



INNOVATIVE IDEAS FOR PUBLIC SERVICES FOR THE FUTURE

A VIEW FROM TOMORROW'S LEADERS

*College of Europe Student Case Studies
Final Report 2013*



TABLE OF CONTENTS

2	<i>The European Centre for Government Transformation</i>
4	<i>College of Europe Student Case Studies: Introduction</i>
6	<i>Foreword by Meglena Kuneva</i>
7	<i>Foreword by Professor Jörg Monar</i>
8	<i>Foreword by Bernard Le Masson</i>
9	<i>Foreword by Ann Mettler</i>
12	<i>Case Study: Leveraging Social Networks for a More Innovative Public Employment Service</i>
14	<i>Case Study: Optimising the Use of Structural Funds to Foster Economic Growth and Innovation</i>
16	<i>Case Study: Increasing Labour Productivity through Motivational Drivers and New Working Methods</i>
19	<i>Acknowledgments</i>
20	<i>About Us</i>

The opinions expressed in the case studies are those of the individual student teams, and do not necessarily reflect the views of Accenture, the College of Europe, the Lisbon Council, the Government Executive Innovation Circle or any of their associates.

THE EUROPEAN CENTRE FOR GOVERNMENT TRANSFORMATION

The 21st century is a time of unprecedented challenge—and great opportunity.

The European Centre for Government Transformation strives to shape an innovative, high-performing public sector, enabling the delivery of sustainable, modern and quality public services. It provides a unique and multi-stakeholder platform for constructive dialogue, exchange of best practices and formulation of innovative solutions. This network of frontline practitioners, change agents and thought leaders will be complemented by ground-breaking research and analyses in an effort to shape and inform policy developments and the government of the future—a transformation in the way governments do business.

Founded in 2009 as a European research centre and practitioner-driven community, the European Centre for Government Transformation is dedicated to providing pragmatic and actionable solutions designed to help government agencies and other public service organisations improve the social, economic and health outcomes of the people they serve through delivery of increased and improved public services. It is a new kind of ideas-and-solutions hub that recognises the interdisciplinary nature of state transformation and public sector modernisation. Its three founding partners—Accenture, the College of Europe and the Lisbon Council—bring a broad range of experience and knowledge to this fast-growing community, contributing expertise and guidance to the debates and ensuring broad dissemination of ideas developed in these fora.



Helle Thorning-Schmidt, prime minister of Denmark and head of the Presidency of the Council of the European Union, addresses the 2012 European Summit for Government Transformation

Activities to Date

Annual European Summit for Government Transformation

Thematic High-Level Roundtables on

- *Patient-Centred Healthcare*
- *Sustainable Public Finances*
- *Employment and Skills*
- *Public Procurement*
- *Digital Government*
- *Collaborative Border Management*
- *Policing and National Security*

Collaboration with the European Commission's Research and Innovation Directorate-General on Public Sector Innovation

Executive Briefings on Key Themes, such as Employment, Public Procurement and Digital Readiness

Research Study Driving Public Entrepreneurship: Government as a Catalyst for Innovation and Growth in Europe, published in collaboration with Oxford Economics

COLLEGE OF EUROPE STUDENT CASE STUDIES: INTRODUCTION

Tomorrow's Leaders Evaluate Today's Challenges

In 2012-2013, 12 students from the College of Europe were selected to take part in a project on state transformation. They were divided into three teams of four students. Working together with Accenture, the staff and faculty of the College of Europe and the Lisbon Council, each team was asked to evaluate the challenges of a state agency. The three agencies selected were: Pôle emploi, the French Public Employment Service; the Region of Southern Denmark; and the Spanish Prosecution Service. Each team visited the agency it was evaluating to learn about the particular challenges the agency faced.

In completing this project, the students were coached by a team of top transformation managers at Accenture, the global management consultant firm, as well as by the **Government Executive Innovation Circle**, a European Centre for Government Transformation-based community committed to developing and implementing solutions to high-level state transformation challenges. Members of the Government Executive Innovation Circle met with the students in Brussels in February 2013 and later agreed to evaluate the case studies—awarding a prize to the best performer. In May, the case studies were presented in Brussels at **The 2013 European Centre for Government Transformation Annual Forum and Award Ceremony** to a top level VIP audience—including Brian Hayes TD, minister of state for Public Service Reform and the Office of Public Works and representative of the Irish Presidency of the Council of the EU.

GOVERNMENT EXECUTIVE INNOVATION CIRCLE

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*Former Commissioner for Consumer Affairs,
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FOREWORD

By Meglena Kuneva

Chair, Government Executive

Innovation Circle

*Former Commissioner for Consumer Affairs,
European Commission*

Against the backdrop of the continued economic crisis, the danger of populism is rising. Many Europeans are disillusioned about the political response to date and are understandably fearful for their future. In an increasing number of countries—including the one I know best, my native Bulgaria—citizens are blaming the state for reneging on past commitments and failing to pave the way for a sustained recovery.

Poor governance of state and public resources is therefore becoming an increasingly important element in elections and in wider popular sentiment. That is why I say:

"Let us seize this moment, this once-in-a-generation opportunity to drive paradigmatic change; let us work together to make the state more participatory and responsible; let us work harder to meet citizen expectations and prepare for future challenges."

One promising way of doing so is to instil the concept of the citizen as "prosumer"—an active, empowered and informed interlocutor vis-à-vis the state. When I served as European Commissioner for Consumer Affairs, I witnessed first-hand the transformative potential of consumers who help design the goods and (public) services they consume. These tailor-made, personalised offerings are now not only possible—they are demanded by an

ever-increasing number of "digital natives". The public sector, representing over 50 percent of the economy in many countries, has to be at the forefront of these citizen-centric approaches to delivering public services.

As chair of the Government Executive Innovation Circle, the advisory body of the European Centre for Government Transformation, I have been inspired by the many examples of innovation and dynamic change I have come across over the years. Since the European Centre was first founded in 2009, many dedicated, forward-looking and committed policy leaders and civil servants from the EU Member States—and indeed the world—have come together to share experiences and best practices; be it in the field of digital government, employment, public procurement, health or sustainable finances.

At the same time, I am equally fascinated by the students of the College of Europe, who provide such a breath of fresh air to the work of the European Centre for Government Transformation. Their intellectually uninhibited, out-of-the-box solutions go a long way to providing many of the answers we so urgently need as we work towards a more inclusive, dynamic and sustainable Europe. I hope that you will be as inspired by their case studies as I am, and I thank you for taking the time to engage with our very timely and worthwhile project.

FOREWORD

By Professor Jörg Monar

*Director of Political and Administrative
Studies, College of Europe*



The transformation of modern welfare states must rank amongst the most challenging tasks of human endeavour. On the one hand, the state must ensure the stability and reliability of a regulatory and administrative framework and the continued provision of public goods on which the society, the economy and its own legitimacy depend. On the other hand, however, this very stability and continuity is constantly challenged not only by today's rapid evolution of societal and economic needs, but also by a host of other factors such as changes in technology and in the global environment.

As essential providers of stability, citizens expect states to have a natural degree of conservative inertia. Yet public authorities tempted to remain within this comfort zone in the face of obvious challenges, should heed well Edmund Burke's warning in his *Reflections on the Revolution in France*: "A state without the means of change is without the means of its conservation".

European welfare is clearly facing major challenges—and the dramatic consequences of the sovereign debt crises in several EU Member States have shown how destabilising these challenges can be. However, the transformation challenges all European countries face to varying degrees, should not necessarily indicate the decline of the state and its functions. Rather, the global financial crisis of 2008/2009 has shown the enormous risks posed by underperforming public authorities. In some contexts—such as the social implications of a rapidly ageing population—European states may even have to expand their responsibilities.

"State transformation should therefore not be about an indiscriminate 'downsizing' of the state, but about redefining its functions, objectives and performance targets in light of current challenges. It should also encompass adapting structures, revisiting resource allocations and helping public authorities to deliver public goods more efficiently and effectively."

The current context of budgetary austerity may often indicate a need to 'do more with less', but the true focus should be on the 'more' rather than the 'less'. It is this constructive rationale of providing public authorities with the necessary 'means of change' (to take up Burke's words) which has guided the state transformation training project, the results of which are presented in this publication.

The College of Europe is most grateful to Accenture and the Lisbon Council for having again made it possible for 12 students of its Political and Administrative Studies Programme to work on real-life state reform projects in three European countries. By taking on these projects over and above their intensive study obligations, the students have shown a willingness to engage and a creative thinking which fills us with pride and respect.



FOREWORD

By Bernard Le Masson

*Global Managing Director, Health and Public
Service Management Consulting, Accenture*

Europe continues to navigate through a crisis and demand for a fundamental reform of the public service is stronger now than ever. I am very pleased that Accenture has partnered with the European Centre for Government Transformation to walk together through these challenging times. There is also a need for creativity and fresh thinking to address some of the public service issues—and the College of Europe case studies are aimed precisely at this. The college's students have assumed the role of tomorrow's young leaders by designing innovative solutions to a subset of such issues, giving us results we all can be proud of.

Over the past year (2012-2013), the student teams have worked with leading public service agencies across Europe: the Spanish Prosecution Service; the French public employment agency (Pôle emploi), and the Region of Southern Denmark, responsible for economic development and innovation. They have addressed far-ranging issues including improving workforce productivity, leveraging social media in job-matching and facilitation, as well as the optimal use of EU Structural Funds for local economic development and SME growth. The teams have looked at international benchmarks and best practice against peer agencies, in order to develop robust, practical policy recommendations.

The insight provided by the student teams forms part of a comprehensive framework of practical policy recommendations emanating from the European Centre for Government Transformation; on themes such as improving labour market efficiency, leveraging new technologies to restructure public service delivery, and reigniting Europe's economic growth. The European Centre for Government Transformation will play a key role in enabling state transformation and delivering sustainable, high-quality public services for the future.

"I want to especially thank these agencies for providing considerable support to the students and for opening their doors to the students, allowing them to probe, analyse and come up with innovative solutions."

The European Centre for Government Transformation continues to be a beacon for policymakers and government leaders to engage with their peers on their most pressing issues—and collectively move towards a future for Europe that holds promise and provides a legacy for the next generation. Accenture is committed to helping governments achieve these goals.

FOREWORD

By Ann Mettler

Executive Director, the Lisbon Council



In year five of Europe's seemingly unending economic crisis, the need for responsible allocation of resources and getting more value for money has never been greater. Certainly, the turmoil in financial markets inevitably led to turmoil in societies accustomed to a well-organised state which provided much-needed services to its citizens. While some argue that the very essence of the European model is under siege, others are moving on and paving the way for more effective, innovative, citizen-centric services—using the current context as a unique opportunity for revival and modernisation.

"The three case studies recently analysed by 12 College of Europe students are a perfect illustration of public service providers trying to improve efficiency—while providing better working conditions for staff, more resources for local communities and improved services for clients."

Whether relating to using social media to link job applicants with potential employers, generating more growth and jobs through EU Structural Funds or lifting the professional spirits of overworked prosecutors, this year's case studies offered a valuable glimpse into the many challenges facing public service agencies. But the good news is that they can be overcome; be it through better use of digital technologies,

more thorough impact assessments or improved human resource management. Best of all, the students—keenly aware of the constraints on the current policy environment—specifically highlighted cost-effective and innovative prescriptions for the cases they examined.

I want to thank the students of the College of Europe who participated in this year's project for their shrewd analysis, keen awareness of limitations and creative ways of dissecting the challenges they examined. A special recognition also goes to the participating public service agencies, which kindly opened their doors to us and generously shared their experience and valuable time. It is this openness and willingness to collaborate that is the very essence of bringing about innovative solutions with broad appeal and buy-in. For that, I cannot thank the participating agencies enough. You are at the forefront of innovation and modernisation and I sincerely hope—and confidently trust—that the innovative solutions proposed by the College of Europe students have been enriching and transformative for your agency.

As in past years, it has been a pleasure and privilege to work with some of Europe's most innovative public service agencies and the best and brightest students from across the continent. It is this experience of personally witnessing the innovation and creativeness to tackle grand societal challenges that makes me hopeful that the current crisis can be overcome and that Europe can thrive once again.





CASE STUDIES

*Leveraging Social Networks for a More
Innovative Public Employment Service*

*Optimising the Use of Structural Funds
to Foster Economic Growth and Innovation*

*Increasing Labour Productivity
through Motivational Drivers and
New Working Methods*



CASE STUDY

EMPLOYMENT

Client:

Pôle emploi, France

Objective

Leveraging Social Networks for a More Innovative Public Employment Service

Team

Ana Blazheska (Macedonia), Stéphanie Brochard (France), Alex Keynes (United Kingdom), Désirée Wittenberg (Germany)



EXECUTIVE SUMMARY

The current economic crisis has taken its toll on the French labour market, where unemployment, along with labour market segmentation and marginalisation of vulnerable groups, remains a persistent problem.

Our client, the French public employment agency Pôle emploi, is the result of a merger in 2009 between the placement agency and the benefit agency. With the new structure having difficulties adapting, coupled with rising unemployment, Pôle emploi faces growing criticism. The organisation has two concurrent challenges; fulfilling its missions as a public employment service while maximising the potential of the post-merger structure against the backdrop of the crisis. The agency's strategic plan, Pôle emploi 2015, aims to achieve these objectives through innovation and anticipation.

"Our analysis aims to develop recommendations for Pôle emploi to leverage social networks, answering the need for the agency to develop a multi-channel strategy and adopt the growing trend of 'social recruiting'."

Our recommendations are based on a Europe-wide benchmark, a detailed analysis of the opportunities offered by social networks, as well as our own 'out-of-the-box' reflections. This methodology helped us identify examples of best practice, determine a five-step roadmap and define tailored proposals for Pôle emploi.

Step 1: Strategic orientations

The benchmark revealed that developing a general and flexible strategy is a key starting point. Social networks represent a useful tool for several target groups—such as young and close-to-market job seekers. Such a strategy requires setting up an appropriate internal structure to ensure diffusion and efficient implementation.

Step 2: Information

Following strategy implementation, Pôle emploi should take steps to improve its dissemination of information. Social networks are an excellent channel for this purpose—as well as for the collection of labour market information.

Step 3: Communication

Using social networks for communication purposes is a first concrete step towards more mature use of social networks. Communication between job seekers and Pôle emploi is enabled, but Pôle emploi can also use social networks to facilitate communication amongst job seekers in similar sectors, or between job seekers and employers. “The future of recruiting will be social”

Step 4: Activation

This is at the core of the potential offered by social networks. The idea is for Pôle emploi to be able to deliver its services via social networks. This involves conducting trainings on the use of social networks, as well as providing career support via e-counselling and e-trainings. Few countries are taking advantage of this and by implementing these recommendations, Pôle emploi could place itself ahead of the curve.

Step 5: Innovation

This step aims to use social networks in an innovative way—for example fostering data aggregation and developing collaborative processes such as crowdsourcing via social networks.

Social networks represent a unique opportunity to do more with less. Increasing their use will not only allow public employment services to match constrained budgets, but also, we believe, help increase the quality of services offered and better match employer/job seeker expectations, ultimately creating a new generation of public services.





CASE STUDY

ECONOMIC GROWTH AND INNOVATION

Client:

Region of Southern Denmark

Objective

*Optimising the Use of Structural Funds to
Foster Economic Growth and Innovation*

Team

*Valentina Barbagallo (Italy),
Camille Dehestru (Belgium), Lars Koch
(Denmark), Anna Veltkamp (Netherlands)*



EXECUTIVE SUMMARY

The European Union deals with challenges of both a temporary and structural nature. The sovereign debt crisis currently poses an acute threat both to the monetary system and to the political status quo. One way of addressing these threats is the Europe 2020 Strategy, in which the Member States commit themselves to highly ambitious goals in strategic areas. To this end, EU Structural Funds are major drivers of economic growth and innovation in the Member States, aiming to boost Europe's overall competitiveness.

"The purpose of this study is to analyse the allocation of EU Structural Funds in the Region of Southern Denmark and to point out the areas where this allocation could be improved, in order to foster economic growth and job creation."

Although the Region received the European Entrepreneurial Region label in 2013 for its excellence in promoting entrepreneurship, it constantly seeks to optimise its use of the Structural Funds in order to facilitate innovation and job creation.

This study finds that small and medium-sized enterprises (SMEs) are a key factor for growth in the Region of Southern Denmark, given they comprise more than 99 percent of Denmark's companies. The scope of the project is linked to SMEs in the Region of Southern Denmark that are active in the field of welfare technology. Using theories of macroeconomic incentives and comparative analysis with other regions, we found ways in which the Region might improve its already impressive record vis-à-vis growth and innovation. However, we also found challenges hampering SMEs' ability to be innovative.

The report recommends a three-pillar approach to resolving these issues.

THE FUNDING PILLAR

The economic crisis seems to have limited companies' access to funding—making private financial institutions more risk-averse. Our recommendation is that the Region could diversify the allocation of funds on the basis of a systematic segmentation of the enterprises. Modest-sized businesses would benefit from quick access to small pools of funding, while companies with the capacity and experience to apply for EU Structural Funds would be encouraged to do so.

THE CLUSTER STRUCTURE PILLAR

Clusters play a key facilitator role by helping companies network and gain access to public and private loans. The challenge, however, is that the Region's clusters are primarily funded with EU Structural Funds. Therefore, by choosing a more permanent financing scheme, the Region could secure important know-how and expertise—and avoid unnecessary set-up costs of new structures.

THE COMMUNICATION PILLAR

The Region could improve its communication strategy, to better inform SMEs of the funding options available to them.

Our recommendation is building a single portal with specific information for SMEs on available funding possibilities and relevant contact information.

The Region of Southern Denmark has the potential to become an example of innovation and job creation through targeted government intervention. However, only if it deals with the challenges identified, will the concept of a 'light tower in welfare technology' be realised.





CASE STUDY

JUSTICE

Client:

Spanish Prosecution Service

Objective

*Increasing Labour Productivity
through Motivational Drivers
and New Working Methods*

Team

*Kristina Balunova (Slovakia), Silvia Mosneaga
(Moldova), Eguzki Osteikoetxea (Spain and
Mexico), Mara Ruse (Latvia)*



EXECUTIVE SUMMARY

Economic crisis, budgetary cuts, social instability, an unemployment rate rocketing to 26 percent; these are some of the problems the Spanish society is currently confronting. Our client, the Spanish Prosecution Service, has not been spared the challenges posed by the economic crisis. The Service has recently been exposed to austerity-related reforms, such as 10 percent wage cuts and a reduction of the labour force in 2011. This has resulted in potentially reduced quality and quantity of public services.

The Spanish Prosecution Service is a body independent from the Ministry of Justice, its mission being to initiate and participate in proceedings and ensure they abide by the law. In light of the austerity reforms, our business challenge was to identify a set of motivational drivers and new working methods that will lead to increased labour productivity among prosecutors.

*"In order to identify the current
motivation barriers, we conducted a
survey targeting all 2,300 prosecutors."*

The problem areas identified were: lack of recognition, irregular training possibilities, work overload, and lack of facilities. To respond to these problems given the various constraints—such as limited budget and resistance to change—we provided a set of easily implementable, low-cost recommendations. Following the client's request, concrete funding structures were identified for those recommendations that demanded higher costs. We supported our recommendations with evidence from existing practices and with their transferability to the Spanish Prosecution Service. The following recommendations were the most valued by the client.

We suggested expanding the current training possibilities as a solution to the long waiting lists for training. Given that the trainings are provided by a single state-owned judicial training school, the creation of new collaborations with alternative institutes would arguably attract new funds and consequently trigger more responsiveness to demand. Furthermore, we suggested introducing additional e-training modules to increase participation rates. This more time-efficient training alternative would help to overcome the prosecutors' reluctance to leave their desks due to work accumulation.

Regarding the overload of work, two recommendations were suggested. Firstly, setting up participatory internship programmes would unburden the prosecutors from some of their administrative tasks—while offering law students the opportunity to obtain experience in the Prosecution Service. The second recommendation attempted to reduce the overload of paperwork by digitalising the communication between the judicial agents of the proceedings and increasing the speed of judicial operations. The required reforms implied setting up a harmonised online database accessible to all concerned parties. The resulting transparency of the proceedings would not only boost the motivation of the prosecutors, but also directly increase labour productivity.

The recommendations provided were concrete, realistically actionable, and aimed at boosting labour productivity through motivation. By emphasising the feasibility of our recommendations, we hope to trigger a spirit of change that will facilitate more substantial judicial reforms in the future.







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Photography by *Bernard Foubert*

ABOUT ACCENTURE

Accenture is a global management consulting, technology services and outsourcing company, with approximately 261,000 people serving clients in more than 120 countries. Combining unparalleled experience, comprehensive capabilities across all industries and business functions, and extensive research on the world's most successful companies, Accenture collaborates with clients to help them become high-performance businesses and governments. The company generated net revenues of US\$27.9 billion for the fiscal year ended Aug. 31, 2012. Its home page is www.accenture.com.



ABOUT THE COLLEGE OF EUROPE

The College of Europe, founded in 1949 and based in Bruges (Belgium) and Natolin (Warsaw, Poland) was the first and is one of the most reputed institutes of European postgraduate studies, which annually prepares up to 400 students from over 55 countries to work and live in an international environment. The European Political and Administrative Studies programme offers a wide range of courses on the functioning and policies of the European Union. Read more: www.coleurope.eu.



ABOUT THE LISBON COUNCIL

The Lisbon Council is a Brussels-based think tank and policy network committed to making a positive contribution by engaging political leaders and the public-at-large in a constructive exchange about the economic and social challenges of the 21st century. Incorporated in Belgium as an independent, non-profit and non-partisan association, the Lisbon Council is among Europe's most authoritative and thoughtful voices on economic modernisation and social renewal. Its home page is www.lisboncouncil.net.





