Pulse of Public Services

Spring 2014

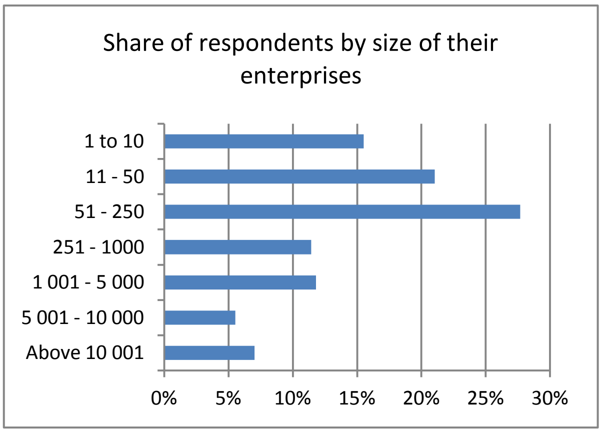
Key messages:

- 282 leaders of public services responded to this survey
- ¼ of leaders of public services experience funding challenges in their day-to-day operations, however there are high variations between countries. In the UK, 2/3 of the respondents face challenges whereas in Sweden 90% of the respondents declare that they do not face such funding issues
- The worst is behind us but the slight improvement in the economic outlook has come to a stand-still: Stability in revenue and employment is forecasted
- 1 / 3 of respondents in the network consider the difficulty to recruit people with the appropriate skills as one of the top 3 challenge
- As an evolution over time, it is interesting to note that the share of respondents announcing that they will recruit has dropped in the space of one year from almost 30% to around 22%. This could indicate that recruitment is on a stand-still.

Introduction

In Spring 2013, CEEP launched the “Pulse of Public Services” with the aim to collect the views of leaders of public services. This is the third edition of the “Pulse of Public Services”.

An overview of the responses received:

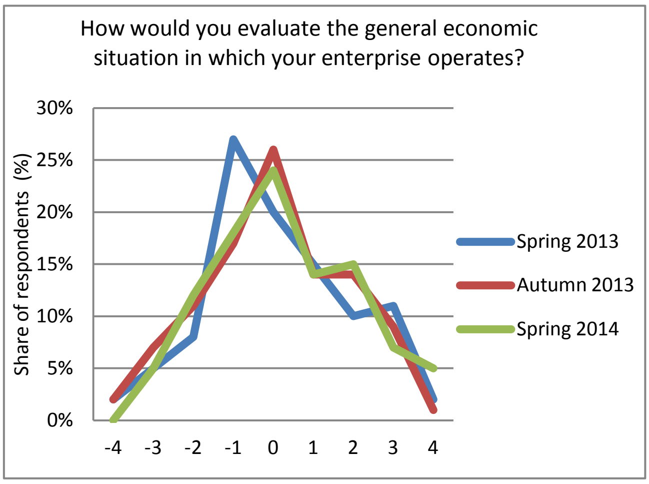


When questioned about the size of the workforce in their enterprises, 36% of respondents answered that they employ less than 50 persons (1 – 10 or 11 to 50), an equal share with the large enterprises (> 250 employees). It is interesting to note that 15% of respondents lead enterprises with 10 employees or less. All in all, these leaders employ more than 310 000 persons in Europe[1]. Many respondents represent public authorities and their views reflect the economic outlook more broadly

56% of the respondents come from public services’ providers at local/municipal level. This is a higher share than for the previous edition.

The fieldwork of this edition was conducted between February and March 2014. In total, more than 780 leaders of public services answered the questionnaire.

1- The worst is behind us but the slight improvement in the economic outlook has come to a stand-still



The previous edition of the pulse (Autumn 2013) identified a slight improvement of the economic outlook. When comparing the answers to the question “how would you evaluate the general economic situation in which your enterprise operates? Please rank from -4 to 4”, we have identified very similar answers as for the previous edition 6 months ago but an increase compared to the 1st edition, one year ago.

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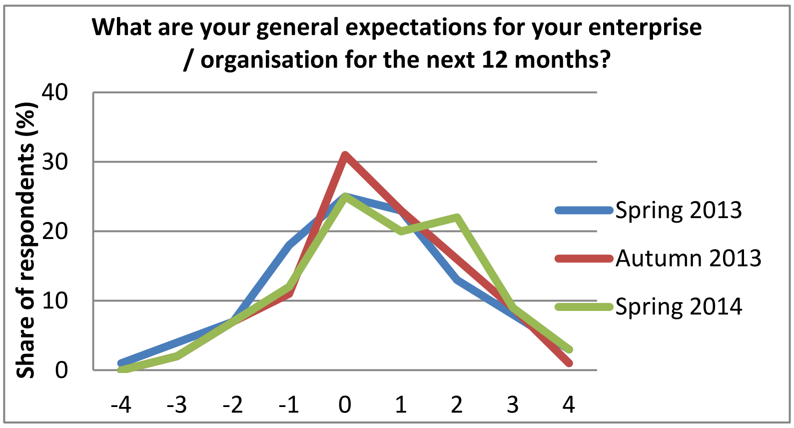
[1] Low estimate based on the lowest figure of each category of answers multiplied by the number of people having responded.

Concerning their expectations for the next 12 months, we can see an increase of 7 percentage points (7 p.p.) compared to one year ago.

Looking at country specific answers, slightly higher expectations can be seen in Sweden and Germany. Slightly negative expectations can be found in France, Portugal and in Finland.

Classified by sectors, public administration is the sector with the lowest expectations for the future with roughly 60% of respondents having either neutral or negative expectations for the next 12 months.



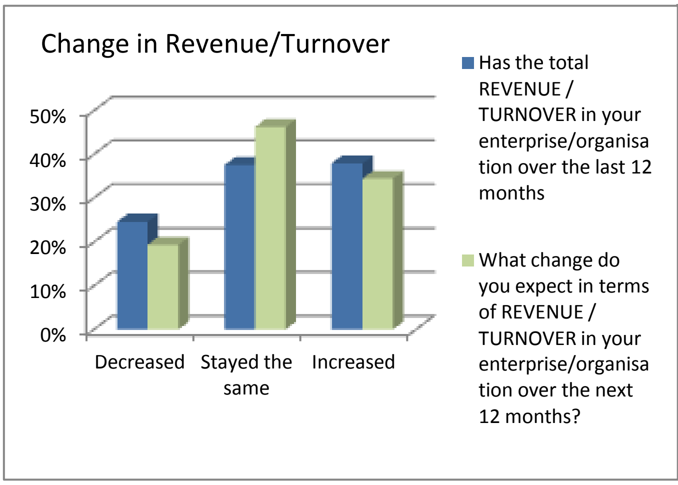
3- Stability forecasted

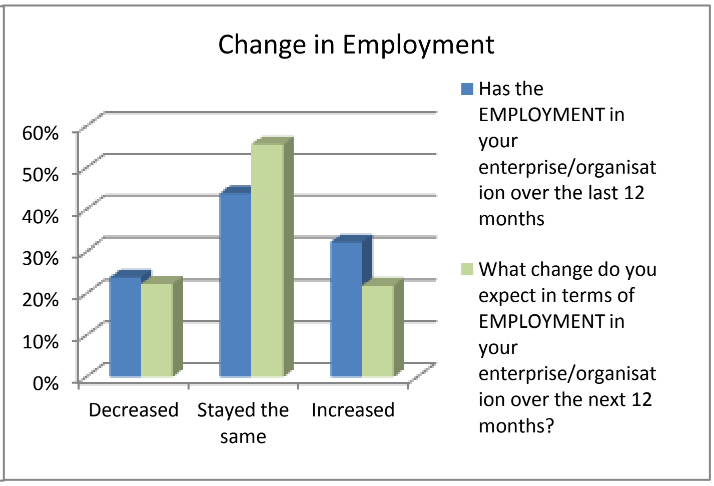
The watering down of the slightly better economic improvement observed in the previous pulse is confirmed by the following questions in the survey. It now appears that stability is the key word.

When asked about the change of revenue/turnover over the last 12 months, 38% of the respondents mentioned that revenue/turnover remained stable. But more than 45% forecasted stability for the next 12 months

When it comes to employment, 44% of the respondents mentioned that employment remained stable and more than 55% of the respondents estimated that employment will remain at the same level within their enterprise/organisation.

As an evolution over time, it is interesting to note that the share of respondents announcing that they will recruit has dropped in the space of one year from almost 30% to around 22%. This could indicate that recruitment is on a stand-still.





4- 1/4 of leaders of public services experience funding challenges in their day-to-day operations

This is one of the key outcomes of this edition of the "Pulse of Public Services": 1 / 4 of the respondents face funding issues in their day-to-day operations.

The difference in answers is relatively important from one country to another: In the UK, 2/3 of the respondents face challenges whereas in Sweden 90% of the respondents declare that they don't face such funding issues.

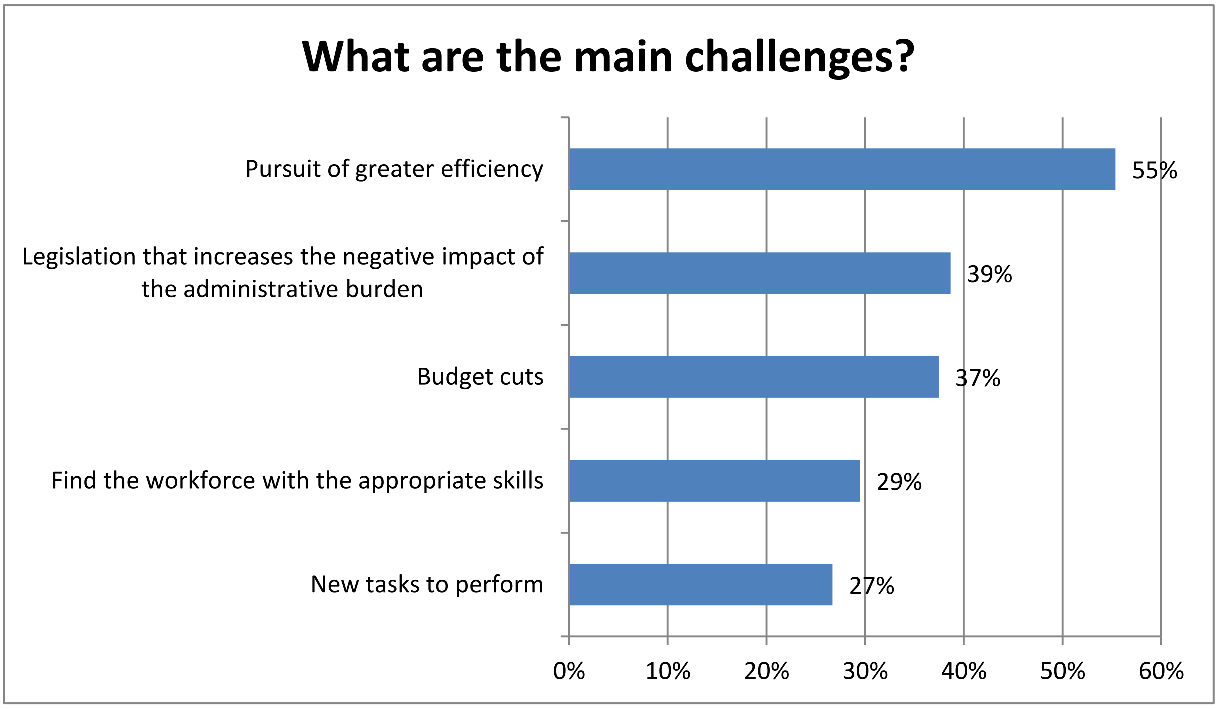
The two sectors facing the most important challenges are public administration and public urban and regional transport.

55% of those having responded positively to the previous question saw an external reason to so: "limitations within public budgets". ¼ of those responding "yes" mentioned internal reasons "lack of capital within the enterprise/organisation".

5- Legislation and greater efficiency: the two big challenges for the management of public services

The most important changes in comparison with previous editions of the "Pulse of Public Services": concern the key challenges lying ahead. Budget cuts are no longer ranked as number one in the top 3 challenges by public services' leaders. This position was taken over by "Pursuit of greater efficiency" and "legislation that increases the negative impact of the administrative burden". Interestingly, the answer "Find the workforce with the appropriate skills" is still very high on the agenda (most often as the number 2 challenge).

1/3 of the respondents from the network services ranked "find the workforce with the appropriate skills" as one of the top 3 challenges (out of the 10 proposals).



Methodology

The fieldwork of this third edition was conducted between February and March 2014. The first edition of the survey was published in March 2013. In total, more than 780 leaders of public services answered the questionnaire.

The survey questionnaire was developed jointly by the CEEP Macro-economic Task Force and the Steering Committee of the "Mapping evolutions in public services" project managed by CEEP. The final questionnaire consisted in a set of 14 closed questions with the opportunity for participants to leave a short text in 3 open-ended questions. 4 questions were on key characteristics of the respondent (country of operation, sector of operation, size of the enterprise and level of operation).

The survey was conducted using an online dedicated platform. At a second stage, participants were contacted either directly or through the CEEP network.

CEEP would like to thank all the participants who took part in this survey.