

# **ROLE OF TOP EXECUTIVES**

Experiences from the Danish Presidency

October 2012



MODERNISERINGSSTYRELSEN

# Agenda

Learnings from the Danish Presidency



The Role of Top Executives



Reflections



# Learnings from the Danish Presidency



# Themes during the Danish Presidency

- The crisis' impact on human resources
- Reforms in public administration
- Top Executives

The themes highlight some of the major challenges and new demands to Top Executives in the public administration



# The crisis' impact on human resources

## Some initiatives

- Downsizing / redundancy
- Cutbacks in pay
- Recruitment freeze
- Unpaid leave
- Cuts in training and development
- Reduction in holiday allowances
- Decrease in overtime pay
- Prohibition of promotions

## Some possible consequences

- Loss of expertise
- Fall in living standards and purchasing power,
- Low morale and motivation
- Loss of public competitiveness as an employer (insecurity)
- Increase of early retirement
- Slow economic recovery

How can the Top Executive best lead the public sector in an time of crisis with harsh austerity measures?



# Reforms in public administration

*A more effective and efficient public administration through modernization and innovation of the public services*

- Organizational and task-oriented approach
- Trends in public administration reforms
- Challenges in implementation of reforms

Three focus areas for reforms:

- Performance management and austerity measures
- Citizen focus and involvement to enhance prioritization
- Digitalization and e-government to reduce cost.

Has the role of the Top Executive changed with the increased need for PA reforms and innovation of public services?

# Emergent trends in PA reforms

- Accountability for results (outputs) → Accountability on longer-term results (outcomes)
- Economic efficiency challenges → Concern with broader societal challenges across organizations
- Citizens as consumers → Citizens as co-producers, co-innovators and co-creators
- IT supporting efficiency → Digital governance profile (web 2.0. and social media)

Greve, Carsten (2011), *Ideas in Public Management Reform for the 2010's*

Has the required competencies of the Top Executive changed with the new trends and increased complexity of PA reforms?



# The Role of the Top Executive





# New challenges

- Top Executives are in positions where they are largely responsible for creating the framework for resolving national and global challenges.

## Challenges:

- Time of crisis with harsh austerity measures
- Demands for efficiency and effectiveness (long term outcomes)
- Increasing complexity and broader societal challenges
- Increasing need of radical innovation of public services in partnership with employees, citizens and other partners



# New role for the top executive?

The crisis heighten the demands for top executives that are able to create and ensure e.g.:

- Strategic priorities and result creation across the public sector.
- Collaboration and cross governmental knowledge sharing
- Policy advice and policy development to ensure effective implementation of reforms.
- Effective organizations with transparent and goal-oriented resource and economic management.
- Professional development of leaders and employees to enhance performance
- Motivation and innovation culture open to the public.



# Reflections



# Reflections on TE development in Denmark

- The development of TEs in Denmark follows a vision about a more collaborative public sector with increasingly cross governmental dynamics (mobility) and solutions
- The thesis is that professional top management is a prerequisite for an efficient and result oriented public sector

## **Strategic elements in recruitment and development of TPMs:**

- Identify and develop talents
- Measure and develop performance
- Educate and increase mobility

# Reflections on recruitment of TE's

Example on some criteria Denmark has used in the last couple of TE recruitments:

- Documentation of results as a manager
- Relevant portefolio experience
- Experience from a department or a political governed organization
- Experience and knowledge of financial management and/or management of a business
- Experience from other sectors or areas e.g.
  - Another ministry, a municipality, a region or private sector knowledge
  - Different levels of the steering chain e.g. policy formulation, service delivery, inspection, operation management or economy
  - International relations
  - Relevant training courses

