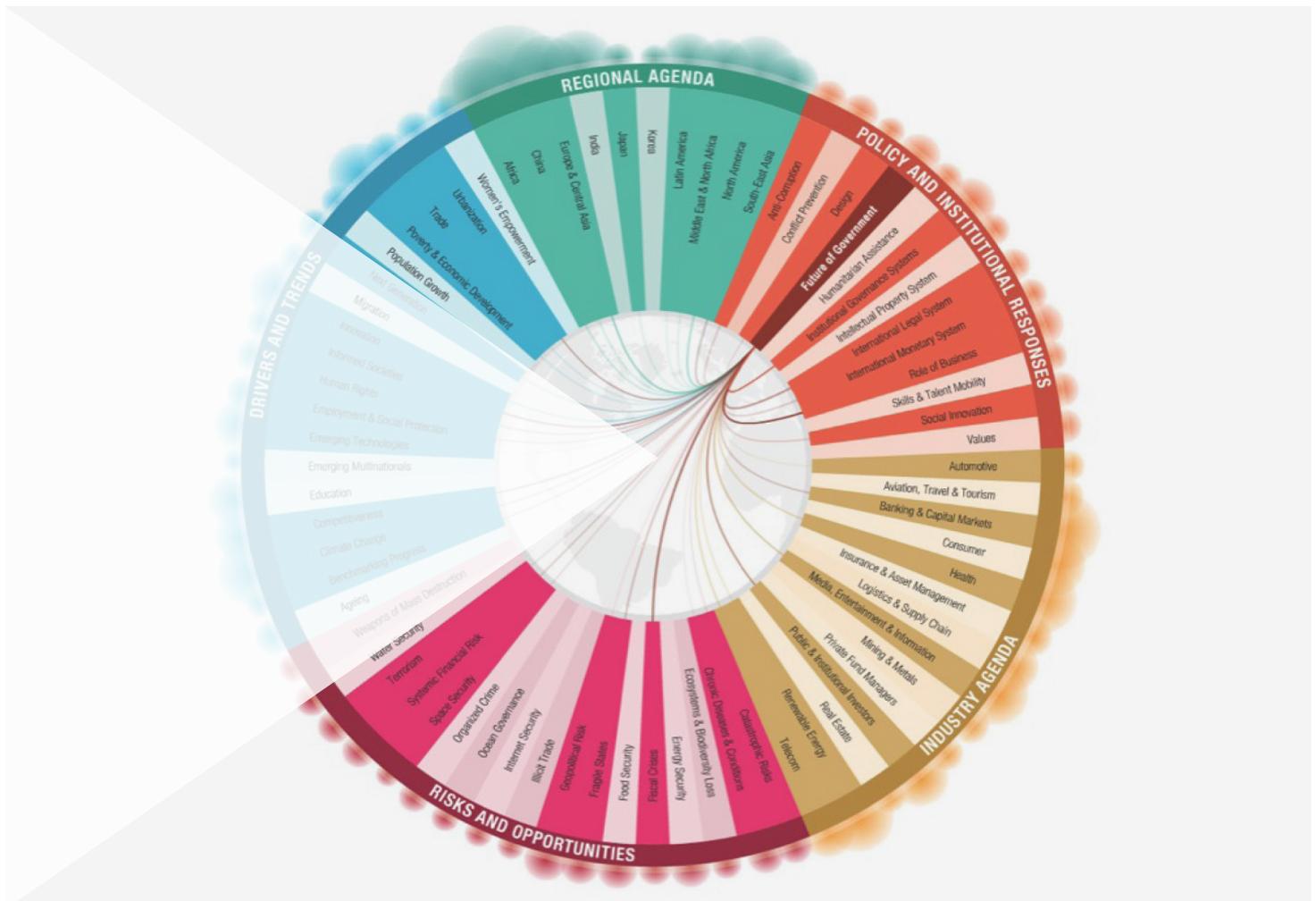


# Future of Government - Fast and Curious

How innovative governments can create public value by leading citizen-centric change in the face of global risks

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# Background and Introduction

In 2011, the World Economic Forum Global Agenda Council on the Future of Government published a seminal report on *The Future of Government – Lessons Learned from around the World*<sup>1</sup>. The report presented practical proposals – illustrated by some emerging best practices – to stimulate engagement with and between public and private stakeholders to build citizen-centric and innovation-driven government priorities and practices for the 21st century.

This short and updated report is a call to public and private decision-makers to highlight the most immediate priorities and most promising opportunities to transform governments and enhance their ability to deliver value to citizens at the global, regional, national and local levels.

New and emerging global risks (flagging growth, massive unemployment, fiscal and financial imbalances, global warming and environmental risks, mass poverty, terrorism) are posing unprecedented challenges to governments: their respective citizens see them as unable to either master such risks or mitigate their impact at the local level. At the same time, the ability of citizens to voice their criticisms and frustrations has been growing exponentially as global information and social networks have become ubiquitous and easily accessible in many parts of the world.

Governments need to transform. However, if such transformation happens without a robust framework of principles and priorities, it may add to the current levels of instability and risks while further diminishing the ability of governments to fully play their roles as guides, catalysers or contributors to societal change.

Proposed here is a simple, pragmatic way of defining such a framework, including suggestions for ways in which various types of governments (national, but also local and supra-national) could make the best of the current situation. This report also highlights some of the tools available to them to regain their position as legitimate, trusted and efficient agents of change.

<sup>1</sup> <http://www.weforum.org/reports/future-government/>

# FAST Government

To create new public value and effectively meet citizens' needs, leading governments are transforming themselves into what we have described as flatter, agile, streamlined and tech-enabled (F.A.S.T.) organizations. In its first report, the World Economic Forum Global Agenda Council on the Future of Government suggested a matrix (reproduced below) outlining four main axes of government transformation and how progress could be measured in achieving such transformations.

FAST government does not necessarily imply speedy government, although the time frame for many decisions may be reduced with the help of collaborative platforms, tools and analytics. Nor does FAST government imply ignoring or by-passing the core government values of merit, equity, checks and balances, accountability and jurisdiction. On the contrary, FAST implies that the government is able to ensure all of the above through more innovative, effective and efficient practices, as they effectively meet citizens' needs, care for scarce natural resources and create new public value. The principle of FAST governments of the future will be less haste but greater speed for better quality public services and a more responsive government.

## The FAST matrix of government transformation

Dimension to be addressed and measured	What should be measured/assessed and improved?	Possible hard data/ indicators (areas)	Possible proxies and/ or qualitative indicators (areas)
<b>Flatter</b>	<ul style="list-style-type: none"> <li>Layers of government to be faced by users/ citizens in typical interactions</li> <li>Balance between central and local government responsibilities</li> <li>Evidence of citizen engagement in decision-making</li> </ul>	<ul style="list-style-type: none"> <li>Creating a new business</li> <li>Public tenders</li> <li>Life events certificates</li> <li>Cities' responsibilities</li> <li>Online feedback mechanisms</li> <li>Use of social media across government units and by the public sector</li> </ul>	<ul style="list-style-type: none"> <li>Perception of how "flat" government is among citizens and businesses</li> <li>Perception of "proximity" between government and users of public services</li> </ul>
<b>Agile</b>	<ul style="list-style-type: none"> <li>Ability of existing public structures to adapt and transform themselves in face of new demands and opportunities</li> <li>Evidence of innovative behaviours across government units</li> <li>Responsiveness to requests/expectations from citizens and businesses</li> </ul>	<ul style="list-style-type: none"> <li>Record of new services offered over a certain period of time (e.g. past year)</li> <li>Record of time-saving and cost-saving (to users) for a set of typical services to citizens and/or businesses (e.g. improvements over a one-year period)</li> <li>Extent of opengov/ opendata initiatives</li> </ul>	<ul style="list-style-type: none"> <li>Perception of how "agile" government is among citizens and businesses</li> <li>Perception of how innovative government is</li> </ul>
<b>Streamlined</b>	<ul style="list-style-type: none"> <li>Staffing levels relative to output of government services</li> <li>Existence of shared processes and networks across public departments and services</li> <li>Administrative efficiency</li> </ul>	<ul style="list-style-type: none"> <li>Staff/output (measured in volume or value of services provided)</li> <li>Extent of e-procurement, HR management tools, shared databases and knowledge across ministries</li> </ul>	<ul style="list-style-type: none"> <li>Perception of how "streamlined" government is among citizens and businesses</li> <li>Image of civil servants' efficiency across national population</li> </ul>
<b>Tech-enabled</b>	<ul style="list-style-type: none"> <li>Availability of ICT in government</li> <li>Extent of government services available online</li> <li>Pervasiveness of new media/social networks in public sector</li> <li>Civil servants tech-savviness</li> </ul>	<ul style="list-style-type: none"> <li>ICT equipment, bandwidth and services (including social networks) available in government</li> <li>Percentage of government services online</li> <li>Extent of social networks in G2B and G2C interaction</li> </ul>	<ul style="list-style-type: none"> <li>Perception of how "tech-enabled" government is among citizens and businesses</li> <li>Image of civil servants' tech-savviness and innovativeness across national population</li> </ul>

## Flat Government

Reducing the distance between the government and the people it serves is pivotal to greater citizen engagement. As citizens contribute to the formulation of public policies, citizen engagement can lead to more responsive and adaptive policies. This allows for more effective needs assessment, thus improving the relevance and quality of public policies and services. In this respect, governments can use and leverage the potential of a range of tools including social media, mobile devices and mapping tools. They allow governments to “take the pulse” – in other words, to understand what citizens think of government activities. In addition, governments can obtain real-time feedback on policy, allowing for focused input and meaningful data on proposed policy changes, as well as being able to tap into the creative and innovative abilities of the people by crowd-sourcing ideas.

In terms of administrative simplification, flattening means decreasing layers in hierarchies between top management and line personnel and removing red tape, aided by collaborative work environments, business process redesign and business analytics to foster evidence-based decision-making. This model must be enabled by decision-making processes that are themselves flatter, placing information where it is needed by policy-makers and others. Horizontally, a culture of collaboration must be fostered to encourage cooperation within and across ministries, agencies and government departments.

The operating system and organizational structures should be lean, aiming to optimize costs, quality and customer service and to create customer value on a continual basis. Treating the citizen as the principal consumer of public services is a first – and critical – step towards triggering a citizen-centric transformation of governments.

## Agile Government

Effective and innovative governments need to be agile, adaptable and responsive to the changing day-to-day needs of the people they serve. Today, private markets offer consumers unprecedented levels of choice and service responsiveness, and public services can (and should) be better attuned to citizen needs and wants. If governments do not keep up, they risk diminishing public trust in their capacity to deliver. Agile governments must operate at another level of complexity: they must also shape their environment on a large scale through mechanisms such as policy-making, taxation and service delivery.

Agility and adaptability extend to government ability to “de-”organize when specific structures, processes and regulatory and legal frameworks are no longer needed. To do this, agile governments must have an outward focus in that they must be able to shift resources between different priorities with relative ease. Agile governments must be able to scan the external environment to evaluate whether a programme is relevant, achieves its original purpose and/or ascertain whether others are delivering similar programmes in a more effective way. In turn, this requires an agile workforce made up primarily of highly skilled knowledge workers with broad problem-solving capabilities and armed with real time data and business intelligence – working in teams and networks, often with private sector partners.

## Streamlined Government

In many countries, governments in future are likely to see the public service reduced in size, presenting several reasons for streamlining, not least to reduce government budget deficits in addition to improving public sector productivity. Indeed, in many parts of the world, greater attention to budget deficits is likely to result in calls for “less government” and fewer civil servants.

However, in many cases these “crash” workforce reductions prove successful only in the short run, if at all. Since they are typically driven by a political and administrative imperative to take action, these cutbacks are often made without strategic forethought. This leads to the loss of key competencies for the sake of numbers-driven downsizing, risking the loss of expertise and knowledge in the public sector.

To avoid these risks, staff reductions must flow from broader policies to reorient or restructure civil service organizations<sup>2</sup>, allowing them to better identify workers or departments for retraining, redeployment, reduction or other staffing adjustments.

Contrary to drastic staff reductions and budget cuts, streamlining can boost efficiency through alternative means of service provision – a concept that limits the role of the state to those tasks that cannot be willingly, adequately and profitably performed by the private sector. This flexibility and adaptability will ensure that governments remain slim while delivering effectively and in innovative ways.

## Tech-Savvy and Tech-Enabled Government

Governments of the future must be fully tech-enabled with a tech-savvy workforce. In an increasingly networked and technologically sophisticated world, governments are using new tools for access to government information and services at reasonable cost and high speed. Even in the poorest regions, brilliant examples of service innovation have been introduced through the use of cheap mobile and wireless technologies.

As e-government advances, policy, legal and regulatory frameworks and processes must be redesigned to align with information and communication technologies (ICT) innovations and with the dynamics of the networked world. Governments around the world are increasingly introducing standards for public authorities to ensure the quality, consistency and coherence of tech-enabled services and information. Information infrastructures must support new modes of collaboration and intensive governance. ICT must be employed to cut across multiple government agencies, departments and tiers of government to ensure effective service delivery.

In addition, the development of cheap mobile and wireless technologies is directing government towards a new trend in the realm of public service innovation. Mobile government, or m-government, is the extension of e-government to mobile platforms as well as the strategic use of all kinds of wireless and mobile technology, services, applications and devices for the purpose of improving benefits to the parties involved in e-government, including citizens, businesses and all government units.

<sup>2</sup> See next section on “21st Century Public Service and the New Civil Servant”.

# 21st Century Public Service and the New Civil Servant

FAST Government will not happen without significant changes in mindset. Motivation, appetite for change and the engagement of civil servants make all the difference.

## New Leaders, New World of Work

The Council's 2011 Future of Government report highlighted key areas in which governments could and should focus on building responsive, efficient, effective and innovative civil services. Public servants with the skills, experience and aspirations to deliver high-quality services would meet diverse public needs and develop and deliver public policies which address core local, regional, national and international challenges for the 21st century.

The core principles remain relevant and, if anything, the challenges to achieving reform, restructuring and, in some countries, renewal of civil services have become ever more pressing. It is recognized that, while there are core public goods and services which will always need to be provided by governments, there is a compelling case for considering changes in the way citizens perceive public goods and services to find innovative solutions for their provision.

The constraints on public finances in developed economies have resulted, in many cases, in the immediate pressure on public sector reform to introduce savings and cost-cutting. At the same time, in developing nations, citizen access to social media tools presents the challenge of achieving long-lasting, meaningful change while addressing immediate demands and needs.

In the 21st century, public goods and services needs be designed and delivered in ways citizens need and expect. Civil servants, therefore, need to be able to understand the many and often conflicting pressures and drivers confronting citizens – whether as employees, employers, welfare beneficiaries and others – that are in fact globally induced challenges which are often experienced locally. These include ageing populations, youth unemployment, vast urbanization, inequality, climate change and scarcity of resources.

ICT is both an enabler of this delivery and a means through which civil servants and citizens can communicate, respond to and understand one another. Core skills are required to ensure optimal benefit out of the opportunities that technology presents while managing its risks. These include skills and experience in procurement, communication, management, interpretation and use of big data, and realizing the gains of open government. Civil servants of the 21st century must be equipped with and proficient in these skills.

## Winning the War for Talent

An evolution is required in the way civil services manage their human resources. Recognizing that diverse systems are needed in different areas of the public sector, civil services must take into account which public goods and services should be delivered, by whom and how. To adapt and innovate within this complex, highly-networked governance system, 21st century civil servants require professional education and training. A balance must be struck between the benefits – a flexible, fleet-footed civil service – and the risks –transitory knowledge and experience, and legal, regulatory and policy-making experience that is insufficiently nurtured and rewarded.

Public-sector talent will need to be entrepreneurial in a civil service setting, possessing the skills necessary to coalesce groups to achieve public-policy goals in a far more collaborative, less siloed way than has traditionally been considered appropriate for this sector.

# Government in the Digital Age – New Architecture Needed

Government transformation has now moved beyond the age of e-government. Over the last two decades, the traditional approach to building e-government, based on ICT to support activities of separate government agencies with further integration and interagency interaction, has generated undeniable improvements in the functioning of government agencies and enabled greater and easier access to government services for large numbers of citizens. Yet, it has not led to some of the most significant changes that governments must now undergo.

Governments must be citizen-centric to be effective. Yet, traditionally, public administration has not put interaction with citizens at the heart of decision-making and service delivery. Only a citizen-oriented strategy for public administration, combined with massive and pervasive use of ICT, can lead to quality improvements that will be used by citizens to produce public value.

The FAST government model offers tools that allow a government (or any organization) to bring together a complex system development strategy with opportunities carried by ICT in a dynamic and responsive way.

## ICT Infrastructure for FAST Government – Broadband and Mobility are Key

In today's information society, access to ICT infrastructure is becoming one of the keys to social justice and social welfare; yet, ICT infrastructure alone is insufficient to ensure effective e-governance. Governments need to master new elements such as broadband networks, cloud computing, big data/analytics and social networks, among others, to secure effective change. It would be wrong to consider that such opportunities and challenges are affecting only the more advanced and technologically sophisticated economies: they face all governments in all parts of the world.

Broadband will continue to facilitate growth in the development of data-rich, real-time public services, including e-healthcare applications such as remote access to medical experts; enhanced online education and training for e-learning; low-carbon economy ICT solutions such as for integrated smart communities; and the introduction of a range of new, highly interactive e-government services.

Measures taken by many states and international organizations in recent years have been aimed at building a global ICT infrastructure that is needed, in particular for the full-fledged use and development of e-government systems. The extent of service, infrastructure competition and public investment varies from country to country, but some public funding support is needed, at least in remote areas, to ensure digital inclusion.

Mobility has given rise to a qualitative change in the development and use of ICTs: massive and growing application of users' mobile terminal devices with reliable broadband access to providers' services and data, including those provided by the government. This trend will be dominant in the coming years and will become a real embodiment of the principle "ICT as commodity", which cannot fail to influence the current technology of e-government. Progressively, e-government will be dominated by m-government (for mobile-based and app-based e-government services), and governments should prepare for this.

## Open Government and Citizen Engagement (opengov/datagov)

In recent years, open government has become a dominant trend in the public administration of a number of countries. Often labelled 'opengov' or 'datagov', it is expected to allow co-creation of public value between government, business, civil society and citizens. This policy paradigm is based on the principles of transparency, collaboration and partnership. Despite the various challenges brought by the digital divide between countries at different levels of development, governments worldwide are increasingly using social network services and sharing data through the Web at national, regional and local levels.

Even more challenging is to look at how governments at every level initiate, sustain and build capacities for ensuring that the potential of government transparency and citizen engagement to promote effectiveness and accountability in public service delivery is realized through open government initiatives. This requires strengthening the capacities of public administrators, as well as stakeholders from business and civil society, to initiate, implement and evaluate innovative and sustainable forms of government services.

In the course of their operation, governments routinely collect huge amounts of data both for the functioning of government itself and for the provision of public services. Government data are usually located in isolated information systems of departments and are difficult to access for other agencies, and even more so for private citizens and businesses.

At the heart of the opportunities of open government are not only the requirement of "transparency" and "accountability" of the government, but also the potential to be derived from the analysis and re-use of the data. Open government data is an important resource for socio-economic development in the information society. By opening up public data, governments can promote innovation in business and the development of social entrepreneurship. The disclosure of government data not only promotes awareness of what the government does, but also provides opportunities for broad citizen participation in public decision-making.

Citizen engagement has instrumental value, such as securing better outcomes through lower cost, more innovative solutions. But it also has intrinsic value, including building greater trust and strengthening democracy. Through public discourse and participation comes collective commitment to the impacts of joint decisions on future generations. Social media has opened powerful new possibilities to public administration for dialogue and cooperation with citizens. The use of social network services is exploding globally, but clearly, public administrations have been slower to advance in its use than has the rest of society. At the same time, public administrations need to fully understand the risks of social media use and how they can be managed in dialogue and collaboration with the full spectrum of social media users.

How citizens interact with each other is crucial to how public administrations should design processes and tools for participation. Government is just one part of the network. Citizen engagement will also make a difference to civil servants. Social media tools are easy to use, but civil servants need support and training to develop dialogue and interaction skills.

# The Road Ahead – Innovative Approaches to Global Risks

The FAST platform - as well as the challenges and opportunities highlighted above - calls for a rapid mobilization of efforts around government transformation. In the immediate future, such efforts should be structured around the following objectives and priorities: governments need to be resilient, open but secure, and innovative.

## Resilient Government and Globalization

Government has to be more active in equipping its citizens for the changes brought by globalization, as well as creating more effective models for inter-governmental work. International financial, trade and other economic institutions require reform to reflect the changing balance of economic power in the world and the need for more urgent responses to global crises and imbalances.

For most people, the deepest concerns about globalization relate to its impact on their personal economic security. Globalization is increasingly associated with the unwelcome reshaping of industries and widening inequalities. These anxieties require a political and a governmental response. Above all, people need to be equipped to live with rapid economic change.

## Open but Secure – Government and Information

Dealing with the breach between growing public expectations and the capacity of government to meet demands is not going to be achieved simply by communicating better with citizens. However, social media networks and ICT offer the potential for building more informed, functional and participative democracies and more active citizenship.

In this context, it is important not to be utopian. Digital government presents opportunities for new ways of interacting with public services, holding government to account and interacting with fellow citizens. But the data aggregation that is an inevitable part of governing carries risks for privacy. There are trade-offs between transparency and confidentiality. No less important, many critical government functions – from education and unemployment assistance to healthcare – are based on important human personal relationships and private consultation. They cannot simply be moved online.

These debates need to bring together public and private sectors embracing a wide cross section of government and non-government experts, as well as social and more conventional media networks. The World Economic Forum is uniquely placed to do this.

## FASTer Government and Innovation

Innovative government is no longer an oxymoron. However, fostering an innovative culture requires an enabling environment, in which the challenges mentioned above are either prevented or overcome. This requires the adoption of a holistic approach – one that encompasses and promotes innovation in the entire public sector. While individual public sector organizations and agencies can innovate, the efficiency gains obtained by a whole-of-government dimension are immense as they allow for knowledge and best practice exchange which can be replicated across the entire sector. To allow such an environment to exist, certain critical success factors must be in place including integrated strategic planning, an open flow of information (intra-government), a robust risk management approach and a willing and capable leadership. This will clearly be underlined by ICT as an enabler and conduit for knowledge sharing and cross learning.

While innovation is critical to the success of future governments, a collaborative culture where such innovation is shared is also imperative for governments to become more agile and responsive. Collaboration – a vital ingredient for future governments to satisfy growing citizen needs and demands – is not only important at the inter-agency level, but also at the stakeholder level.

As governments become FASTer, the next decades of the 21st century will witness a renaissance of government and public service, when the “best and the brightest” seek out public service – whether through government agencies, civil society organizations or businesses working in the public sector.

### Next Steps – New Mindsets Needed

The matrix presented to benchmark the changes governments make against the FAST framework remains a powerful instrument to foster and accelerate necessary changes. Benchmarking will capture best practice and lessons that can be adapted for governments at differing stages of development, drawing on expertise from academia, government, the public and private sectors in a unique collaboration. This tool will enable governments to develop approaches that allow them to act with greater resilience, accountability and transparency; and greater effectiveness in the 21st century.

Yet, changes in mindsets will not happen as a result of benchmarking alone. Pursuing an open and candid dialogue among all entities, organizations and groups potentially affected by the transformation of governments will remain a central priority of the Council in the future. Offering innovative and pragmatic approaches to what governments can achieve for and with their citizens will remain our hope and ultimate goal. Remaining fast and curious is a priority we hope to share with those governments that seek to transform themselves for the better, and for all those who want to contribute to this vital ambition.

# Members of the Global Agenda Council on the Future of Government

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