### The Future Public Servant in New Zealand – a discussion paper

#### **Introduction**

As the public service operates within an increasingly digital, global and complex world, the attributes and skills of public servants will need to adapt. This need arises against a background of increased uncertainty. Our ability to reliably predict the future is declining due to the potential implications of technology. Put more optimistically, we at least know with more certainty that we don't know and can't predict the future. This makes consideration of essential public service attributes and skills in a changing world even more critical.

Public servants may be called upon to exhibit a wider and deeper range of 21st century skills. These include various literacies (including customer design, digital literacy), citizenships (local, national, global) and a range of personal characteristics that support collaboration and co-authoring of policy and programmes.

A range of capabilities that cut across subject knowledge and academic disciplines will increasingly be required in a world where knowledge is frequently updated and where digital algorithms can reliably perform an increasing range of tasks. Public servants of the future will be valued for their agility, capacity to co-create solutions with stakeholders, and critical thinking, alongside their domain knowledge.

IPANZ notes the significant adaption of the public service in New Zealand's post-1984 public administration and believes that the public service is well placed to continue adapting. This continued adaptation – to far more significant change – may be best supported by vigorous debate about possible future scenarios. This paper aims to encourage debate about the skills, competencies and dispositions that public servants of the future may need to possess in a changing world.

#### **Emerging Trends**

A small number of emerging trends that directly relate to the context in which government operates may be observed. Each of these trends, individually and collectively, have implications for the skills that will be required of new and existing public

Some of the trends include: technology change and the associated automation of jobs, the availability of big data, heightened customer expectations of public service provision, bicultural imperatives, and the need to both reflect and leverage diversity in society, and the increasing availability of capable strategic partners for government.

### 1 Technology change will impact on the jobs that need to be done in the public service

Dynamic labour markets created by globalisation and advances in all branches of technology and computing, but

particularly in robotics and artificial intelligence, may increase employment churn and the need to learn new skills. Employment impacts in fields such as accountancy, law, financial services, manufacturing and transportation may be deeply unsettling for professional occupations and devasting for unskilled occupations.

The public service will not be immune to these disruptions and over time, many public service roles may be impacted by automation. Optimistically, this may allow for low value activities to be automated, leaving public servants with more time to focus on public-facing engagement and reflective judgement. Realistically, the inevitable disruptions will be hard for public service agencies to manage and challenging for public servants to experience.

This reality only underscores the need for flexible and resilient public servants who will increasingly operate in an environment of less role certainty. This need not impact on certainty of employment, providing that the public service develops a deep commitment to upskilling staff and individual public servants think of themselves as continuous learners. Current and future public servants will need to develop skills to exploit the benefits of technology for public value to avoid technology dictating or narrowing policy options. The enormity of this challenge – and the capabilities that will be required of public servants – cannot be underestimated.

### 2 The trend toward digitalisation will provide richer data to use for improving public services

Widespread citizen use of Apps, along with more refined and more frequent gathering of information by government, will generate massively enhanced data about needs and opportunities for effective government interventions. Issues of privacy, security and ethical use of data will challenge a public service used to largely thinking in an analogue world.

#### Al Case Study:

The potential impact of artificial Intelligence on the future of work, including public service work, is sobering. Natural language generation will increase the use of software to write articles and decision management algorithms may increasingly support health care and financial management. Pattern recognition will be aided by deep learning platforms and identity will be secured through sophisticated biometrics. Chatbots and other virtual agents, relying on improved speech recognition and natural language processing, are likely to revolutionise aspects of public service delivery. At the same time, public servants will require new skills to use technologies in a way that extracts public benefit and minimises privacy and security risks.

The public servant of the future will need to understand the opportunities, limitations and risks of data and they will need to know how to extract intelligence from data in a way that enhances public services. Judgement will be required to ensure that inequity and bias are not hardwired into algorithms that drive or support decision making.

Demand for data analysts in the public service currently outstrips supply. Even as new hires help fill this gap over time, there will be a critical need for current public servants to upskill. The potential of data to support enhanced public service delivery cannot be realised by assigning tasks to the 'data people'. Most roles in the public service will require an ability to support, use, or interpret data. Micro-credentials in machine learning, artificial intelligence, and data analytics may become mandatory training for many in-service public servants.

#### 3 There will still need to be intensive face to face engagement between public servants and clients

Public services will be delivered in an increasingly digitised environment. Citizen engagement with the State will frequently be via E-government services. The benchmark for public service performance continues to rise, not only because of fiscal constraints. Citizens expect an immediacy and service experience from public services that reflect their relative ease of doing business in the commercial world. Service design skills within the public service will be routinely required, rather than confined to small centralised units or expertise attached to individual projects.

Many areas of public service activity such as health, corrections and social services depend upon face to face contact for their effectiveness. Attributes of empathy, kindness and respect, while having a results focus will always be at the heart of client-facing public services. Resilience is increasingly important to these roles, where the complexity of case work in areas such as social work reflect multi-layered mental health, abuse and addiction problems. Citizens will continue to rightly demand relational interactions from government and the benchmark for the quality and effectiveness of these face to face services will continue to rise.

Even in fields of public service where face to face contact remains strong, these areas are subject to technology incursions. The work of iMoko in Northland, for example – a form of digital doctoring – is a reminder that not all health care needs to be transacted by fully qualified staff. As new technologies enable disruption to established practices, there will be new policy, operational and regulatory challenges thrown up that public servants will need to consider. In an environment of rapid technology change, the policy and operational policy settings managed by government agencies will need to respond and adapt more swiftly. These policy, legal, ethical, administrative and operational changes will not be trivial. They will likely intensify over time and challenge current public sector skill sets.

### 4 Government will increasingly co-create solutions to problems with stakeholders

Problems and opportunities that matter most are rarely amenable to simple policy solutions or interventions from central government agencies. Government needs local, specialist and participant knowledge to help understand an issue, test ideas, trial solutions, provide feedback, and increasingly lead interventions and programmes. Merely being consulted on a policy at the end of a development process is unlikely to meet future stakeholder expectations. Public servants will need to develop capabilities of co-design, service design and various forms of deeper stakeholder engagement.

Technology may help with efficiently testing ideas and options with citizens. The ability to build and operate platforms that allow for richer, interactive engagement with citizens will be valued. Working across government agencies, focused on the life cycle of citizens, and providing joined up services for the public requires public servants imbued with the value of service. Seeing the end user of a service as a partner and resource, rather than merely as a stakeholder with the right to voice, requires a particular disposition in a public servant. Making this step change may be easier for policy agencies than regulatory agencies; however, both will need to work alongside and through others, rather than merely inform and consult their stakeholders.

Managing the risks and opportunities of innovation in public service design and delivery may be helped by working with partners. Where impacts can be better understood by involving end users in design and where prototypes are tested and iterated, public servants will be more willing to innovate. Stakeholders will also be less critical of the inevitable failures where they have been involved in experimentation. Working with uncertainty is now a mandatory disposition for public servants.

#### 5 a wider range of capable strategic and operational partners will partner with government in public service design and delivery

Genuine co-production of policy and programmes becomes viable where government works with capable and well-resourced partners. Partners – iwi, non-governmental organisations, private business, professional associations – are increasingly pitching themselves as partners capable of delivering on government goals. This can be seen clearly in areas such as housing delivery and social service delivery. The emphasis on building deep procurement capabilities within the public service reflects the trend to fuller versions of partnering.

Public-private partnerships – while sometimes politically contentious and subject to mixed results – are likely to always be part of the government partner landscape in a liberal democracy. The extent to which the private sector is used as a partner in public service delivery will vary according to both political considerations and public sector capacity and capability. Public servants will need to be experts in managing complex, multi-year, multi-party contracts and ensure that public service values are protected. Contracting to achieve both value for money and the strongest possible outcomes demands revitalising contracting capabilities in government.

Basic contracting out of services may be replaced by a contemporary version of subsidiarity, but with nongovernment actors. The availability of capable partners will increase the willingness of government to work in partnership, and as it does this, partner entities are incentivised to further develop their capability. Matrix management across government entities and nongovernment actors will demand the highest order of both technical and intersecting skills from public servants.

#### 6 Leadership and management capability will become increasingly important in a high performing public service.

Impactful public-sector leadership – the ability to set and provide the conditions for effective execution of government and agency priorities – will become increasingly important. It will require joined up leadership across government agencies focused on cross-agency goals, working closely with key stakeholders. We will see a move away from models of heroic leadership to networked, collaborative and inclusive forms of leadership. A strong future focus, imbued with an optimism bias and deep loyalty to an agency's mandate, context and broader eco-system must mark future public sector leadership.

Leadership in the public sector will increasingly require a different mindset. In a complex environment with multiple stakeholders and immense talent within government agencies, the role of a leader is not to have the answers, but to bring people together around common goals and provide the conditions to effectively solve complex challenges. This has always been true of the public service environment, but the rate of change and the complexity of problems requires a transformative and highly collaborative leadership style. The highest levels of transparency, trust and engagement will be required of public service leaders.

#### 7 Bicultural competencies are now essential in the work of public servants

Public servants in New Zealand need to reflect the bicultural aspirations of the nation, while operating within an increasingly multicultural population. As the world becomes more global and digital, and as the Māori economy grows, what makes Aotearoa unique and distinctive must be treasured and protected by public servants. The principles of the Treaty of Waitangi must underpin, inform and support policy and operational work. A deeper understanding of the Māori world, along with Te reo and tikanga Māori competencies, will be required of current and future public servants. Public servants must have the strategic and operating skills to understand the nuance of developing effective relationships with Māori organisations, whānau, hapū and iwi. This means public servants must be competent to engage with the Māori world and demonstrate leadership practices that give effect to the Crown and Māori working in partnership together.

# 8 The need to reflect diversity and leverage the benefits of diversity will sharply increase in public service work

The need to better reflect and value diversity within the public service is indisputable. Our population is increasingly diverse, and policies and programmes need to both serve and reflect that diversity. This requires a more diverse workforce within the public service and enhanced cultural competencies among public servants. Recruitment policies, induction processes and organisational culture will all need to be adjusted if the benefits of diversity are to be realised.

Diversity can also be framed beyond population. Relative to some other polities, New Zealand has had less interchange between the academic and the private sector on the one hand and government on the other hand. Just as government agencies increasingly use secondments inside and between agencies, there is a case for ensuring more diversity of experience in government by bringing in a wider range of expertise from outside the public sector on short-term projects and longer-term secondments.

The value of diversity for generating new thinking is widely acknowledged and will best be achieved where diverse voices participate and where all participants have the skills to effectively co-create options and solutions to public services.

### Specific competencies that will be increasingly important for the future public servant

The public servant of the future will need to demonstrate customer-centred thinking and possess a baseline of service design skills. A sense of curiosity and empathy informed by critical thinking and advanced problem-solving skills will be considered core skill sets. Increasingly public servants may be called upon to act as arbiters of truth in a world of false information, providing trusted information and judgements.

Public servants will need to be collaborative and capable of sophisticated co-creation. Mid-level and senior public servants may need to be masters of stewardship in an age of multi-actor ecosystems. An ability to lead through influence rather than authority will be central to success. All of this will be underpinned by the attributes of courage, grit and tenacity.

If many of these skills will be required in commercial and other non-governmental contexts, what will be the specific skills and knowledge that distinguishes a public servant? It may be that there is little difference in the generic skills required to operate across private and public worlds. However, a set of values specific to the ethos of the public service will continue to be required. Public servants operate within a public service where political neutrality, the provision of free and frank advice to Ministers, transparency and openness are protected, and where appointments are made on merit. Each of these core values, however, will be played out in an environment that is rapidly evolving due to emergent stakeholder demands, social media, digital media and automation.

Gnarly problems associated with poverty such as family violence, crime, and housing issues can be informed by policy from other countries, but ultimately require distinctively New Zealand solutions. The 21st century skills documented by the





World Economic Forum and core to the skill set of the future public servant must be overlaid with a Kiwi context. In turn, this requires ongoing leadership from the State Services Commission around the unique public service values fit for a New Zealand context while increasingly commercial perspectives may be brought to bear on public service work. The ethos of public services will need to be protected and promoted with vigour against a backdrop of disruption in how services are delivered. Stakeholder consent for the work of the public service and public servants demands constant attention by the public service on the highest standards of ethics.

## Pre-service mechanisms to develop and recruit appropriately skilled staff

Public service leaders will need to develop the skills of existing staff and recruit for the skills of the future. There is a role for the public service to help shape the skills that are required for citizenship and for future employment in the public service by engaging more actively with the education system. More generally, there is a need for deeper engagement between employers and the education system over what is taught and how teaching, learning and assessment occurs. Employers, professional associations, iwi, learners and other stakeholders seek greater involvement with qualifications and programme design and curriculum. The public service should model effective engagement with the education and training system to ensure it is able to secure the skills it needs from graduates and is able to upskill existing public servants.

Increased use of work-based training including the use of richer forms of placements will be important in developing the right type of skills for future public servants. But the public service will ultimately only be successful in attracting the public servant of the future if it is an attractive place to work. Recruitment practices, the arrangement of work groups, work practices, and incentives and rewards will all need to evolve. Younger public servants, motivated by specific issues, may be less amenable to hierarchical work environments and may value flexible work practices to an extent that will be challenging to traditional managers.

As attributes associated with drive, industry, judgement, agility and communication become even more important to public service employers, the need to see potential future employees in action may increase the use of internships and other types of placements. In turn, prospective employees may undertake greater due diligence about whether they are willing to work for a specific government agency. Mission-driven public servants will be looking for employers that develop and build their capabilities while providing the opportunity to engage in meaningful work. Optimistically, this may lead to better matches in values and skills between agencies and new public servants.

## In-Service Mechanisms to upskill existing public servants

With approximately 49,000 people working in the public sector, there is an enormous opportunity to build the capability of existing public servants. This will require considerable determination and investment to match the rate of external change. Public service leaders may need to consider new forms of mentoring, secondment and the use of short course training. An ethos of the public service as a learning ecosystem will be critical, together with individual public servants thinking of themselves as life-long learners.

One education system adaptation currently underway should assist. The New Zealand Qualifications Authority will approve micro-credentials from the middle of 2018 for components of learning between 5 and 40 credits across all ten levels of the New Zealand Qualifications Framework. This new quality assured education offering is designed to support a world where short components of learning will be required to upskill employees throughout their working lives. Rather than undertaking multiple additional qualifications as professional competency requirements change or as new technology demands updated skills, micro-credentials will provide skill development tailored to employer and employee needs. It is expected that government agencies will help co-design the type of skills they require through micro-credentials with education providers in areas such as digital media, data analysis, machine learning and artificial intelligence.

#### Summary

Employers cannot easily predict the impact of technology and changing customer demand on the nature of work and specific jobs. However, employers can more easily predict the types of skills, attributes and dispositions that they will look for in future employees. This is equally true for government as an employer. Current and future public servants will need a depth of transferable skills to match their technical competencies. How best to buy and build these skills requires deep engagement between the public service and the education and training system and enhanced investment in training and development by the public service. This paper aims to provide an input into the detailed work that will be required to build the capabilities of public servants in an age of unparalleled change and opportunity.

#### **Feedback**

IPANZ welcomes your thoughts and comments.

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