Working Party on Public Employment and Management

Returning to the office: What next for the Public Service Workforce?

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Returning to the office: What next for the Public Service Workforce?

Many governments are planning a cautious return to the office for their civil servants, and managing various complex questions:

- What kind of workplace can we expect to return to?
- How have the experiences of the last few months changed our vision for the future of the public service workforce?
- How can the decisions taken today boost essential public service delivery, integrate new workplace innovations, and ensure workforce productivity and resilience?

On June 02 the OECD held a webinar to discuss these issues attended by 165 participants representing over 40 countries from the working party on Public Employment and Management (PEM) and the OECD’s Network of Schools of Government. The session began with a moderated panel discussion. The panellists were:

- **Beatrix Behrens**, Head of HR Policy and Development, Federal Employment Agency, Germany
- **Geert Bouckaert**, KU Leuven - Public Governance Institute, Belgium, and Chair of the OECD’s Network of Schools of Government
- **Simon Claydon**, Director of COVID-19 Response, HM Revenue and Customs, United Kingdom, and chair of the OECD’s Public Employment and Management working party.

The discussions focused primarily on civil servants working in central public administrations – typically office-based employees who work on policy development and service design. Front line public employees, such as health care professionals and police services were not the focus of the discussion. Participants were focused on planning for a safe return to the office, while maintaining productivity of remote workers and advancing previously planned strategic reforms. These three themes were underlined in the ensuing discussion.
Figure 1. Poll of participants on challenges currently faced.

Which of the following is the biggest challenge your organisation faces at the moment (pick up to 2):

- Planning for/managing a safe return to the office: 59%
- Ensuring employee productivity and engagement in a remote work environment: 40%
- Managing employee mental health, stress and burnout: 22%
- Adjusting/continuing strategic visions and previously-planned reforms: 41%
- Finding new ways to do HR management and development: 27%
- Surge capacity staffing spikes in service demand: 5%

The following six key insights and messages emerged from the discussions. Each concludes with actionable recommendations for preparing the return to the office:
1. The burden and challenges have been uneven: keep focused on individual’s wellbeing.

“Nothing changes culture like a crisis”

For many public servants, this crisis has prompted profound changes in the work, workplace, and expectations of employees and employers, and hence the culture of the public service. While the crisis response initially focused on health, safety and business continuity, the challenge is now to balance expectations between employees and management for returning to the office: trust, engagement and productivity are all added to the mix. This, in turn, may shift the employment model from paying for time, towards paying for outputs and results. The time and space of work increasingly blurs with that of private homes and life, with implications for organised labour, industrial relations and employee’s work life balance.

Different public employees have experienced this crisis differently. On the one hand, some office-based employees will have appreciated the opportunity to work from home and even increased their personal/team productivity. This may be the case for those whose work is easily done remotely, with ideal home office set-ups, well-adapted management and access to necessary digital tools and bandwidth. However, when any of these are out of alignment, employees have struggled – suggesting a strain on their physical and mental health.

For those who were able to work from home, options had to be made available for employees to take care of young children and older parents; get access to mental health and psychological support; with impacts on diversity and inclusion. These will need to remain in place, to make sure that the return to work is managed in a way that matches individuals’ needs with organisational business requirements.

In other cases, the work of many public employees is not amenable to remote working at all – inspectors, security services, child welfare workers, prison guards, and may already have lessons to share about how to rethink physical work spaces to improve wellbeing while coronavirus continues to circulate.

► As much of the workforce begins to take gradual steps back to the office, don’t lose focus on employee physical and mental health. This requires a diversified approach to accommodate for individuals’ specific needs. One-size-fits-all ‘solutions’ will not work. Build in personal ownership for how people work within a framework that is right for the business and its operations. Develop a management culture and employment relationships focused on delivery, rather than presence when the job allows for it.
2. Celebrate the success of the public service’s agile responses.

Public service organisations are some of the largest employers in OECD countries, and have faced the biggest challenges in this unprecedented people management and leadership crisis. Practically overnight, large public sector organisations have changed their business practices and matched this with agile people management responses. For example:

- The HM Revenue and Customs, employer of over 63,000 people across the UK, had to transform their business, almost overnight, from revenue collection to focus on income support for businesses and individuals. And this with 75% of the workforce working remotely - a scale never experienced before.
- The Federal Employment Agency (Bundesagentur für Arbeit, BA), employer of about 94,000 people across Germany, faced major spikes in demand. For example, the number of employees needed to handle short-term unemployment benefits jumped from 700 to 11,600. To meet this need, staff were shifted from other areas within the BA, from other public administrations, and hired from outside for a limited period of time. This required enormous efforts regarding onboarding, quick development of web-based training, and new tools to facilitate communication across new teams of remote workers.

Public service leaders have rarely been confronted with people management challenges of this magnitude. Regardless of stumbles in many areas, success stories are abundant and should be celebrated. Doing so can boost employee pride and engagement, contribute to a positive image of the public sector as an employer, build trust in (and within) the public service, and harvest lessons that can inform future ways of working in and out of crisis.

- Collect and share examples of public service agility in the face of this crisis. Celebrate employees’ achievements, stories of success and recognise the strength and resilience that individuals and teams have displayed. Use technology and social platforms to share these stories within and beyond the public service.
3. Reflect on the learnings: positive and negative.

The lived experiences of civil servants can generate a great deal of new insights on what has worked well and less well. It is essential to harvest learnings in systematic ways to unearth good practices (positive deviance) that can be scaled-up, and to learn from mistakes. Data and evidence of effective working practices are necessary to inform the future, and the next months present an opportunity to collect this data by tracking and comparing indicators and results of different working configurations.

“We have learned that this crisis is not just about the importance of digital skills, but also soft skills, resilience and willingness to learn.”

The German employment agency’s experience shows that managing well in this environment requires not only digital skills, but also soft skills. Communication, management, networking over a digital platform are essential competencies that must be learned, trained and recruited. This suggests the need for new learning platforms, with a focus on soft skills. By reflecting on these experiences, new directions for reforms and investments are found.

“Digital is a magic word, but we need to make sure we are teaching the right skills.”

Schools of government are potential leaders in this area. Digitally supported remote working not only requires teaching new techniques, but also new ways of absorbing knowledge, of debating, of structuring, communicating, convincing, or even leading.

► Gather and assess indicators of productive working (e.g. through employee engagement surveys, administrative data, etc), and engage employees in structured reflection on their experience. Collaborate with researchers to test different working configurations for productivity and well-being, building the evidence base needed to design new workforce policies for flexible working in digital environments.
4. Design workplace policies to get the best of both worlds (office and home).

“*What needs to be done in the office? What can be done at home?*

This crisis has forced many organisations to reconsider the role of the office and how into transformation agendas for their public services. This experience has the potential to accelerate many aspects of these plans: deploying new technologies, new working methods, and new flexibilities. However, this was often by necessity, rather than by design. Now there is an important opportunity to reflect on previously designed reforms and identify opportunities to improve, refine, and advance them.

**Figure 2. Participant poll: opportunities for change**

<table>
<thead>
<tr>
<th>Which of the following opportunities for positive change may come as a result of this recent experience? (pick up to 2):</th>
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<tbody>
<tr>
<td>New/better teleworking regimes: 60%</td>
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<td>Renewed focus on employee health and well-being: 26%</td>
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<td>(Re)branding the public service as an employer of choice: 21%</td>
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<tr>
<td>More collaborative ways of working (breaking down the silos): 38%</td>
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<tr>
<td>New technologies and digital tools (and skills): 55%</td>
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<tr>
<td>New data and research for evidence-based reforms: 15%</td>
</tr>
<tr>
<td>None - there will not be any positive change from this experience: 1%</td>
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“There’s a real opportunity to offer pay and working arrangements that reward flexibility to meet customer demands”

For example, the UK’s Revenue and Customs agency had already been planning to consolidate its physical offices into fewer locations, and introduce “smarter” ways of working through investments in digital capabilities, which have now been expanded in remote working conditions. The crisis has created enhanced opportunities to prove this works in practice, but how can performance be sustained into the future? The focus shifts towards rewarding flexibility and allowing work to be done in different places and times. However, data on productivity is needed to demonstrate this is viable, and this data is hard to collect.

It’s likely that much of the office-based workforce will not come back to the same workplace they left a few months ago and remote working will continue over the medium term. Governments can now design new HR policies that make the most of these different modalities to advance workforce productivity and well-being.
Engage the workforce in discussions about their desired workplace and drivers of productivity – what can be done at home, what are the benefits of an office, and who should decide? Put in place policies that reinforce these conditions. This may include new tools for digital working, and training for teams and managers on how to make the most of them. Eventually it may require a wide reconsideration of the organisation of work, the availability of the workers, and the tools of HRM.
5. Invest in leadership and management.

“Managing and leading requires extra work and effort with teleworking. Leaders need to build cultures of trust in staff.”

Digital tools are necessary but insufficient to make remote working work. Success depends upon managerial and leadership capabilities. Effective management and leadership take on new dimensions in digital and remote environments, requiring higher levels of trust, mastery of different tools to motivate employees towards a common vision, and management styles that emphasise delivery of outputs and results. On top of this, public servants are required to manage high levels of uncertainty and ambiguity in fast changing circumstances. Decisions are being taken with limited and imperfect data and evidence, yet data and evidence is essential to make the case for a future that leverages many of the tools being put in place today.

“Crisis management done well cuts through bureaucracy.”

Leaders and managers require support, structure and guidance; opportunities to learn from each other; data to understand the impacts of this recent trauma on their workforce; support to help them rethink the work they do, the timelines they do it under, and approaches they need to take. In many cases, governments have set up new structures to enable fast and seamless joined-up decision-making – breaking down silos, reducing bureaucratic layers of approvals and, in some cases, oversight. A digital workplace requires deeper collaboration between the HR authorities, Chief Information Officers, and facilities managers. In many ways, the crisis has brought out new leadership styles and decision-making structures that cuts through the rigid and siloed processes of bureaucracy and presents a pathway to a new form of leadership in the future.

► Identify the qualities of leadership and management in a remote workforce, and provide managers with the development opportunities and tools needed to make the most of these. In the longer-term, develop new leadership programmes and senior management structures to enable joined-up decision-making under uncertainty, crisis management and innovation.
6. Prepare for the next time.

“Capacity replaces efficiency in times of crisis, and calls for innovation.

This crisis also opens up an opportunity to reconsider the relationship between service delivery, crisis absorption and innovation. This centres on the role of a flexible, integrated, and reactive back office to guarantee these three function at the same time. How do we define slack to absorb shocks effectively rather than be focused only on efficiency? How do we plan for a future that is uncertain? Bringing the service delivery, innovation and crisis management components of governments together into a unified framework will be necessary for the future.

► Work with the OECD to develop a new vision of the public service workforce that is fit-for-purpose to delivery services, innovate and respond to crises. Ongoing work on leadership, future of work, cross-organisational goals, digital skills and innovation provides opportunities to address these challenges together.