# Points of Orientation

## Challenges and needs for action in public administration

Although it already demands tremendous effort to maintain the existing status in public administration as the budgets keep getting tighter, the pressure is on to find – sooner rather than later – intelligent solutions for new challenges that many administrative organizations are going to eventually face.

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As early as 2013 and 2014, ICG supported a comprehensive administration development process carried out by the Austrian federal state of Vorarlberg. Current challenges and needs for action in different areas were identified in collaboration with political, administrative and scientific experts as well as representatives of stakeholder. The results of this venture are not only applicable for Vorarlberg and Austria, but also for many other Western and Central European countries. In strategic development programs and ultimately government programs, these results need to be considered and relevant measures and projects have to be formulated. Here, the expert commission identified the following challenges and needs for action:

### Sociodemographic shift

The effects of sociodemographic shifts (e.g. an ageing population) are exacerbated because of an increasing sense of entitlement, mobility, and a subsiding trust in the future.

Needs for action:
— Promoting the work-family balance, for example by expanding childcare facilities and kindergartens to satisfy demand. ►

— Meeting requirements for successful migration/ integration.
— Procuring and ensuring affordable accommodation.
— Better coordination of consultancy and care provided by social services.

## Narrower political leeway

Scarce budgetary means and political plurality handicap the policy making. A sense of entitlement amongst members of the public is increasing, whereas individual initiative is rarely highly developed in many areas. The acceptance of strict rules and their enforcement is decreasing.

Needs for action:
— Improving the quality of the services and adapting them to meet demand. Stronger coordination of services provided by alliances, states, districts and municipalities.
— Promoting innovation and quick, qualitative decision-making and processing as well as reducing bureaucratic obstacles.
— Creating more transparency of objectives, costs and results of management as a prerequisite for effective management and orienting political areas towards medium and long-term objectives.
— Fostering voluntary social involvement and personal responsibility.

## Compromised health, increasing costs

Changed eating habits and a lack of exercise are leading to so-called lifestyle diseases. Furthermore, medical advancements and therefore higher life expectancy are the main reasons for increases in costs in the healthcare industry.

Needs for action:
— Optimization of healthcare with structural measures that also increase efficiency.
— Decisive promotion of healthcare and preventive measures.
— Increasing the attraction of the healthcare system as an employer.
— Obtaining the legal framework conditions for medical-ethical issues.

## Ecological changes

Sustainable use and conservation of resources have become of tremendous importance with the increasing dwindling of natural resources.

Needs for action:
— Long-term conservation of nature.
— Strengthening of ecological awareness in people.
— Ensuring high quality of life that also keeps the economic, social and ecological aspects in mind.

## Increasing significance of education

Promotion of individual talents and life-long learning. Learning mobility is gaining importance. In spite of a growing number of graduate degrees, well-trained experts seem scarce. On the other hand, drop-outs are missing out on social opportunities.

Needs for action:
— Removal of redundancy and fragmentation of competency between associations, states and districts in the field of education.
— Expansion of school autonomy and enabling a freer school selection.
— Increasing need-orientation in training and further education.
— Further development of adult education, promoting permeability of the education system and offers for integrating people who are educationally alienated.
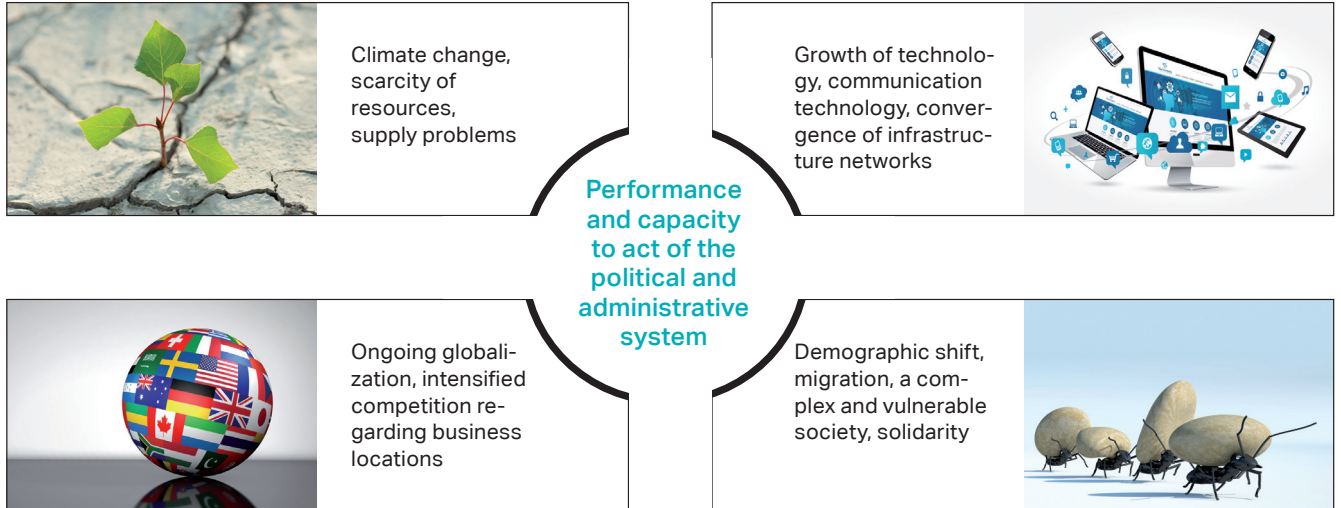
## Changes in the economy

Over-regulation is increasingly causing immense friction and reducing the dynamics in economic development; however, competition and cost pressure are growing.

Needs for action:
— Using empathic and unambiguous language in legal and administrative texts.
— Thorough appraisal of legal consequences of future legal directives with respect to the desired effects as well as unwanted costs and ramifications.
— Retaining expert competences in administration and creating networking possibilities with the corporate sector.

## Major challenges public administration is facing



Climate change,
scarcity of
resources,
supply problems

Growth of technolo-
gy, communication
technology, conver-
gence of infrastruc-
ture networks



**Performance
and capacity
to act of the
political and
administrative
system**



Ongoing globali-
zation, intensified
competition re-
garding business
locations

Demographic shift,
migration, a com-
plex and vulnerable
society, solidarity



— Preserving or re-establishing the balance between
national regulation and entrepreneurial freedom.
Taking deregulation measures and speeding up
administrative processes.
— Promoting expansion of (young) childcare centers
in order to enable quicker re-entry into the work
process.

### Digitalization and new technologies

Information and communication technologies are
often already an inherent part of public administration
and can no longer be ignored by those refusing digital
solutions. They influence communication with citizens
and are determining administrative processes more
and more.

Needs for action:
— Optimization of business processes with digital
information and communication techniques and,
therefore, further opening of politics and adminis-
tration towards the citizens and economy.
— Regular updates to IT infrastructure as well as mak-
ing necessary financial and personal resources
available. Further updating and implementation of
databases and service portals along with ensuring
data safety.

### No action is not an option

Many administrative organizations are facing these
challenges and relevant development programs are
being implemented. Although considerable progress
has already been made in many cases – administration
is now better aligned to the needs of the people eligi-
ble for benefits – no one has managed to find all the
necessary solutions yet. They all know that being idle
is not possible, so one must continue to develop
instead. The key to success is the same for both the
private and public sectors: always be aware of oppor-
tunities to develop and create a flexible organization
with employees who are willing to learn, develop and
change. ●

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»The first step toward
change is awareness. The
second step is acceptance.«

Nathaniel Branden