Citizen Compass*

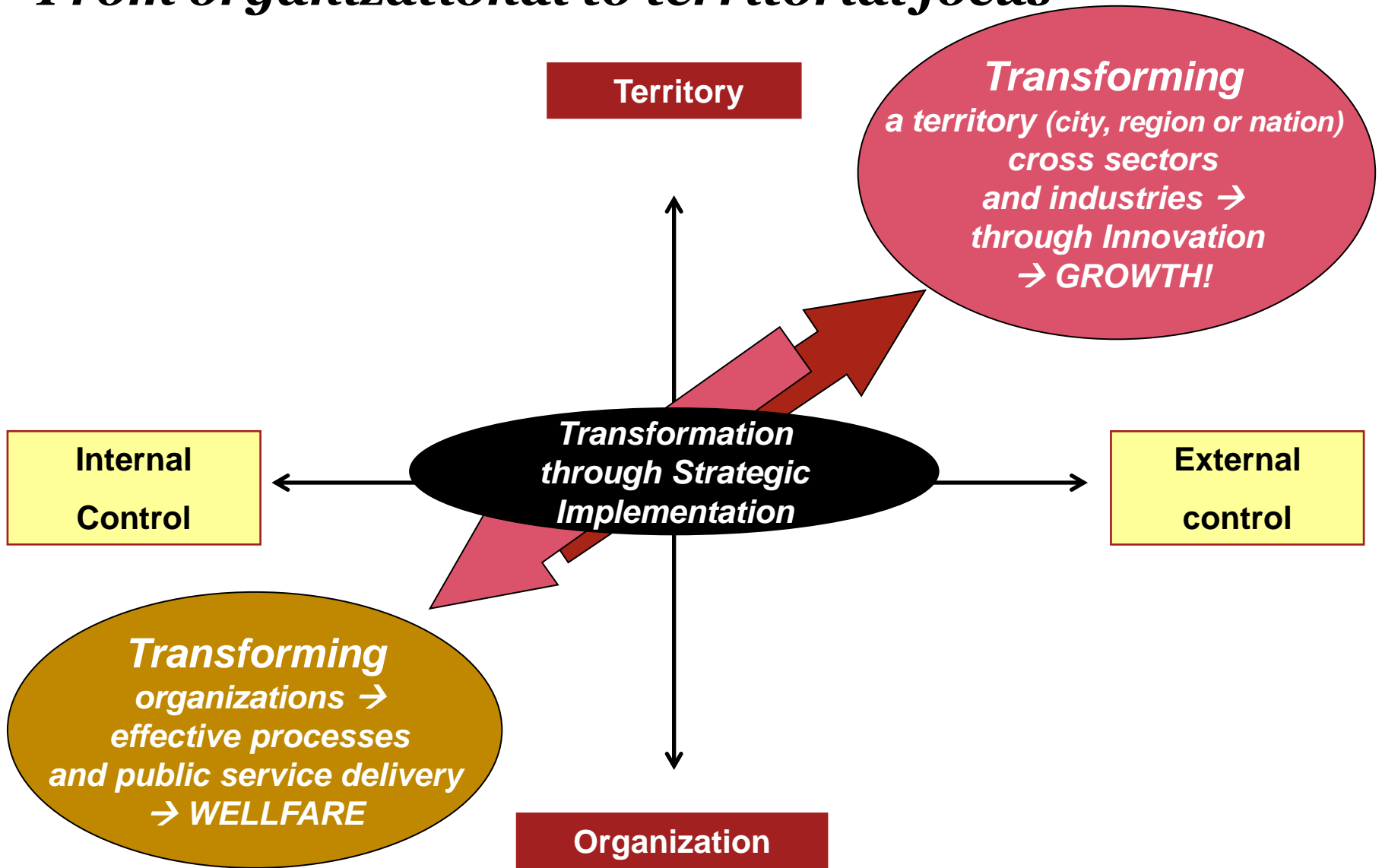
### Internal-external balance



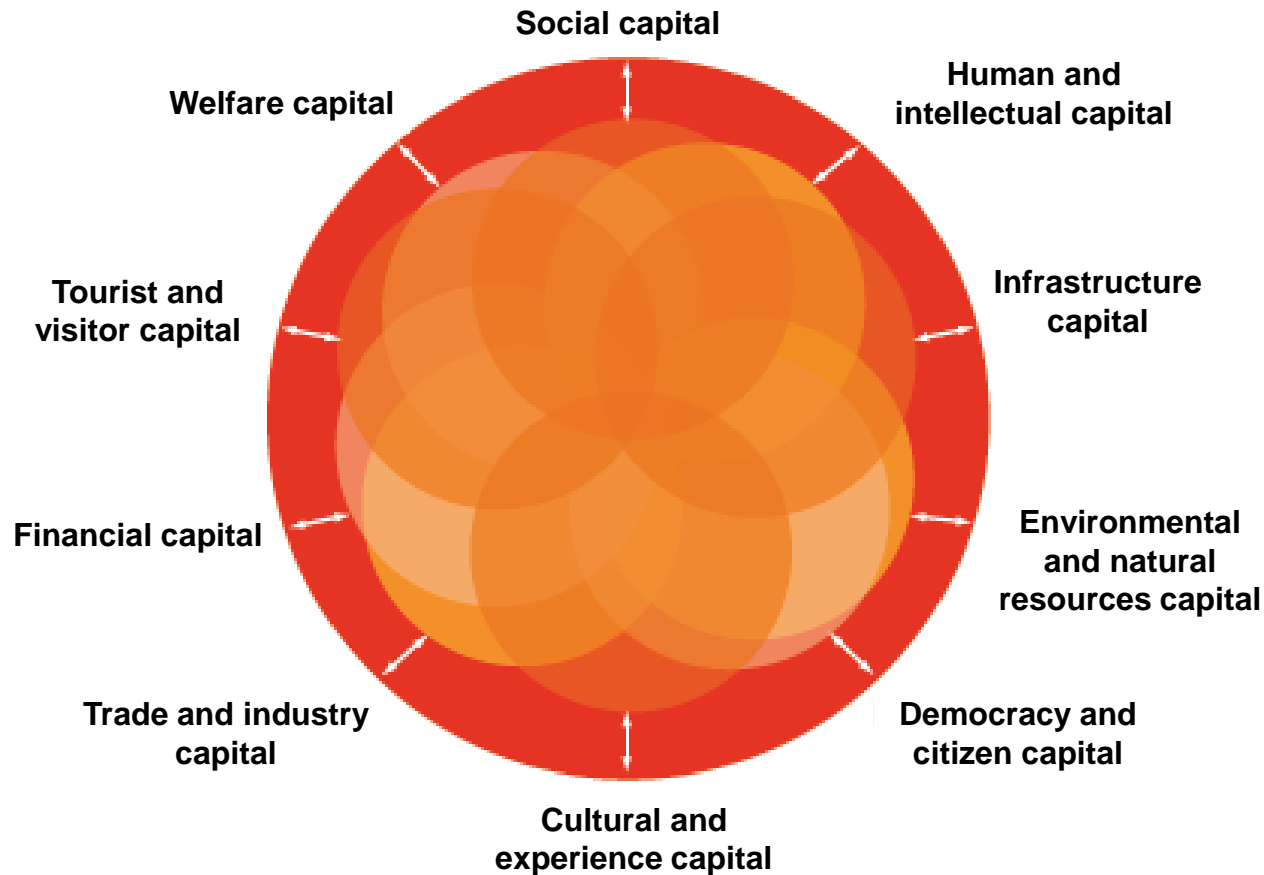
### Sustainable outcomes



# *From organizational to territorial focus*



# *The “New Capitalism...” - a holistic approach to resources ...and sustainability....*



# Characteristics of the public body of the future

**Transparency** reinforced by **accountability** is needed in an time where citizens expect to be informed (through the web) and new trust needs to be build. It will also empower government to devolve power and responsibility.

**Innovative**

**Innovative** public bodies focus on two levels of innovation:

- Operational - at the level of service delivery
- Strategic - in terms of local, regional or national innovation capacity
- **Innovation Eco Systems**

**Transparent**

*Interdependent  
& reinforcing*

**Agile**

**Connected** means **openness** to the active involvement of key stakeholders with an impact on public services outcome.

New forms of **partnering** are key to deliver desired outcomes and the public body needs to enable itself for this new

**Connected**

**Agility** is an organisation's dynamic capability to **achieve renewable competitive advantage** through continuous adaptation in a turbulent environment and perpetual awareness and the ability to be **decisive** and take action in an expedient and well-coordinated manner.

# ***Connected to all stakeholders in society***

*Through stakeholder collaboration government should create a new ecosystem for growth and renewal.*



Stakeholder collaboration –  
creating a new playground for growth

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# *Moving towards the future*

# 3

# Intellectual Capital factors



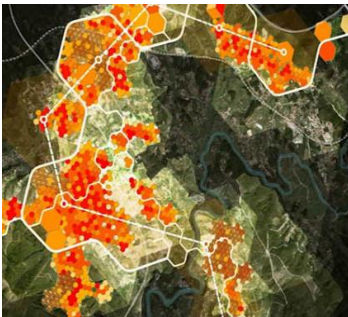
## Human Capital

- Professional Competence
- Social Competence
- Employee Motivation
- Leadership Ability



## Structural Capital

- Internal Co-operation and Knowledge Transfer
- Management Instruments
- IT and Explicit Knowledge
- Product Innovation
- Process Optimisation and Innovation
- Corporate Culture



## Intelligence Capital

- Creative Social Renewal
- Social Intelligence
- Culture of Openness
- Visionary Leadership
- Cohesive Society
- Self-Governance
- Connectivity & Digitalisation
- Experimentation & Learning

## Relational Capital

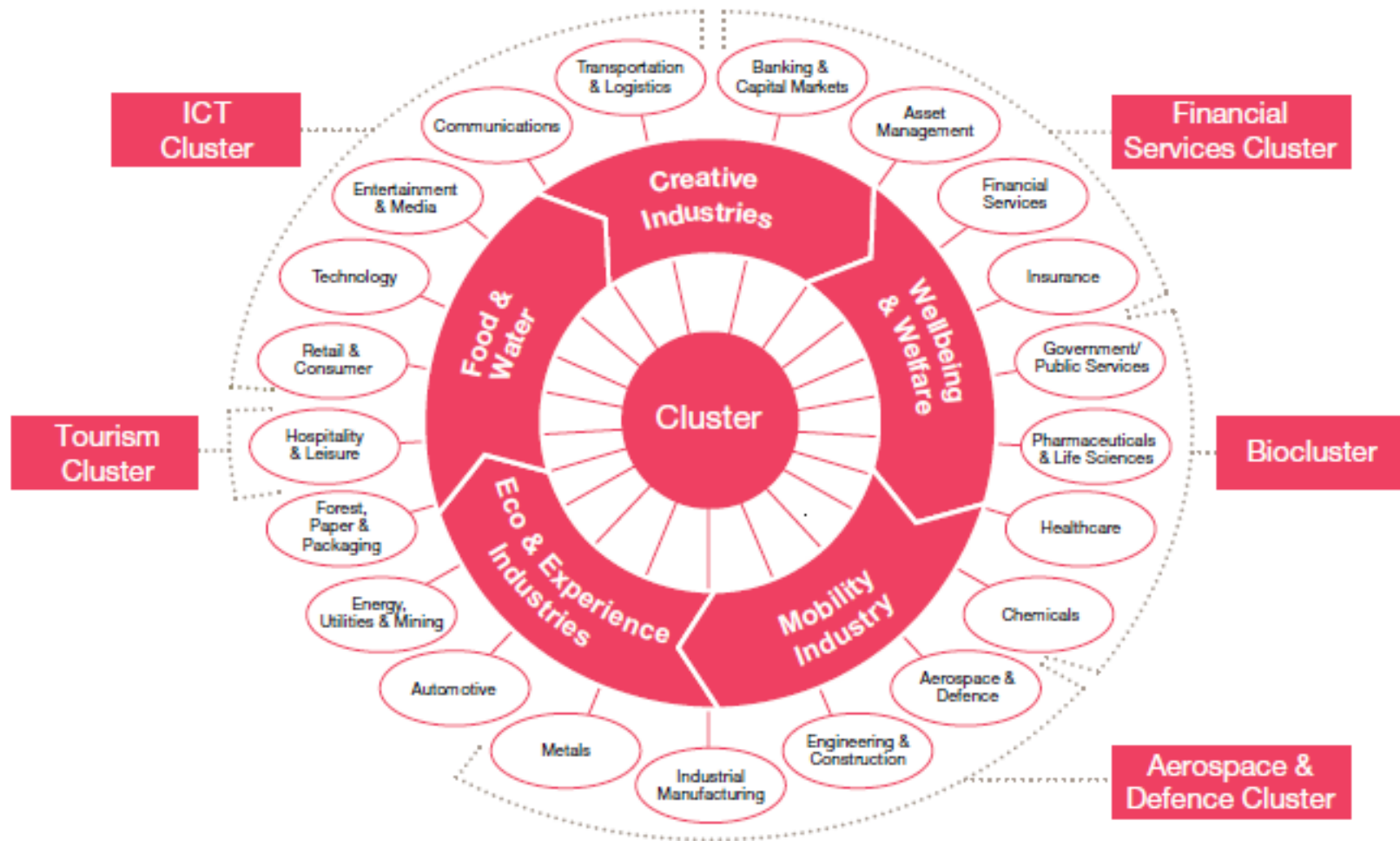
- Customer Relationships
- Supplier Relationships
- Public Relationships
- Investor Relationships
- Relationships to Co-operation Partners

**Individuals**

**Organisations**

**Society**

# *New industries driving economic growth*





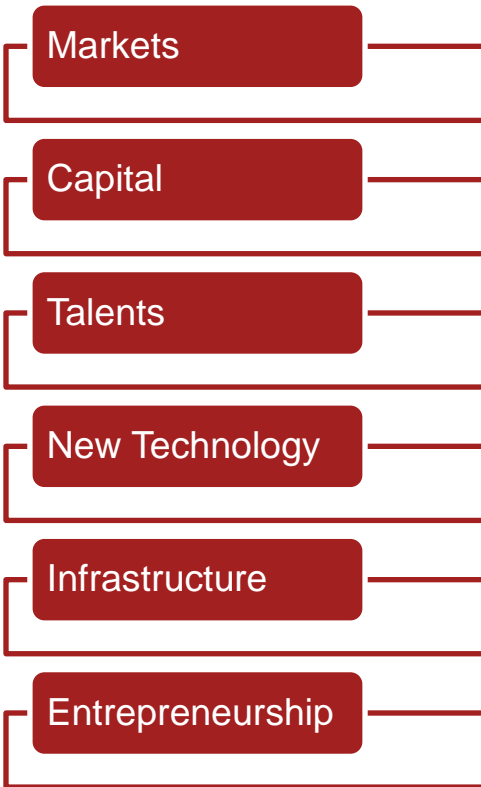
# Emerging Industries

*...and Service  
Innovation...*

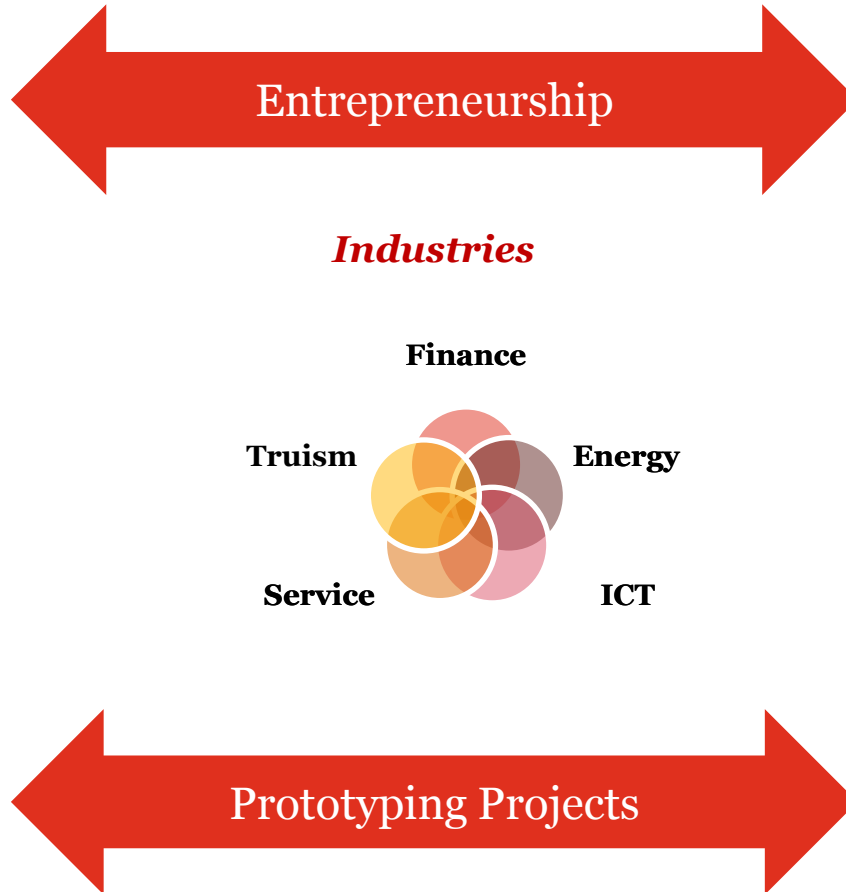


# A holistic approach on innovations eco system

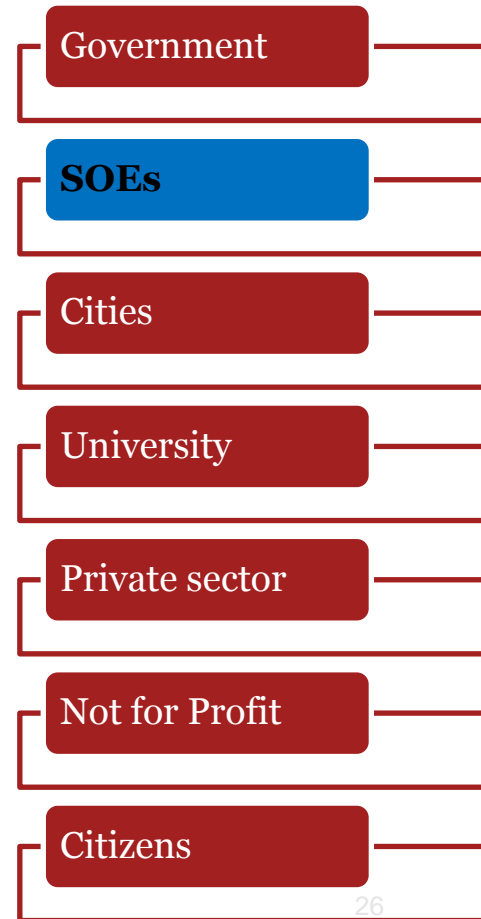
## Needs



## Prototyping Industries

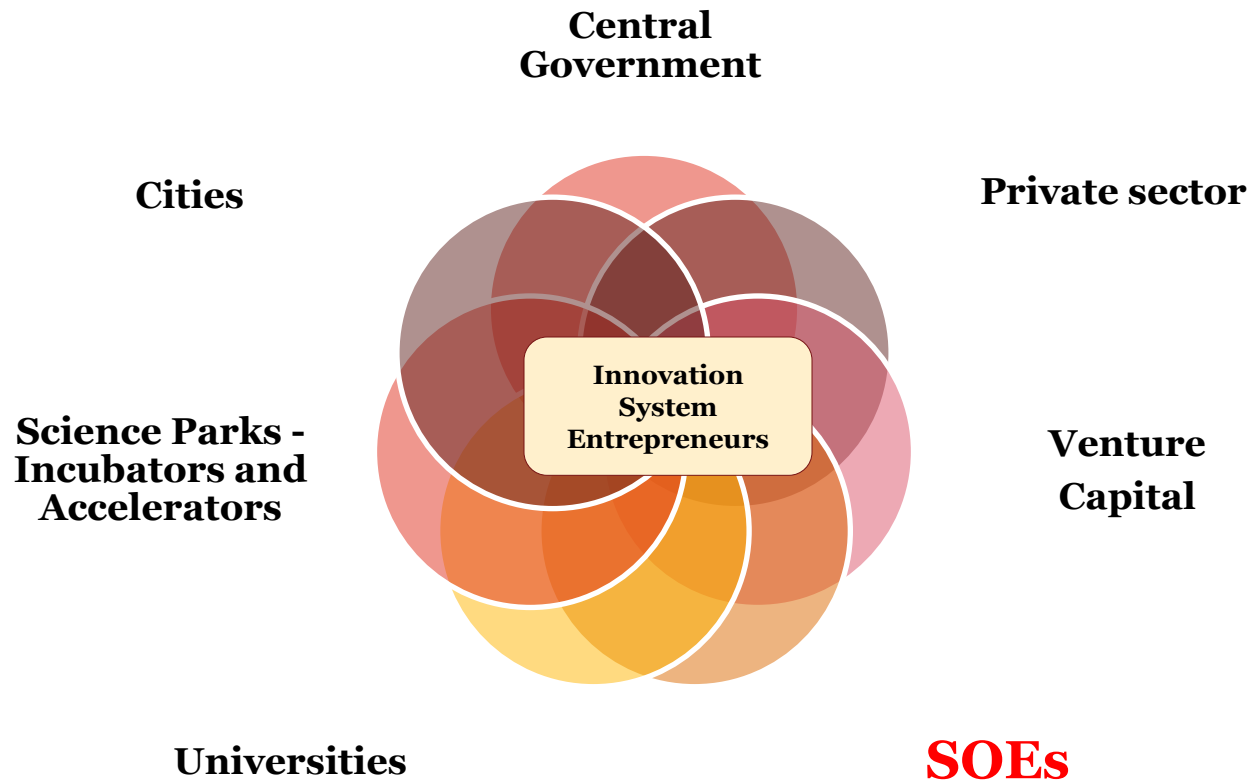


## Stakeholders



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# *Next Generation of Innovation System - Multi stakeholder perspectives - with SOE in a new role*

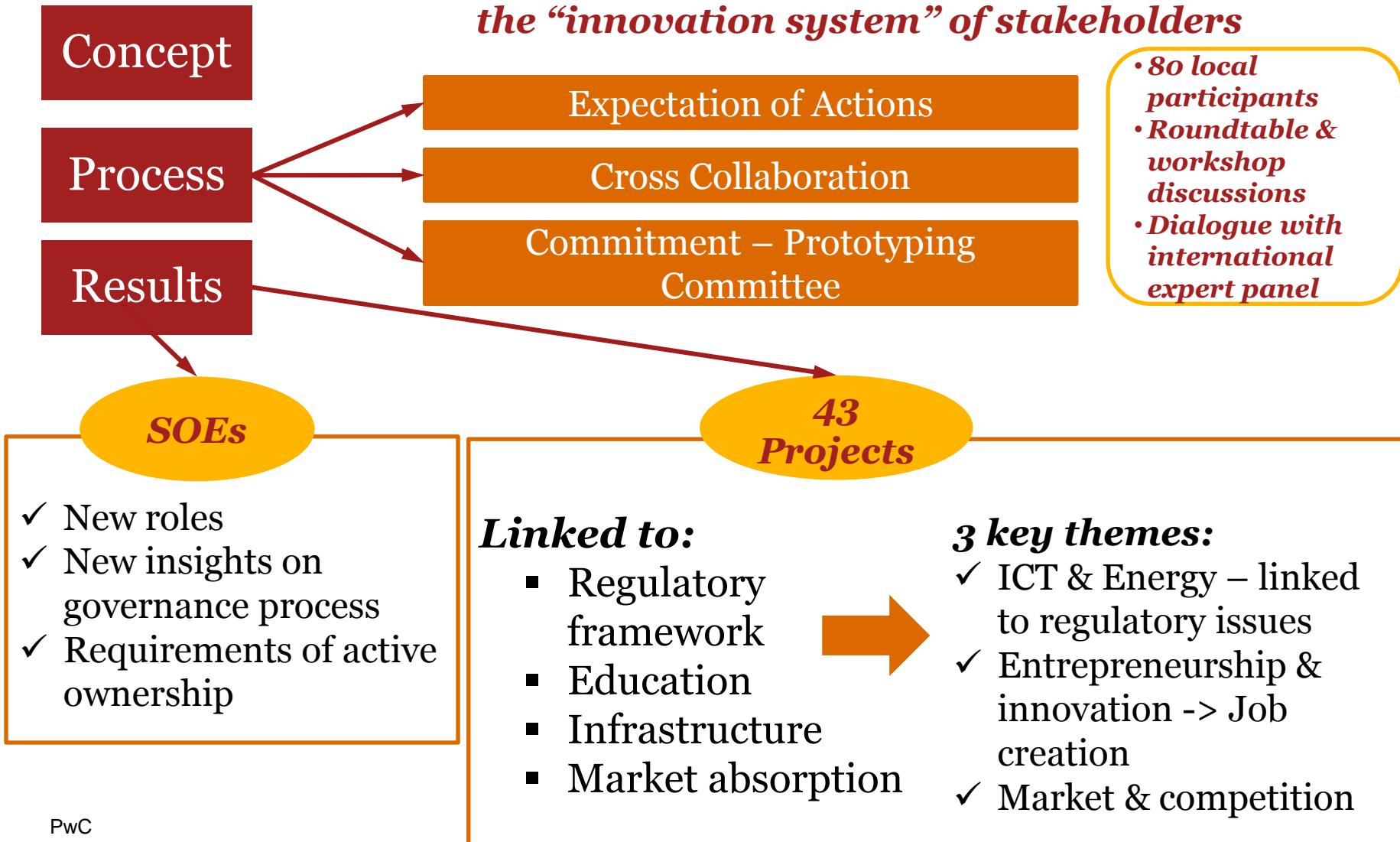


# *Scorecard of the Future for SOEs?*

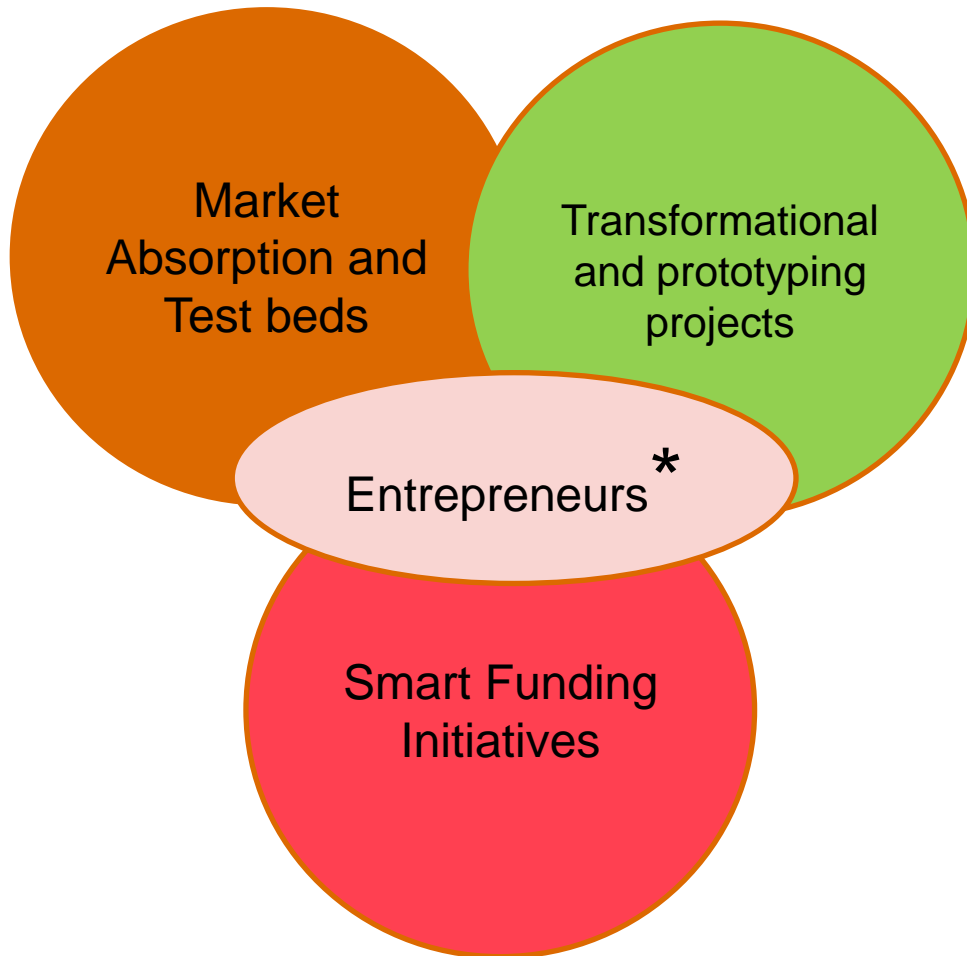


# Prototyping week – Vision, values, focus areas and industries, then start to execute

*Create a new playground for innovation – the “innovation system” of stakeholders*



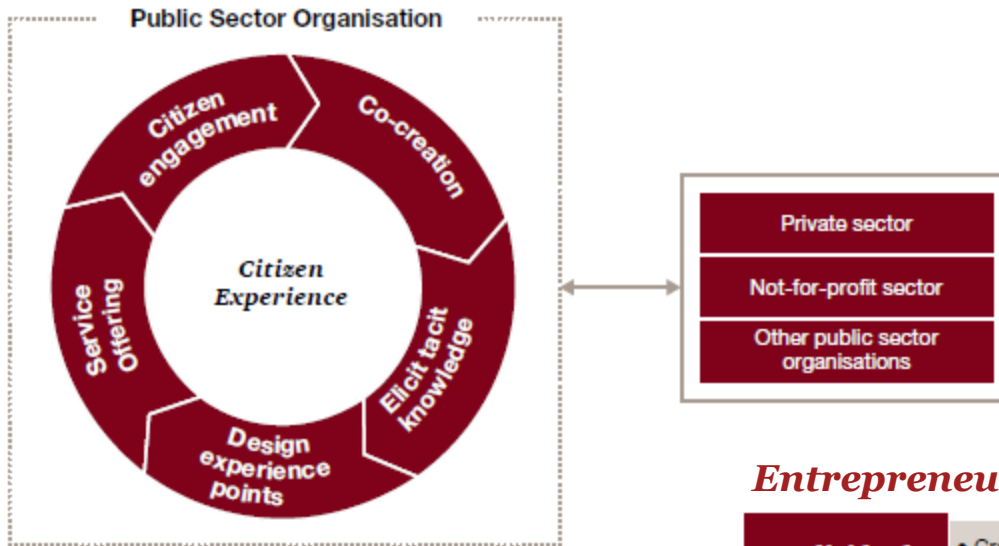
## *We see 4 key challenges*



- Good innovation supply is now available on most continents but...
- Making Europe a market place for Innovation requires
  - new innovative projects
  - entrepreneurs
  - And funding

# Public service innovation

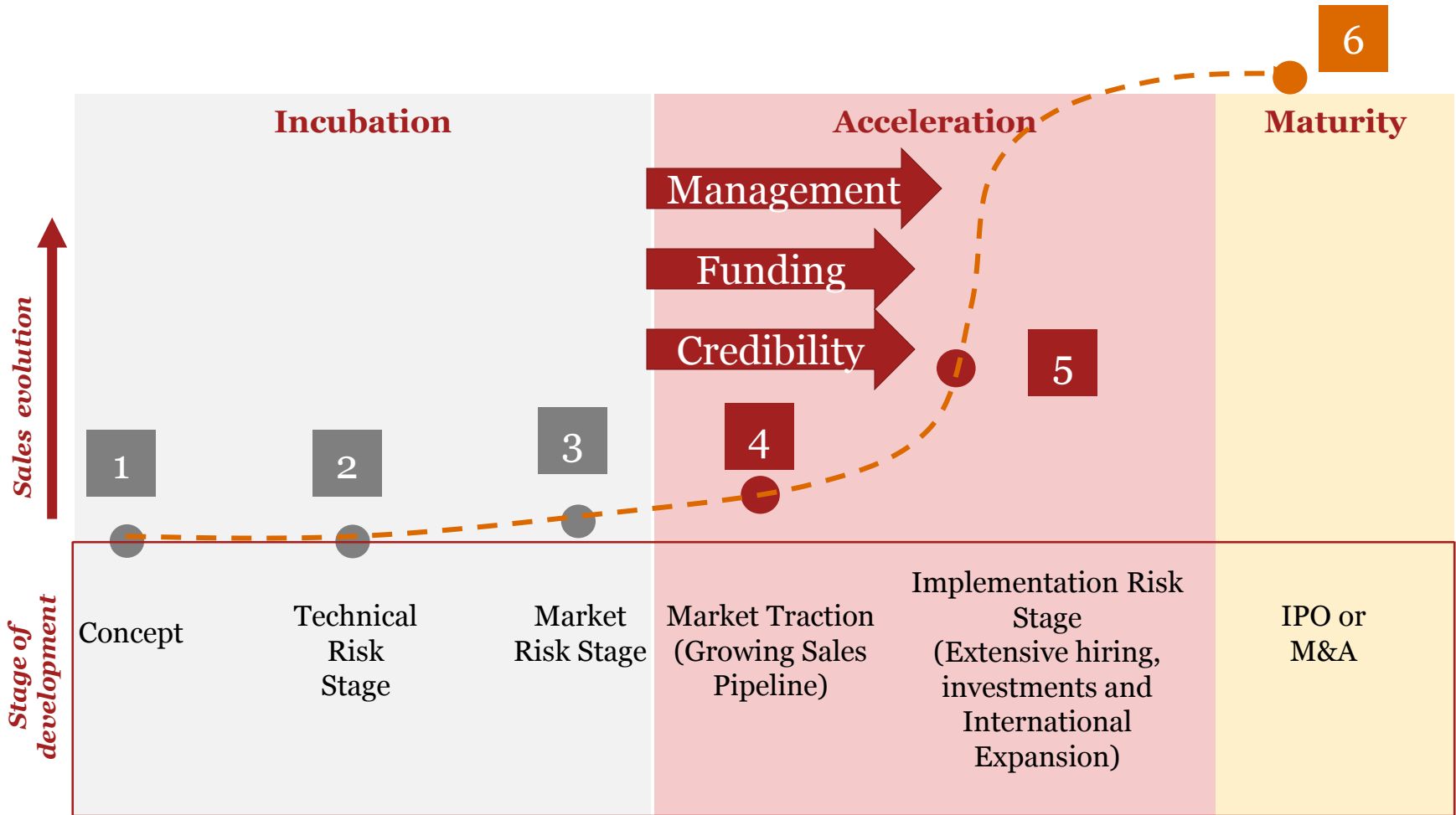
## Open sourcing public services



## Entrepreneurship

<b>Individual entrepreneurs</b>	<ul style="list-style-type: none"> <li>• Create new activities</li> <li>• Role model for young generations</li> <li>• Iconic person in and outside the country</li> </ul>	Very Small Companies
<b>Intrapreneurs</b>	<ul style="list-style-type: none"> <li>• Absorb innovation in companies</li> <li>• Create new activities and jobs</li> </ul>	Large Companies
<b>Public entrepreneurs</b>	<ul style="list-style-type: none"> <li>• Match the needs of the private entrepreneurs</li> <li>• Create new ventures</li> <li>• Increase country innovation absorption capacity</li> </ul>	Government & Administration
<b>Political entrepreneurs</b>	<ul style="list-style-type: none"> <li>• Reshape citizen wellbeing</li> <li>• Smart specialisation strategies</li> <li>• Channel political will and vision to support innovative strategies</li> </ul>	Political Leadership

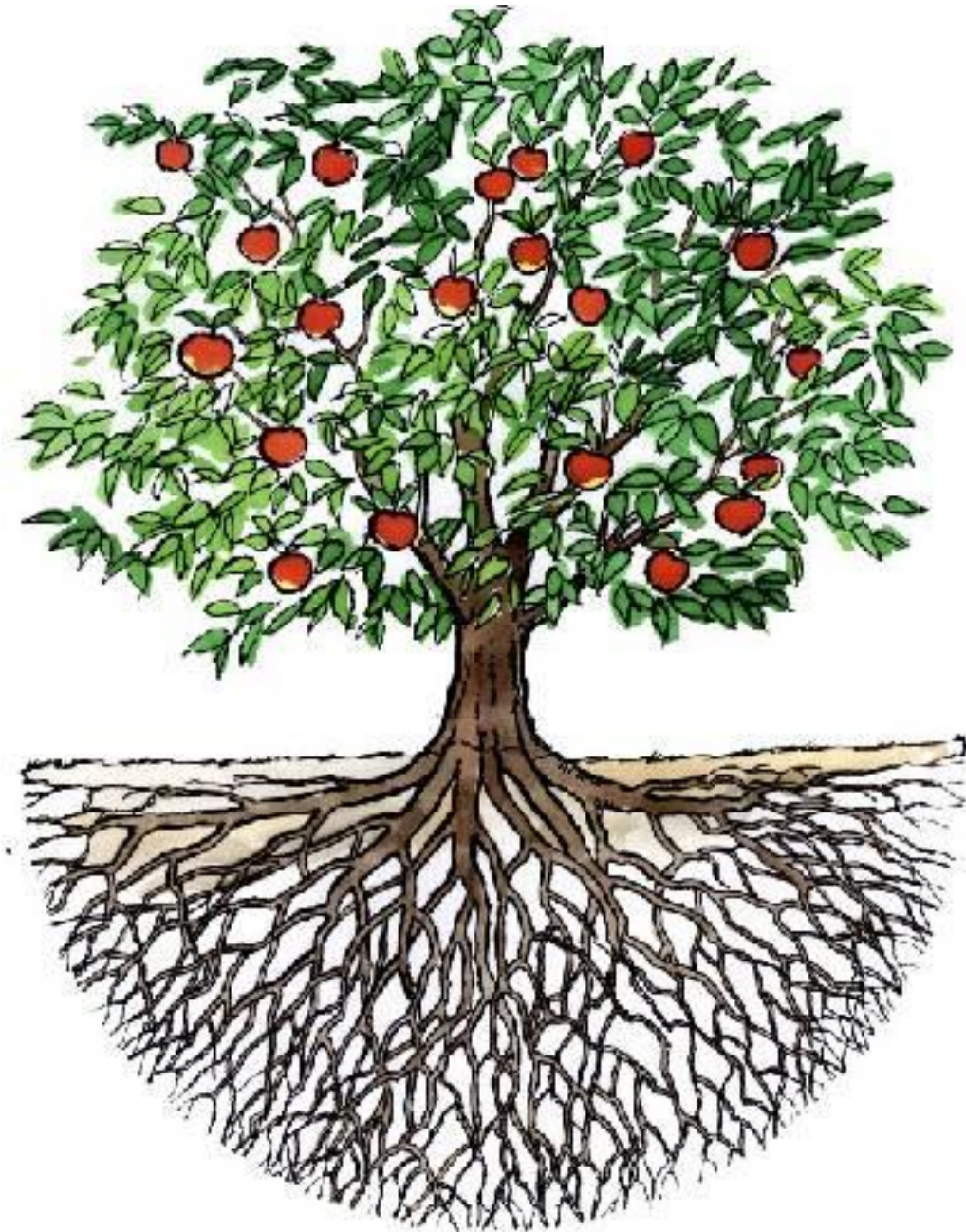
# The Acceleration Gap





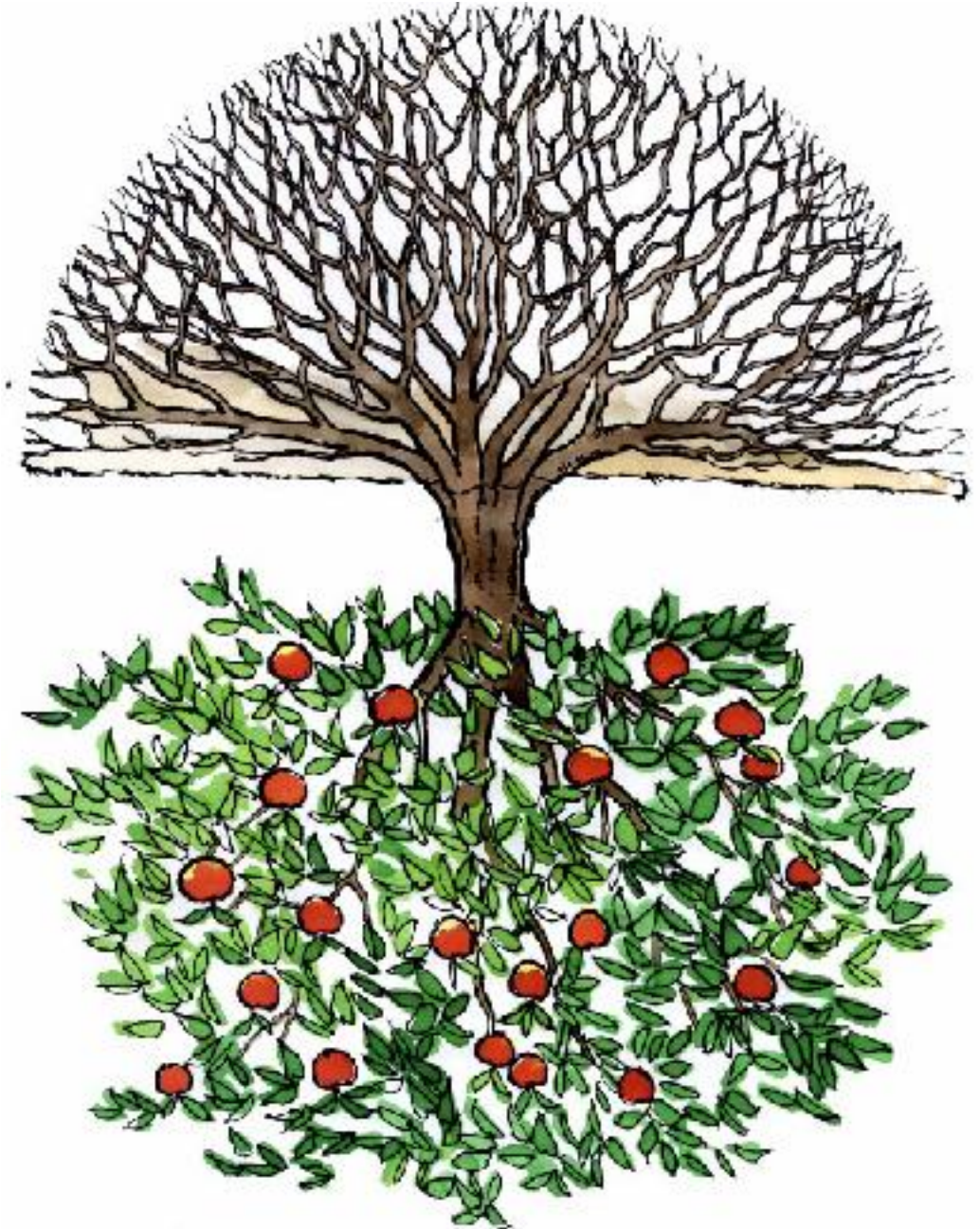
**Shaping the  
future of  
Cyprus by  
tradition...**

***How many  
seeds are  
there in an  
apple?***



**Or... Shaping the  
future of Cyprus  
by  
INNOVATION...**

*How many  
apples are there  
in an seed...*





НАП  
нап тауха

# *The ICT / Wi-Fi Donkey...*









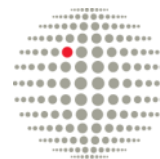
# Finally...

- Higher **density** of collaboration, knowledge, innovation and solid relationships – TRUST - for higher value!
- Lower **friction** between central and local government and between people, sectors and cultures
- Higher **frequency** and speed in citizen and stakeholder dialog in order to create the new – together –creating new societal entrepreneurs!!





# *Thank You!*



Partnership for New York City