



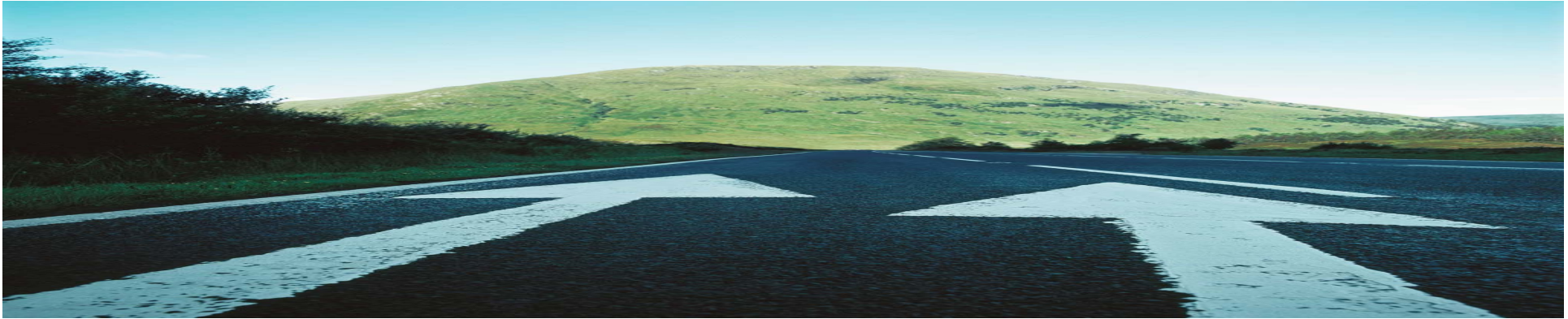
MINISTRY OF FINANCE  
Finland

# The Programme for better Policy Effectiveness and Performance in State administration

EUPAN-TUNED

Nicosia 6.12.2012

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## The challenges ahead for our administration

- The costs of public administration grow faster than GDP if we don't constantly reform public administration to become more cost-effective
- If the employee's don't feel adequate respect, security and well-being, the state risks to lose its attractiveness as employer



# Three approaches

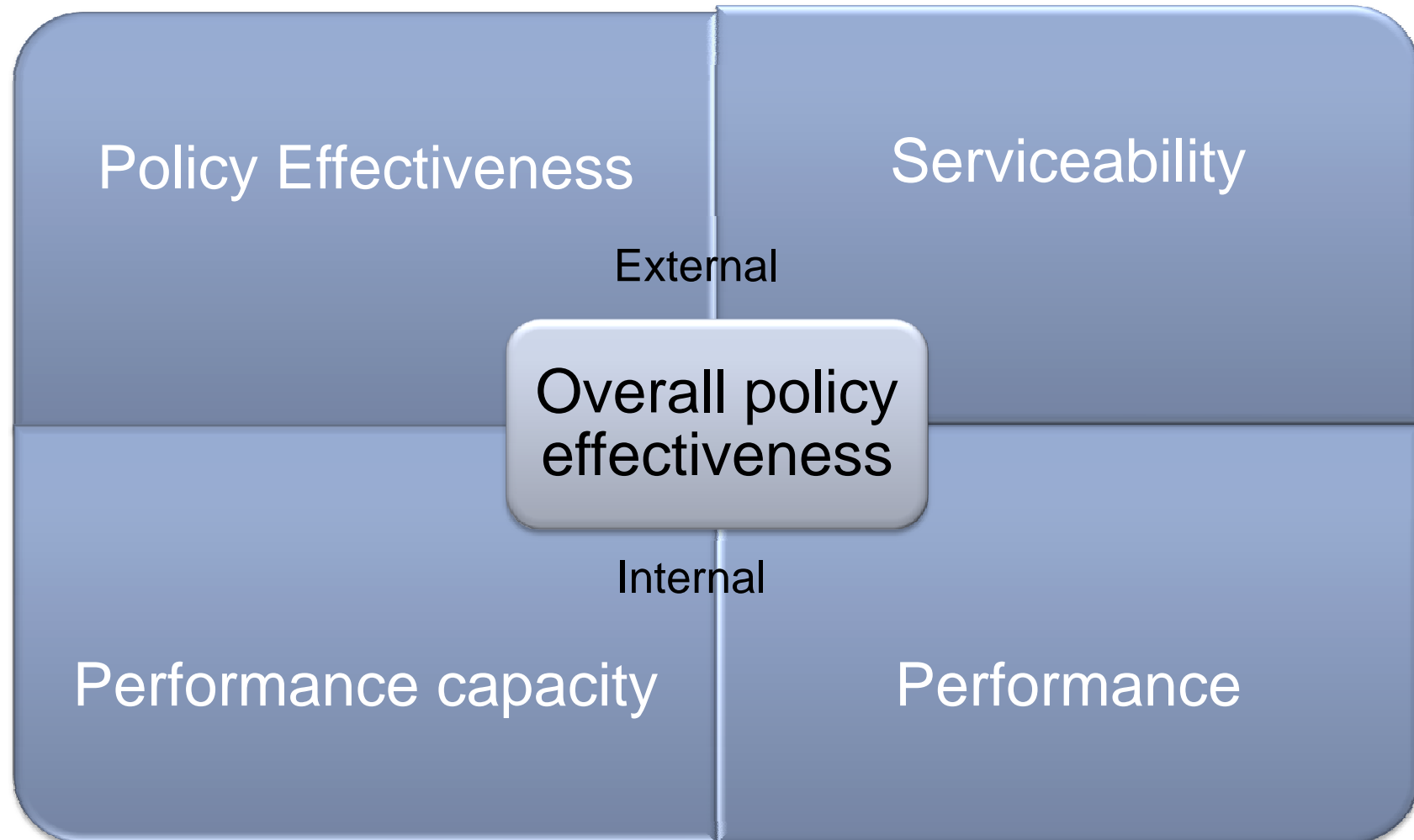
1. The necessity to cut (1991-1996)  
Domestic banking crisis, common understanding of budget cuts
2. Anticipated need for state sector reform due to ageing population  
Productivity Programme, Personnel downsizing (2003-2011/2015)
3. Emphasis on Policy Effectiveness and Balanced Performance Assessment (2011-2015)

# Motivation for reform in Finland



- Central Government Spending limits (budgetary ceilings) for 2011-2015 include spending cuts on the assumption of 5 % less state employees
- During 2007 – 2010 the number of state employees has diminished by 8-9 %
- Big cuts were made during the 1990's recession

# Framework for Balanced Assessment of Programme Activities





# The content of the Programme

1. Drafting of Policy Effectiveness and Performance Programmes for administrative branches
2. Core Function Analyses of tasks with a view to prioritise
3. Programmes for People Development in connection with 1 and 2 and broadly for all state agencies

# Examples of Programmes in different administration branches



- Harmonizing Government support for transport of elderly people, transport to health care, transport of school children
- Integrated information system between authorities and institutions to enable more effective tax collection
- Reform of Police Administration (third phase)
- Defence Force reform



## Core Function Analyses

- Bottom-up approach
- Which current tasks can be eliminated or handled in a way that requires less input from the Agencies or Ministries? Or; how to make more with less?
- 4 000 proposals from the personnel, 700 completed proposals from Agencies to Ministries (12) for consideration



# People bring results



- Supporting performance capacity (motivation, skills)
- Inspiring leadership
- Indicators for supporting performance
- Together: Shared will and commitment, staff participation, inter-administrative approach, collaboration with other on-going projects

