

Enter the government change agents

How a new breed of public entrepreneurs can prime the pump to jumpstart the government of the future

While you might be forgiven for tiring of talk about the financial crisis, the repercussions are top of mind for troubled public servants. As European economies struggle with job losses and high levels of public debt, governments need to manage the financial fallout and encourage growth. According to the findings from the recent [Government of the Future Centre](#) study^[1] '[Driving Public Entrepreneurship: Government as a Catalyst for Innovation and Growth in Europe](#)', governments are faced with an obligation to use their size and purchasing power to drive innovation and growth but also with an opportunity to become new public entrepreneurs who meet the dual demands of serving citizens and containing costs. And like that other positive portent, charity, change begins at home.

Government taking the lead

Public spending across Europe makes up half of total gross domestic product (GDP), with public sector employees accounting for 20 percent of the workforce. Governments are major consumers too: As a European average, public procurement budgets are approximately 17 percent of total GDP. The sheer size and economic influence of government means it is an economic force to be reckoned with – in a prime position to drive economic growth by radically adjusting the way it works, deliver healthcare and social services, and use technology in its interactions with business and citizens.

Based on interviews with senior government leaders across Europe, we found that there is a burning platform for public servants to act as entrepreneurs ready to embrace innovation to find creative solutions to budgetary and service delivery challenges. Many public service leaders are already reshaping services to beat the budget squeeze and thinking “outside the box.” But more must be done to inspire the next generation of public leaders to transform government in ways which embrace innovation as a means of driving public value and, in the process, support economic growth.

Making a difference

Despite being entrenched in the worst economic uncertainty for decades, our research shows that as many as 15 million additional jobs could be created in the European Union by 2020—7 percent above current 2020 employment estimates. If governments take full advantage of their existing strengths, the European Union could potentially increase its overall GDP growth rate by an additional 8 percent beyond current 2020 predictions, the equivalent of a €1.2 trillion boost to the European economy. In the United Kingdom (UK), as many as 2.6 million additional jobs could be created by 2020, signifying an

^[1] [Driving Public Entrepreneurship: Government as a Catalyst for Innovation and Growth in Europe](#). Published by [The Government of the Future Centre](#), a partnership among [Accenture](#), [College of Europe](#) and [Lisbon Council](#), the research study combines macro-economic modelling and analysis conducted by Accenture and Oxford Economics.

increase in GDP to 3.1 percent per year, up from the 2.6 percent GDP growth rate within the current trajectory.

Indeed, the UK is already initiating change by:

- Using procurement to drive innovation, for example, through programs such as the Small Business Research Initiative which engages a broad range of companies in competitions for ideas that result in short-term development contracts.
- Making government-held information more readily available as a resource to shape innovative solutions in the public, private and voluntary sectors.
- Enacting a government review of long-term social care funding; exploring the potential of cost-sharing; and trialling personal budgets, which allow patients to purchase their own care according to their own and their family's personal needs.
- Introducing plans to reform the welfare system by creating a new universal credit, which will radically simplify the system, create the incentives to make work pay and combat unemployment and poverty.

In the words of the popular idiom, governments could find themselves in a win-win situation—growing jobs and serving citizens faster and more effectively than might be predicted at present.

New waves of growth

So where are these areas of growth? A major research program conducted by Accenture^[2] identified four socio-economic global trends which, although often seen as challenges, offer vast potential for economic expansion:

- **The “Silver” economy:** In the UK, the number of people aged 60+ will increase by 17 percent to 16.4 million within 10 years, representing a major untapped growth opportunity as older people become more productive, retire later and remain active consumers of goods and services.
- **The resource economy:** Intelligent energy, green infrastructure, resource management and carbon finance and investment (alongside regulation and environmental targets at national and European Union levels) are important drivers for change—for businesses, government, voluntary agencies and private households.
- **A multi-technology future:** Public investment in technology and e-government is already driving growth in the technology sector.
- **The emerging markets surge:** Governments must encourage collaborative learning and skills development between Europe and developing economies whilst establishing new international markets for shared public sector innovation.

^[2] [New Waves of Growth, Accenture. 2011](#)

As Terry Moran, Director General, Universal Credit Programme, Department for Work and Pensions in the UK comments within [the study](#): “We need to stop and think about whether the system we have today is appropriate to respond to the changing needs of citizens and employers.” Without doubt, public managers all over the continent must rethink their roles; they need to “join up” government, businesses and citizens and act as a new breed of change agents to revitalize traditional cultures, pump governments with a healthy supply of fresh ideas and inspire new waves of growth.

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NOTES TO EDITORS

About the Government of the Future Centre

Founded in 2009 as a centre of excellence and practitioner-driven community, the Government of the Future Centre is dedicated to providing pragmatic and actionable solutions designed to help government agencies and other public-service organisations improve the social, economic and health outcomes of the people they serve through delivery of increased and improved public services. It is a new kind of ideas and solutions hub that recognises the interdisciplinary nature of state transformation and public-sector modernisation. Its three founding partners – [Accenture](#), [the College of Europe](#) and the [Lisbon Council](#) –bring a broad range of experiences and knowledge, backed by strong research capabilities, to this fast-growing public service community. Its home page is <http://www.governmentofthefuture.net>

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