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## WORKING IN THE PUBLIC SECTOR: ENTREPRENEURIAL SKILLS TOP THE WANTED LIST

By Dina Medland

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The UK is witnessing something of a gap between needs and reality in the workings of its public sector.

Against a background of significant spending cuts across the board, this month George Osborne, the Chancellor of the Exchequer, indicated a further crackdown on “below radar pay” which has been creeping up due to contractual obligations.

There are now fewer jobs on offer – public sector employment has fallen by 300,000 since the 2010 general election – at lower pay levels. But at the same time, the sector still needs to find the right people, with commercial and entrepreneurial skills, to revitalise and lead it forward with fewer resources.

It is a global problem for governments and not one restricted to the UK alone. Uschi Schreiber, global head of government and public sector at Ernst & Young, spends a lot of time talking to governments.

“In the 21st century all governments are facing very challenging issues around the need for infrastructure, an ageing demographic and climate change,” she says. “In order to find solutions they need to understand they don’t hold all the levers for job creation – and working together with industry and the private sector is an important mindset and the starting point.”

In 2012, E&Y sponsored meetings of the heads of the G20 civil services in Singapore which were attended by Sir Gus O’Donnell, the former UK cabinet secretary and head of the civil service. The inaugural lecture of the E&Y Global Public Leaders Series was given by Peter Ong, head of the Singapore civil service, who argued that the providers of public services had to remain constantly responsive to their customers’ changing needs to remain productive within fiscal constraints.

Speaking after the event Sir Gus was very taken with the example of Singapore’s civil service, which follows a recruitment plan that takes in people with the best qualifications who could reach the top in either the public or the private sector, and are then allowed

spells of working in both. It has also been noted for its ability to think in terms of potential “scenarios”, anticipating and innovating before they take place.

At the time, Sir Gus spoke of the importance of being “willing to think the unthinkable”, being quoted as saying that “in the UK we think ‘thinking the unthinkable’ is dangerous – we shouldn’t be embarrassed about it, we should be embarrassed about not doing it.”

He is also on the record as warning that low pay drives away private sector talent from the public sector.

So, if the public sector needs more entrepreneurial and commercial talent, how does it go about attracting those would-be civil servants at lower pay levels?

“You need to create them. It isn’t easy to go to one sector from another. You need to reinvent the image of the civil service in the UK with young people,” says Ms Schreiber. “The UK civil service has some marketing to do – there are a lot of young people now who want to make a difference, to play a part in creating a ‘greater good’. They would love to be engaged.”

Grass-roots recruitment, or “growing your own” entrepreneurial talent is one option, but at times of critical need, a slow one. Headhunters are therefore busy trying to fill senior public sector positions and understand the challenges. Like the professional consultants in this area, they often have a background of working in both public and private sectors, giving them better understanding and persuasion when it comes to people considering changing sectors.

At executive search firm Odgers Berndtson, Beverley Steel has a wide brief as a managing director of teams including a focus on public sector and “not for profit”. Before headhunting, she worked in the public sector and for PwC. Asked about hiring at senior levels for the public sector, she says: “It’s about being enterprising, innovative, quite creative – and looking at new methods of delivery.

“We’re targeting people who can specifically put commercial deals together, looking for people from the City who know how to put a deal to market,” she says.

Do they run a mile at the salary difference? “Some are just interested in working in government – you get size, scale and scope – and access to ministerial communities. It’s a different way of working, and people are attracted by a different world,” she adds.

The “persuasion” element is hard “when salaries just aren’t big enough”, she says, and “the public sector environment doesn’t suit everyone”. She says there are undoubtedly “barriers to entry on salary and fit”. These include the fact that salaries in government are capped, and someone in the private sector earning more than £250,000 plus benefits might have to be persuaded to work at permanent secretary level in government for about £180,000.

Despite the hurdles, Ms Steel finds there are currently “enough interesting and challenging projects” to keep her busy.

“The most attractive candidates are people with experience of a mixed economy – the ones who know how to operate commercially,” she says. The pool of people in the UK with both public and private sector experience is not large, however: “There are a handful of really talented individuals who can operate at senior levels successfully,” she says.

This poses an immediate problem, as hiring in the public sector is expected to outpace private sector recruitment over the next three months because there has been “a degree of over-firing” in the rush to implement cuts, according to the latest quarterly survey of 2,100 employers by ManpowerGroup, the recruitment company.

Mark Cahill, ManpowerGroup’s UK managing director, told the FT: “The public sector has let too many people go. They have over-fired or let too many people take redundancy and they are the wrong people that have gone.”

Mr Cahill says central government, the National Health Service and local councils are finding they have to revise their skill needs. In local government, services have been contracted out, creating demand for people with procurement and commercial negotiation skills.

But local councils, he says, have to pay market rates: “There is one high-end vacancy at £150,000 a year for a procurement manager for a council – and they just can’t fill it,” he says.

Mr Cahill is keen to point out that although money is “a big part of it”, so is the job itself: “The employer has to be attractive – and the public sector is not a stain on your CV. It is very attractive to many individuals who want to work on projects flexibly.”

Are the job descriptions ever “overdone”?

“Over-specing happens all the time,” says Mr Cahill. “The role asks for more than is actually needed. That is why we at Manpower promote what we call ‘teachable fit’.” It might well offer a start to solving the many challenges of recruitment in the UK’s increasingly entrepreneurial public sector.

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