



Futures of public administration

SCENARIOS FOR TALENT MANAGEMENT IN SLOVENIA

INTRODUCTION

This report contributes to exploration of the future of talent management in public administration in Slovenia. It aims at supporting the Slovenian Ministry of Public Administration's efforts to better understand the nature, impact, and challenges associated with the changing nature of work and an ageing population. The report accompanies and complements the OECD paper "Slovenia: ageing and talent management in the public administration", which offers detailed analysis of the practice of talent management and its significance for an ageing workforce.

By building and analysing alternative future scenarios, the report shows how strategic foresight can help frame complex and uncertain problems affecting talent demand and supply in public administration. It then indicates how the insights emerging from scenario analysis can be used for meaningful and impactful action through innovation. Additionally, the report provides a source of knowledge to anyone seeking to better understand how this strategic foresight approach was implemented in Slovenia, and how it might be replicated elsewhere too.

Talent management and its role in public administration

Talent management can be understood as the proactive use of strategies to adjust workforce management to the needs of specific groups in order to fulfil organisational objectives. It relates to the systematic attraction, identification, development, retention, and deployment of talent within a particular organisation. It is increasingly important in the context of uncertain futures and constant change: proactive workforce management will be an important part of how public administrations build future-ready capability. Talent management has the potential to enhance the productivity of all workers and improve the efficiency of government personnel. In addition, talent management can increase job satisfaction and well-being of public servants.

Talent management is therefore important for the intrinsic goal of ensuring successful and fulfilling work for public servants, and important also as a means in governments' ability to deliver on policy objectives.

Public-sector talent management: facing an uncertain future

Talent management affects and is affected by future developments in multiple ways, including prospective retirements, the need to anticipate skill requirements, and competition in labour markets. These developments are multifaceted, complex, and uncertain—existing at the intersection of multiple factors, and subject to shifts that cannot be fully predicted. They are also strongly influenced by broader contextual factors such as megatrends—broad, deeply rooted, and gradual shifts connecting multiple policy domains. Among the most important of these megatrends for the present

study is the ageing population of Slovenia and Europe at large. Although Europe's ageing population is in essence a success story as people live longer and healthier lives, it also presents specific challenges (as well as opportunities) to effective workforce planning.

In such a context, it can be valuable to broaden the frame of what is relevant in determining which talent management challenges to address; to prepare for potential shifts in the most salient factors and gaps in talent management; and to plan talent management strategies that include multiple ways to achieve desired outcomes, or ways to achieve them in multiple contexts. Strategic foresight offers a way to do these things.

Strategic foresight offers multiple ways forward

Strategic foresight is the ability of an organisation to constantly perceive, make sense of, and act upon ideas about future change emerging in the present. This report documents the use of strategic foresight approaches, notably the method of scenario planning, in talent management in public administration in Slovenia. The purpose of this exercise is to support the Slovenian government to better understand the contextual environment around talent management, the strategic tools at its disposal to act on it, and the ways in which the two can be brought together to make decisions that contribute to a more future-fit public administration.

Action through anticipatory innovation

But it is not enough to explore and generate insights on the changing and uncertain contextual environment. Effective strategic foresight requires action in the present to be of value. High-quality strategic foresight in governments is often underused due to a number of institutional, cognitive, and behavioural barriers.¹ To overcome these barriers, the process described in this report used a process of prototyping and experimentation to envisage novel, value-shifting, and implementable initiatives—anticipatory innovations—to respond to the futures knowledge generated through strategic foresight. The innovative policy experiments in this report were developed for use by the Slovenian Ministry of Public Administration, but can also serve as inspiration for analogous processes and prototypes for talent management in public administration elsewhere.

About this report

Chapter 1 of this report sets the scene by exploring the **main drivers of change** relevant for talent management in public administration, focusing strongly but not exclusively on megatrends. Chapter 2 provides an explanation of **what strategic foresight and scenarios are**, and the purposes they are intended to serve. Chapter 3 introduces **four alternative fictional future scenarios** developed for the purpose of challenging and enhancing current thinking in talent management in public administration. Chapter 4 explores a set of **innovative policy experiments** derived and prototyped from dialogue on the scenarios. The analysis in chapters 1, 3, and 4 draws on desk research; focus groups with experts in Slovenian public administration and beyond (including academia and civil society); workshops; and consultation with subject-matter experts across the OECD Secretariat.

Imaginary future events and developments in this report emerge from and reflect the dialogue between the OECD Secretariat and public officials who participated in this study. They should not be read as predictions or recommendations of the OECD or any of its members with respect to what future outcomes would be likely or desirable. Instead, they are selected for their ability to reveal assumptions, challenge current strategies, and add new relevant considerations to present-day policy.

This report does not attempt to develop a strategic plan for talent management in public administration. Strategic foresight supports strategic planning, but does not obviate it. Decision-makers will be able to use this report in the context of their own strategy work.

1

Main drivers of change

Talent management in Slovenian public administration directly influences and is influenced by factors in the organisational, political, legislative, and of course human resources environment in which it operates. These factors are the focus of the analysis in the accompanying report “Slovenia: ageing and talent management in public administration”. The analysis in this report broadens the frame, and situates talent management within the broader context of the multiple complex changes affecting the public sector. There are two reasons for this.

The first is to better connect talent management with the ultimate purpose it serves: supporting public administration in its objectives to help deliver sustainable prosperity and well-being to citizens. The challenges facing OECD economies will require new economic and governance approaches that move beyond mere incremental changes to existing policies and focus on addressing the structural issues that are contributing to global inequality, environmental degradation, low levels of investment and slow productivity growth.² For this reason, understanding these drivers, their dynamics, and their interactions, can help efforts to prepare public administration in Slovenia and other countries to operate successfully in an increasingly complex future and to effectively respond to the evolving needs of their citizens. Understanding talent management as part of this effort is essential to understanding its future.

The second is to make talent management responsive to emerging change. Foresight processes can enable the talent management system in public administration to be fit for the future by perceiving emerging potential challenges and opportunities in time to act, thus strengthening the motivation and empowerment of employees, and enhancing the overall attractiveness of public-sector jobs.

Five broad categories of change can be identified based on review of the accompanying paper, analysis of focus-group outputs, and desk research using the framework of society-technology-economy-environment-governance commonly used in futures studies.

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The effects of these drivers on public services are multifaceted: not only will they alter the nature of policy-making and of the public sector's work, they will also create pressure for change in the internal structures of public administrations, impacting the very processes through which public services are designed and delivered. Importantly, the impact of these dynamics on citizens' expectations about government services is also bound to have extensive consequences on the skills and capabilities required from the public-sector workforce.

While these drivers emerged from a dialogue with Slovenian public sector and talent management experts in relation to their relevance to the particular country setting, the relevance of the factors and trends researched is broader; and can support analysis of talent management in public administration further afield. Specific references to Slovenia are intentionally light in this chapter; it is in subsequent stages that the analysis becomes more specific.

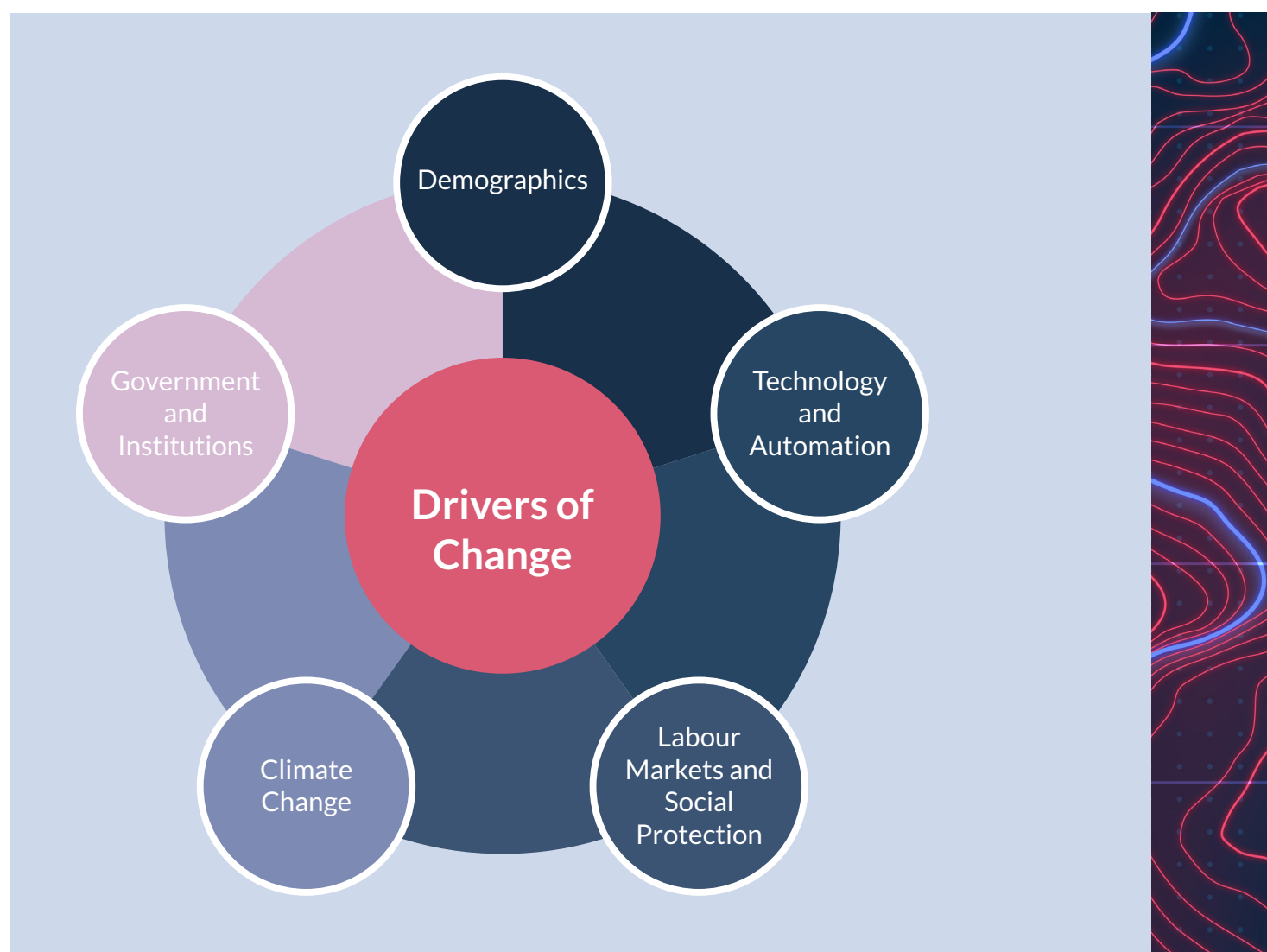


Figure 1: Drivers of change for talent management in public administration in Slovenia and beyond

1.1. DEMOGRAPHICS

In the coming decades, demographic change and an ageing population will have extensive impacts on labour markets and public finances, both in Slovenia and in other countries in the EU. Europe's shrinking population size can be attributed mostly to: (1) a higher life expectancy, which is expected to rise in 2070 above 86 years for men and above 90 years for women; and (2) lower birth rates, with an average total number of childbirths of 1.55 per woman—significantly below the rate of 2.1 required to keep the population size constant without migration.³ In Slovenia, the proportion of population aged 65 years and older is expected to grow to 30.7% with an old-age dependency ratio of 54.9 in 2050, up from 20.2% and 31.3 respectively in 2020.⁴ With a more diverse and overall older workforce, public administration could be confronted with a rising number of challenges. This will be exacerbated by the fact that the share of older workers in the civil service across Europe is higher than the share of older workers in the private sector,⁵ thereby requiring significant efforts and adequate strategies to successfully manage these changes.

The values of workers may also evolve, and affect the way in which the public sector is administered and organised: hierarchical and rigid structures could be increasingly questioned, and there may be more calls for flexibility, cooperation, creativity and innovation. Currently, only 8% of Slovenian central ministries' workforce is young civil servants (below 35 years old).⁶ This highlights the need for new strategies to attract, hire, and motivate workers that take into account their technology skills and heightened expectations of flexibility.

These demographic changes might intensify competition for talent as a shrinking labour supply causes human resources to become an increasingly rare asset for both private and public organisations, particularly for candidates with sought-after skills such as data science and programming. Younger, educated generations might be particularly affected by this, with brain drains becoming a growing issue for many countries as richer organisations around the world compete to hire foreign talents. Technological innovations might also make many of the current jobs and skills obsolete, pointing to the growing importance of training, lifelong learning and upskilling.

Demographic factors are also crucial in determining the way urbanisation will develop in the years to come. While population growth has resulted in the densification of existing cities, this has occurred primarily in commuting zones rather than in city centres—creating structural and urban planning challenges for local governments.⁷

Increasing population density might also further exacerbate pollution, especially in cities in low-income countries where sufficient infrastructure and buildings are lacking and exposure to natural hazards is greatest.⁸ Furthermore, as urban centres grow in population and size, their increasing waste, resource consumption, and energy usage has the potential to affect sustainable development around the world.⁹

Key factors within this driver to take into consideration in scenario planning include society's core values, the potential meaning and consequences of ageing populations such as rising retirement ages, competition for talent, and migration to and from Slovenia. Potential future trajectories and new end-states for these factors will be explored in the scenarios in the next chapter. Open questions about the future which should be further explored for their alternative plausible outcomes therefore include:

- **What if people end up working their entire lives, bringing to an end the notion of retirement as we know it?**
- **What if people needed to retrain and completely change career in the middle of their professional lives?**
- **What if new waves of migration upended the forecasted future population pyramid?**

1.2. TECHNOLOGY AND AUTOMATION

As demonstrated by governments' responses to the COVID-19 pandemic, the development and adoption of new technologies is increasingly important in determining the way public-sector organisations operate, interact among themselves, and communicate with citizens. Notably, innovations such as artificial intelligence (AI) and machine learning hold potential to radically disrupt the functioning of public-sector organisations and to revolutionise the way in which services are designed and delivered.¹⁰ With their adoption at the whole-of-government level and in other sectors of the economy, new skills and approaches will be required to ensure that public value remains at the centre of government operations and that the evolving needs of citizens are effectively satisfied. Furthermore, automation has the potential to affect the very way in which public and private entities are organised and governed, with increasingly horizontal decision-making, flatter hierarchies, and continuous feedback mechanisms that might lead to a paradigmatic shift in the way organisations evolve and adapt to changes.¹¹

The expanding use of robots in a growing variety of domains also has the potential to affect citizens around the world, making lives safer, healthier, and easier; and increasing societal resilience to disasters and other risk factors.¹² Concurrently, robots and automation could increase productivity in a variety of economic sectors—such as industry, agriculture, services, and space—with the risk of making much human labour obsolete.¹³ So far, the empirical evidence gathered in the last decade by the OECD points to the limited impact of AI technology on labour markets and on the availability of jobs—with effects being limited to the reorganisation of skills within given occupations¹⁴ and to changes in the content of available jobs.¹⁵ Nonetheless, although OECD economies in the 2012–2019 period were characterised by an overall growth in employment, this growth was significantly lower for jobs at high risk of automation, where most low-educated workers are concentrated.¹⁶

Past trends are not necessarily a predictor of future developments, and future changes could be far more disruptive. Thus AI has the potential to affect different jobs and workers in very different ways in the years to come. These effects may be contingent on the guiding principles and motivations behind its application and on the way workers in specific professions will interact with AI-powered systems and technologies.¹⁷ This entails the need for policies that manage the job transition and ensure that future generations possess sufficient with skills to work in a context of increasing digitalisation—especially in the aftermath of the COVID-19 crisis, where automation has significantly accelerated.¹⁸

One area of particular attention for the increasing role of AI in the future of public administration is in the use of digital algorithms in support of real-time and semi-autonomous decision making. As the application of AI become more sophisticated and pervasive, decisions such as the allocation of benefits, granting of visa status, and approval of credit can be made using various forms of AI, including increasingly machine learning. The ethical implications of this have already proved the source of debate and are referenced in the Recommendation of the OECD Council on Artificial Intelligence.¹⁹

The increased decision-making role given to digital algorithms in particular has numerous potential implications of future change which might be considered in scenarios for the future of talent management. Other factors to take into account are increasing connectivity, telepresence, non-personal data, and the value of the personal ‘human touch’ in government services. Hence, some of the unanswered questions about the future to include in a scenarios thought experiment include:

- **What if automation and AI replaced humans for the majority of decisions taken by government?**
- **What if new ethical debates arose following the widespread adoption of AI decision-making?**
- **What if empathy and creativity in understanding and applying new digital tools were among the most sought-after assets for workers?**

1.3. FUTURE OF WORK, SKILLS, AND SOCIAL PROTECTION

As new technologies lower transaction costs and firms increasingly outsource tasks, non-standard forms of employment—such as self-employment, temporary work and independent contracting—are becoming increasingly widespread.²⁰ While this greater flexibility can lower barriers to the labour market, workers might also have limited access to social protection and be exposed to greater socio-economic risk. For example, research by the OECD has shown that in certain countries non-standard workers are 40-50% less likely than other employees to receive any form of income support if they are unemployed.²¹ Social protection systems therefore have to adapt to ensure that self-employed workers effectively pay contributions and that they are properly insured against employment- or unemployment-related risks. This adaptation will have to ensure the harmonisation of social security contributions across forms of employment, potentially leading to the decoupling of employment and social protection benefits.²² These processes might further contribute to expanding the mobility of workers across countries, jobs and sectors. The growing importance of the gig economy and the spread of its increasingly flexible contracts to public administration have the potential to lead to greater competition between global talents and between the public and private organisations trying to hire them.

The speed of technological change and growing flexibility of labour markets could also imply that learning and training become a continuous requirement for all employees, regardless of their age or level. With new jobs being created and others becoming obsolete at an ever-growing rate, workers’ economic stability will only be possible if their skills enable them to move between jobs and if their capacities match the shifting demands of markets.²³ As jobs are characterised by increasing interactions between workers and machines, the demand for technological skills will increase at an exponential rate,²⁴ making lifelong training a key component of both private- and public-sector productivity growth. Moreover, technological change also interacts with other drivers affecting the

need for new skills and lifelong training, including demographic and environmental change.²⁵ This will contribute to increasing challenges for governments and to the growing need for lifelong learning in all sectors of the economy.²⁶ In face of these new dynamics, governments will potentially have to re-think the broad benefit systems and career models that characterise their public sectors as these might decrease in relevance and new ways of attracting talent might be needed.

Currently, however, many adult learning systems are unprepared to deal with the structural changes brought about by new technologies and evolving job markets.²⁷ Only two-in-five adults in OECD countries participate in education or training at least once a year, and low-skilled workers are three times less likely to participate than high-skilled ones.²⁸ This appears to be the case also in Slovenia: although significant progress in student outcomes and tertiary attainment has been achieved over the last decades, participation in adult learning remains low—especially for low-skilled, unemployed and older adults.²⁹ Extensive work will therefore be needed to ensure that workers' skills can cope with the structural changes brought about by digitalisation and that socio-economic inequalities are not exacerbated by the greater flexibility of labour markets.

Some governments are already taking actions to address the increasingly complex hiring needs faced by their public sectors by establishing hiring platforms that can speedily match organisations' talent needs with skilled innovators and independent consultants.³⁰ For example, the government of Canada has developed its 'GC Talent Cloud'—an innovative digital platform that validates the competencies of potential public-sector employees and facilitates their searchability based on public agency's project needs.³¹ The platform benefits both agencies and employees, enlarging the available talent pool, increasing opportunities for diversity, and speeding up the public hiring process.³²

In addition to the aspects described above, the future of work has the potential to be radically changed by the very culture and composition of workplaces. For example, increasing gender equality in the workplace and sharing of conjugal roles are leading to pressure for greater flexibility in work arrangements.³³ Furthermore, as the nature of jobs evolves and IT innovations and digitalisation become ever-more central in all economic sectors, hierarchies are becoming flatter, and employees are increasingly contracted externally.³⁴ These factors, coupled with the abrupt mass shift to telework caused by the COVID-19 pandemic, have significant implications for private companies and the public sector alike. Employers will have to guarantee hybrid while putting in place effective mechanisms to address digital work overload and avoid "technostress" caused by employees' poor work-life balance.³⁵ Moreover, organisations' culture and leadership paradigms will have to shift to adjust to these new dynamics to attract and motivate future talents, regardless of their location and workspace requirements.³⁶

The COVID-19 crisis has significantly disrupted labour markets and the nature of work in a large variety of ways, including widespread unemployment, mass adoption of telework, and an extension of an “always on” work culture to many who had not experienced it before. While it is too early to say how significant and impactful these sudden disruptions will be in years to come, they are already opening up new lines of questioning about trends underway in labour markets that could be intensified, diminished, or reversed; and leading experts to question things that were previously taken for granted.³⁷

The future of work, skills, and social protection is thus another set of uncertain and rapidly changing factors with high potential significance for developing an effective talent management system in Slovenia. The factors outlined above and their multiple alternative outcomes are therefore justifiably included in the scenarios in this report. Among the open questions to be explored for their multiple alternative plausible outcomes are:

- **What if most people switched to ‘jobless work’, based on a series of one-off projects rather than steady employment?**
- **What if demands grew for a new social contract, including much greater employment stability, benefits, and universal basic income?**
- **What if the only way to stay employed was to have multiple concurrent areas of expertise which continuously evolve through ongoing education?**

1.4. CLIMATE CHANGE AND THE ENVIRONMENT

Despite growing efforts to protect natural ecosystems and limit greenhouse gas emissions, climate change—and countries' responses to it—will be central factors in defining how governments, societies, and markets will evolve in the next decades. The potential implications of biodiversity loss, rising sea levels, ocean acidification and other consequences of climate change are vast and multifaceted. Human systems will be increasingly exposed to natural disasters and other types of risks connected to unpredictable weather patterns and ecosystems loss, such as crop failures and health hazards.³⁸ Low-income citizens, especially in developing countries, will be particularly affected, with population displacements and new mass migrations becoming progressively more frequent.³⁹

For these reasons, it will become increasingly imperative for policies to be designed and implemented in integrated ways, using economic performance and well-being indicators coherently to reach economic, environmental, and social objectives at the same time.⁴⁰ Institutional innovations will be necessary to embed environmental considerations in macroeconomic policy and ensure that public spending accounts for all dimensions of human and natural wellbeing across society and across borders.⁴¹ The multidimensional and cross-border nature of these issues also implies a need for governments to design policies that are coherent across different domains and that take into account their transboundary effects. Policy coherence for sustainable development provides the ideal framework to ensure that progress towards the 2030 Sustainable Development Agenda is enhanced by synergies across policy areas and that costly trade-offs between different domains are minimised.⁴² Progress towards more effective climate change mitigation and adaptation will also require a greater understanding and recognition of the cross-border dimension of these problems, taking advantage of tools that enable effective policy planning and evaluation across different jurisdictions.⁴³

Environmental considerations will therefore become increasingly central in both the long-term planning and the everyday operations of the public sector. Implications could be far-reaching, and include demand for different and greater skills, new public functions to mitigate and manage the consequences of climate-related events, and different types of service provision to reflect populations whose needs may call for rapid and unprecedented responses. The multifaceted nature of the issue and its wide-ranging implications have the potential to make policy planning and social protection more difficult to carry out, as new, complex citizen needs and vulnerabilities arise. Concurrently, the Green transition and the European response to the climate crisis will deeply impact the life of EU citizens; values and priorities might shift, and what is expected of governments and public-sector organisations with respect to environmental protection could radically change.

It is therefore important for scenarios on the future of public administration to take into account the emerging realities of the environment and the uncertainties they bring, as these factors could lead to highly disruptive and uncertain future contexts for effective talent management in public administration too. Some of the open questions to explore in scenarios are:

- **What if new pandemics or other disasters involving humans and the environment created a slowing down or even reversal of urbanisation?**
- **What if our institutional structures and technological developments prove inadequate in the face of the need for urgent climate action?**
- **What if environmental emergencies proved to be an opportunity to foster greater collaboration between states and regions?**

1.5. GOVERNMENT AND PUBLIC INSTITUTIONS

Over the last decades, political change has significantly impacted the functioning and structure of the public sector. The unpredictability of politics has been heightened by globalisation, which has contributed to a greater level of interconnectedness between policy actors and to an overall spread of public authority towards supranational levels.⁴⁴ Fiscal pressure and constrained capacities in governments has meant that other actors—including businesses, NGOs, and supranational institutions have taken a more visible role in the assessment, development, and implementation of public policies. Evolving digital communication, changing citizens' expectations, and widening economic disparities, have also played a key role in shaping and polarising the European and international political scenario.⁴⁵ This could potentially increase the need for public administration to be flexible and to ensure that it effectively responds to the evolving demands of citizens and businesses.

The dynamics mentioned above will be shaped by the evolving levels of trust that citizens have in politics and in public institutions. As demonstrated by the varying success of governments' policy responses to the pandemic, trust heavily affects how citizens view, respond, and interact with the public sector and how effectively public policies can be implemented.⁴⁶ This will continue to be the case as economies enter the recovery phase and as the expectations and behaviours of citizens evolve in the decades to come. Moreover, public trust is often associated, among other things, with citizens' perceptions of the extent to which public institutions and civil servants act for the greater good (*ibid.*), indicating the importance of this variable in determining the attractiveness of public-sector jobs on the labour market. In OECD countries, trust in national governments stands at an average of 45% of citizens;⁴⁷ and has been declining in recent years in most of those countries, with the greatest decline between 2007 and 2015 occurring in Slovenia.⁴⁸

For this reason, public-sector organisations will have to work extensively towards ensuring that citizen trust is fostered via the timely provision of services and the promotion of government openness principles. In this regard, open government strategies hold significant potential to promote transparency, integrity, accountability and stakeholder participation in support of democracy and inclusive growth.⁴⁹ By capitalising on such approaches and on innovative citizen participation strategies such as deliberation,⁵⁰ governments will be able to strengthen public trust in institutions, increasing citizen satisfaction in policy outcomes, and ultimately enhancing the overall appeal of public-sector jobs to future talents. As governments work towards becoming more open, innovative, and responsive to citizen needs, the digitalisation of public-sector processes and services will be crucial. The OECD digital government framework represents a key guiding force in this direction, leveraging on the digital government paradigm in the pursuit of “more cohesive service transformation, cross-cutting collaboration and data sharing to produce open, user-driven and proactive public-sector organisations”.⁵¹ The framework is structured around six dimensions: digital by design; data-driven public sector; government as a platform; open by default; user-driven; and proactiveness.⁵² These provide the basis for governments to guide their public-sector digitalisation strategy and to ensure that reforms in the field are centred around the principles of integration, coherence, and horizontality.⁵³

The fundamental matters covered in this section—levels and sectors of governance, trust in institutions and civil servants, as well as organisational matters such as digitalisation, hierarchy, and flexible work—are all shifting and uncertain, with potentially great future impacts on the ability of a talent management system to succeed. They are therefore all integrated in the scenarios that follow. Key questions considered include:

- **What if regional supranational organisations played a much greater role in coordinating the work of national governments?**
- **What if the only way to recruit and retain top talent was to allow them to telework full time?**
- **What if non-state actors such as philanthropic organisations or local associations took over from governments on an increasing number of roles associated with serving citizens?**

2

Using scenarios for talent management in public administration

Talent management in public administration is a strategic undertaking, which involves three main steps. These steps are more extensively explained in the accompanying report. They are (1) identify and monitor; (2) assess and prioritise; and (3) design and evaluate. These steps help to identify a possible mismatch between the supply and demand of talents in the organisation and address this mismatch by purposefully redesigning talent management strategies and tools (e.g. Calo, 2008; Rapaport, Bancroft, Okum, 2003; The Conference Board, 2015).



Figure 2: Steps for implementing talent management in public administration

2.1. TALENT MANAGEMENT: A FUTURE-FACING DOMAIN

At each of these stages there is consideration not only of current needs and capacity, but also of how supply and demand could evolve over time. Some examples of this from the accompanying report include the following:

- **Identifying and monitoring** may involve an assessment of internal demographics to anticipate the impact of prospective retirements; a mapping of current and future employee skills; or an assessment of strategic positions that may be created
- **Assessing and prioritising** may involve consideration of how effectively training and development opportunities are preparing staff for future organisational requirements; anticipating potential difficulties in recruiting particular talents; or preparing for knowledge transfer when particularly talented, skilled, or experienced workers leave the organisation
- **Designing and evaluating** may involve reflecting on the match between current talent management strategies and future organisational needs; pre-retirement talent management; and setting up mentoring and coaching programmes for new recruits

Talent management is thus inherently a future-facing domain, however it does not always engage with the future systematically, explicitly, or critically. Traditional anticipatory approaches are based on implicit or explicit assumptions about what the world will look like and how it will work the context in which they will be implemented and possible impacts. Methods such as forecasting and predictions are probabilistic and only capture a small set of futures possibilities and tend to discount more transformative change that is difficult or impossible (due to complexity and uncertainty) to model robustly. Likewise, megatrends analysis can expand, but not complete, the picture of future developments that may be relevant for an organisation (see box).

2.2. STRATEGIC FORESIGHT FOR TALENT MANAGEMENT

What does it mean to develop effective talent management strategies in such a challenging context? It is important to look beyond the scope of traditional time- and policy-silos and consider how multiple developments can intersect and interact in unexpected ways. Furthermore, change may be happening further and faster than our deliberative (and sometimes lengthy) policy processes are designed to cope with, and when change grows exponentially, so too must the talent management's ability to respond to it.

Strategic foresight is the ability of an organisation to constantly perceive, make sense of, and act upon ideas about future change emerging in the present.

Strategic foresight tools complement those of prediction and forecasting by allowing us to appreciate emerging, complex, and uncertain developments which could be surprising and significant in the future. The use of foresight has a long history in both government and the private sector, and interest is growing as organisations seek to upgrade their foresight capacity in the face of rapid change. Foresight is used to strengthen policy making in numerous key ways. These include:

- **Identifying the early signs of oncoming disruptive change**
- **Reframing and broadening the scope of what is considered relevant in policy making**
- **Stress-testing plans and strategies against potential disruptions**
- **Generating shared language and perspectives for action and success**

The word 'user' occurs frequently in strategic foresight practice. This is because strategic foresight explores multiple versions of the future that help someone in particular. The envisaged user in this publication is ministries of public administration, in particular that of Slovenia.

PRINCIPLES OF STRATEGIC FORESIGHT

Strategic foresight is founded on the following principles:

- Our ability to predict the future is always limited, but it is possible to make wise decisions anyway by imagining and using multiple futures.
- The future is not a fully formed, knowable entity which exists objectively somewhere else. It is an emergent, socially constructed entity which always and only partially exists subjectively in the here-and-now. There is no absolute future, but there are many relative futures.
- The futures in the present can take many different forms: predicted, projected, preferred, path-dependent, probable, plausible, and possible. Together, these make up our anticipation. They are mental models and stories we believe about the future. We all have these mental models, whether we realise it or not.
- Strategic foresight seeks to challenge and enrich our mental models and stories about the future in order to give us greater knowledge on which to act in the present.
- Strategic foresight thereby helps us to envisage new solutions, to stress-test our plans to make them more robust, to develop early-warning systems for threats and opportunities, and to share and clarify our visions of success. This can take the form of re-shaping strategy or introducing innovations.
- Strategic foresight is a form of collective intelligence which can only be generated and accessed through dialogue. It is not possible to passively “study the future” and hope to learn anything worthwhile.
- Likewise, futures and foresight are always used for someone (a user or users) to serve some purpose (a use or uses). Defining users and uses is the foundation of effective foresight practice.

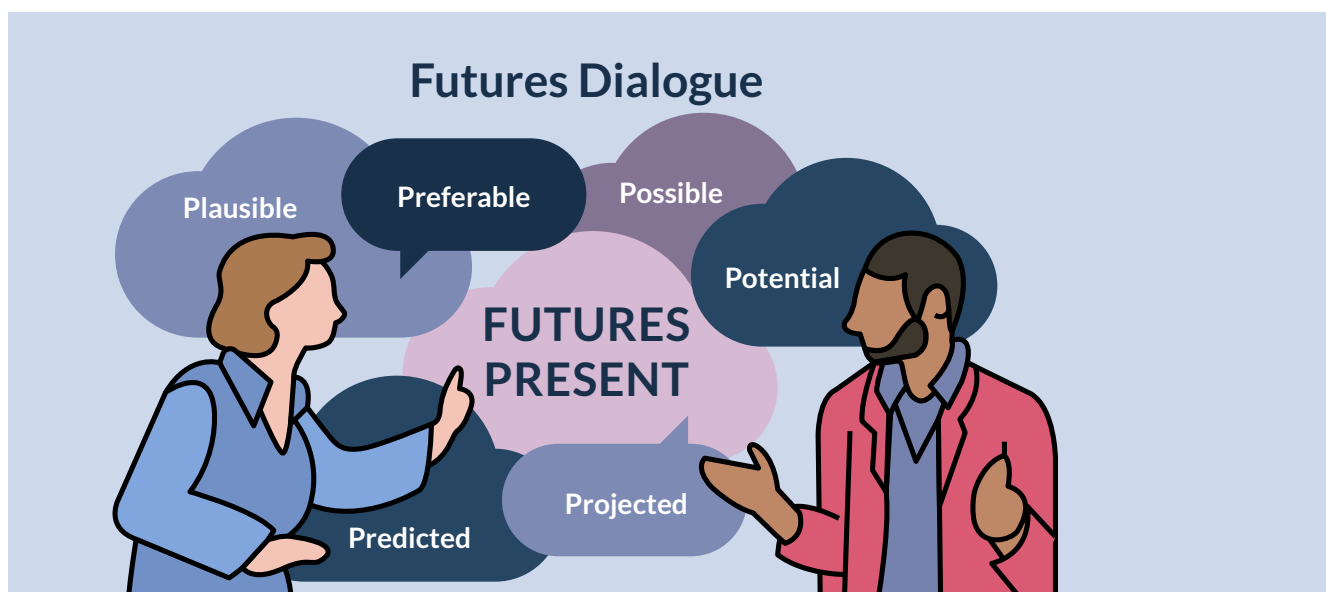


Figure 3: The future is shaped in the present through dialogue

There are multiple methods within the discipline of strategic foresight, including horizon scanning, scenarios, megatrends (see box), and visioning. They each have advantages and limitations; the particular properties of scenarios are described in the next section.

MEGATRENDS: A COMPLEMENTARY FUTURES AND FORESIGHT METHODOLOGY

The accompanying report “Slovenia: ageing and talent management in public administration” uses megatrends analysis to provide context while acknowledging that context is always changing.

Megatrends are broad, deeply rooted, and gradual shifts connecting multiple policy domains such as politics, economics, society, technology, or the environment. They reflect more than just one trend and are usually deeply rooted, representing a trajectory from the past into the future. Well known megatrends today include climate change, rising inequalities, digitalisation, and shifting geopolitical power.

Megatrends are not the only way to think about the future, and cannot on their own capture all the relevant information or developments needed to make decisions. Disruptions and short-term shifts are important to prepare for too. Megatrends also do not consider the ways in which shifting values could change the level of importance given to particular issues.

The present report also uses megatrends to explore context, but then goes further to develop the futures analysis using other methods too.

2.3. WHAT ARE SCENARIOS?

Scenarios are sets of alternative futures (usually three or four to compare) in the form of snapshots or stories giving an image of a future context. They are intentionally fictional, and should not be interpreted as predictions or recommendations. They are constructed for the purpose of learning and taking action in the present. This is achieved by generating, testing, and reframing ideas about what the future might be like. Scenarios are more than just an extrapolation of a given trend, but they can take trends into account by describing how the future might look if one or more trends were to continue (or change course). Scenarios themselves have no intrinsic value; it is the process of creating or using them in the context of strategic dialogue that makes them worthwhile.

Scenarios are particularly widespread in the practice of strategic foresight, and multiple schools of thought exist on how they should be developed and used. The scenarios in this study have three main properties:

- **Exploration:** scenarios offer a safe space for experts to disagree and challenge each other's assumptions. Knowing that a scenario is not a future we expect to occur means we can be freer in our discussions. Scenario dialogue discourages trying to be 'right' about what will happen. This is partly why scenarios come in sets rather than just as one. Exploring the future allows us to let go of our deeply held assumptions which may be proven unfounded and harmful if left unchallenged.
- **Context:** scenarios encourage us to consider what the future will feel like; what it would be like if the paradigm that governs our way of thinking were to change. Whereas forecasting and predictions tend to focus on individual metrics or events, scenarios allow us to consider the future as a whole: 'the big picture'.
- **Narrative:** scenarios can become powerful tools for creating shared understanding within an organisation on how to act. By creating a set of experiences about the future with their own characters, events, and logic, good scenario narratives are memorable enough to become part of an organisation's way of thinking.

Scenarios themselves have no intrinsic value; it is the process of creating or using them in the context of strategic dialogue that makes them worthwhile.

The talent management processes of identify and monitor, assess and prioritise, and design and evaluate can all be informed and enhanced through scenario planning in the following ways:

- Broaden the frame of what is relevant in determining which talent management challenges to address (**identify and monitor**)
- Prepare for potential shifts in the most salient factors and gaps in talent management (**assess and prioritise**)
- Plan talent management strategies that include multiple ways to achieve desired outcomes, or ways to achieve them in multiple contexts (**design and evaluate**)

The scope of the present study is limited largely to the first of these three points. The latter two are alluded to through discussion of the implications of the scenarios, as well as the innovation prototypes proposed in the final chapter. Their full implementation are matters of further work for the Slovenian Ministry of Public Administration.

2.4. TAKING ACTION: ANTICIPATORY INNOVATION

Engaging in strategic foresight practices is innovative in itself in many government policy settings. By undertaking an active exploration of future developments beyond forecasting and planning, governments give themselves an opportunity to respond and plan before it is too late, and when the potential benefits are greatest. Through dialogue and exchange, strategic foresight can also add value in terms of improved social capital, public engagement, and shared narratives to enable action.

But strategic foresight alone is not sufficient to drive change. Others have sought to make strategic foresight impactful in indirect ways, for example by changing the way decision-makers see the world,⁵⁴ or influencing the things an organisation takes into account when making strategy—a process known as “strategic reframing”.⁵⁵ The approach described in this report aims for a more direct use of strategic foresight: as a starting point for innovation.

The ability and willingness to test alternatives and experiment is particularly relevant in a shifting and uncertain future context. By developing new alternatives, organisations have greater options at their disposal for responding to future changes as they emerge. These new alternatives are innovations when they are novel, implemented and impactful.⁵⁶

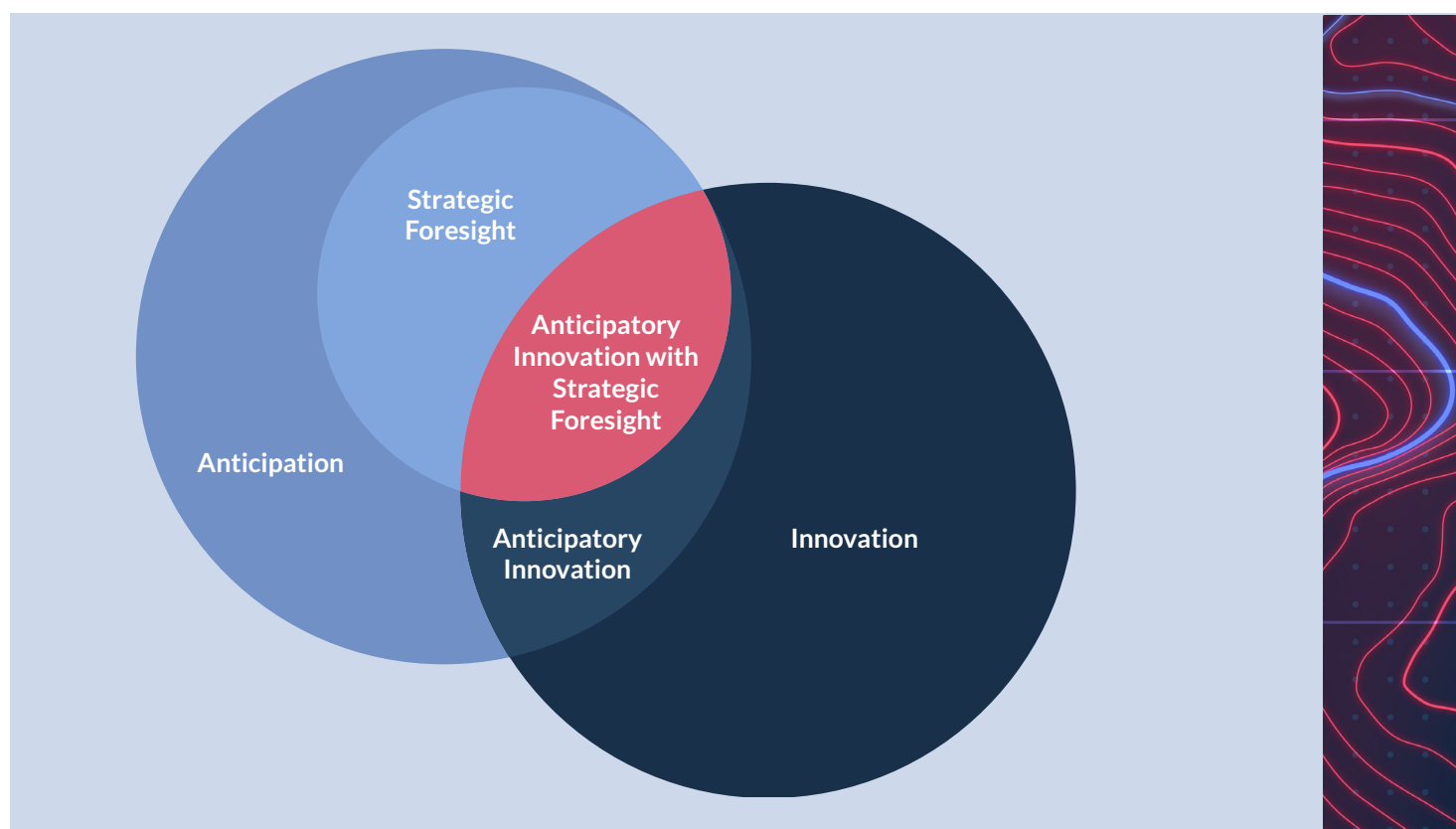


Figure 4: Relationship between anticipation and innovation

Strategic foresight can inform and help to fuel such innovation. Emanating from the increasing interest in design thinking and practice in policy is the possibility to link anticipation to innovation through processes of prototyping.⁵⁷ In public policy, a prototype is a small-scale concept of how to advance a particular objective in a way that can be quickly implemented, tested, and learned from. Prototypes enable a policy to be viewed and experienced as material reality.⁵⁸ Within anticipatory innovation, prototypes have a particular advantage since they can be implemented well in advance of when they might be needed.⁵⁹

By developing new alternatives, organisations have greater options at their disposal for responding to future changes as they emerge.

The process described in this report demonstrates this link between anticipation and innovation with strategic foresight through prototyping (see Figure 4). The insights generated from the scenarios (described in the next chapter) were then used to create prototypes for policy innovations for talent management in public administration in Slovenia (described in the chapter after next).

3

Talent management scenarios in Slovenia

The scenarios described in this chapter are the result of extensive dialogue over a number of workshops with experts from the Slovenian administration, as well as other key stakeholders, experts in human resources, and OECD subject matter experts. Quotes in this chapter are from participants in focus groups and workshops, which were conducted under the Chatham House rule.

The production of scenarios is one part of a five-stage process covered by this study:

- **Exploring the strategic environment:** this phase consisted of mapping the actors, trends, signals, and developments of current and potential future significance for talent management in public administration and its success.
- **Potential changes of surprise and significance:** the second phase sought to imagine what potential disruptions could occur in the contextual environment. Ideas generated included a labour market shift where people would work their whole lives; Slovenia as a destination of choice for people seeking greater well-being; artificial intelligence taking over human-made decisions; and new breakthroughs in collective bargaining.
- **Draft scenarios and expert validation:** combining the ingredients developed in the prior stage, a set of four draft scenarios was developed in consultation with OECD subject matter experts. The four draft scenarios were presented to the Slovenian participants from the first two stages for feedback.
- **What the scenarios mean for the world ('upframing'); and what the scenarios mean for talent management in Slovenian public administration ('downframing');** discussions of the scenarios looked at ways to make the most of diverse ways of thinking, ways to combine efficiency and job security, and ways to closely monitor the role and influence of AI in decision-making, among others. The result of this stage was that participants already began to see new possibilities for innovative talent management initiatives that emerged from the scenarios.
- **Prototyping experiments and innovations:** the final stage of the process involved envisaging innovative approaches to improve talent management in light of the future knowledge generated. These took the form of a pitch outlining what the initiative was, what purpose and value it could serve, and how it would be implemented (see chapter 4 of this report).

What follows in this chapter is an outline of the scenarios created in the first three of these stages. It begins with an overview table to compare the scenarios, followed by individual descriptions and illustrations, as well as reflections on some potential implications for talent management in public administration. Reflecting on the need to turn imagination into action (see chapter 2), the outcomes of the fourth and fifth stages are further developed in their own chapter.

The annex of this report includes a guide to using scenarios in policy discussion, which can be used to apply the scenarios in this report in further uses. A fuller summary of the methodology and programme used to develop the scenarios is included in the annex.

SCENARIOS COMPARISON TABLE			
HIGHER FLYERS	CLOSER CULTIVATORS	FREER THINKERS	BETTER NEIGHBOURS
What is the world like in 2030?			
<ul style="list-style-type: none"> Accelerating globalisation and digitalisation Diversity is a valuable asset Elites are highly mobile Outsourcing Cyber vulnerabilities 	<ul style="list-style-type: none"> New desire for rural life Local production revolution Greater focus on well-being Pressures of community life Local, human-touch services 	<ul style="list-style-type: none"> Computers take decisions on our behalf Mechanisms for accountability Policy becomes depoliticised New ethical debates Expertise is valued 	<ul style="list-style-type: none"> Slovenia coming of age Greater democracy and trust Universal basic income Increase in regional cooperation Significantly increased migration
Which major drivers of public-sector change are most significant?			
<ul style="list-style-type: none"> Continued globalisation Endlessly increasing retirement age Advances in telecommunications and telepresence technologies Increasing inequality in digital skills Decoupling of social benefits from work 	<ul style="list-style-type: none"> Increasing impact of natural hazards Rising importance of intergenerational fairness Greater need for multi-disciplinary and multi-tasking workers Flatter institutional hierarchy, greater distribution of roles Growing demand for transparency and openness 	<ul style="list-style-type: none"> Rising capabilities and confidence in AI Increasingly polarising ethical debates and greater risk of discrimination Normalisation of telework Proliferation of the 'gig economy' Greater systemic inertia 	<ul style="list-style-type: none"> New waves of immigration Changing generational values Advances in high-speed transportation Greater need for international multilateral collaboration and consensus Continued European integration
What are society's core values?			
Choice and economic growth	Environment and well-being	Environment and well-being	Harmony and trust
What is happening with society's grand challenges?			
Economic instability and inequalities worsen. Environmental degradation is reduced.	New pandemics and extreme weather events increase in frequency and severity. Inequalities fall.	Difficult to achieve systemic change to prevent environmental disaster. Fake news is eliminated.	Ethnic diversity can lead to cultural misunderstandings. Trust in government is restored.
What are the most salient tasks for public administration to deal with?			
Compensating for instability and insecurity, competing with big philanthropy	Collaborating with local producers and supporting communities	Adjudicating and auditing ethical and economic consequences of algorithms	Nation-building, international diplomacy and collaboration
What qualities are most valuable in public-sector talent?			
Adaptability, assertiveness, persuasion	General knowledge, empathy, community management	Ethics, critical thinking, perseverance	Negotiation, initiative, languages
How does democracy and public engagement work?			
Governments offer the vote to talented workers they seek to attract; some people have electoral power in multiple locations; others have none	Many decisions are taken at the local level through negotiations with community groups and government officials	Politics becomes much less about policy and more about ideology	Distributed and networked democracy and accountability
What talent-management innovations from 2021 would prove most valuable to prepare Slovenia's public administration for this world?			
Intergenerational dialogue—to bridge digital divides and combat loneliness	Novel forms of manager training—to promote interdisciplinary and multi-talented teams	Internal project marketplace—to give people increased agency and prepare for more gig work	Personal five-year plans—to negotiate balanced compromises between staff and employers

HIGHER FLYERS



3.1. HIGHER FLYERS

Contextual changes

In this world, technology advances, improvement in health conditions, demographic change and fiscal pressures contribute to a substantial increase of duration of employment terms to align with the increase life expectancy, and it is not unusual that **retirement no longer exists**. Greater flexibility for employees to decide when and where they can work leads to **greater gender equality** and closing gender pay gaps.

Slovenians elites abroad do not self-isolate but are able to increase their contact and collaboration with their home country, which results in a constant and regular flow of expertise and knowledge from outside the country to **Slovenia**. But inequalities rise within countries between talented elites and those without international experience, leading to **increased political polarisation** and mistrust.

Technology becomes easier to use, and **there is no appreciable skill gap between generations**. Digitalisation and international exchange mean that **the world is more interconnected** than ever. Interdependence and accumulation of valuable digital assets create a situation where **cyber-attacks are more common and more destructive**. Free exchange of ideas and global value chains allow for greater diffusion of frontier technologies, and **breakthrough innovations come to market worldwide every few months**.

International and fast-paced lifestyles offer great opportunities for elites to develop their careers and grow their income, but **government-based national social security systems cannot cope with the complexity**. Consequently lots of people are unable to count on any government to provide the security they need. Despite **unprecedented prosperity and wealth creation**, the world experiences **great economic turbulence** due to fast-paced, ad-hoc, and uneven development, as well as frequent cyber attacks.

MAIN IDEAS

Globalisation rebounds, digitalisation speeds everything up, talent becomes increasingly mobile, societies embrace diversity, and unprecedented wealth and opportunities open up for many people globally—but not all.

However the benefits of these changed circumstances are unevenly distributed and accrue primarily to educated elites who take advantage of increased mobility to study and work outside their country of birth. As they increasingly detach their lives from their home roots, they face loneliness and social exclusion abroad.

Public services are also outsourcing many of their tasks such as processing benefits applications or monitoring performance to other labour markets with better or cheaper talent.

Multinational philanthropy giants bring many advantages in global exchange of data and effective practices, as well as inclusivity. However, the speed and interconnectedness of transactions also leave the door open for a new generation of grassroots cyber hacktivism to produce highly disruptive effects throughout finance and society at large.

People will have longer working lives and expect better support.

New technological solutions including greener energy, carbon capture and storage, and genetic modification allow a **dramatic decline in environmental degradation**, but it is still a race against time because periods of increased economic activity risk offsetting any decrease in carbon intensity. **Birth rates decline**, further reducing the environmental footprint.

Governments are weaker but more efficient, and they cannot be all things to all people. **Inequalities between countries as a whole continue to fall**. State-market boundaries become increasingly blurred, and international standards are developed with increasing input from the private sector. Public goods such as schooling are increasingly provided by **multinational philanthropy giants** which take over from publicly funded entities.

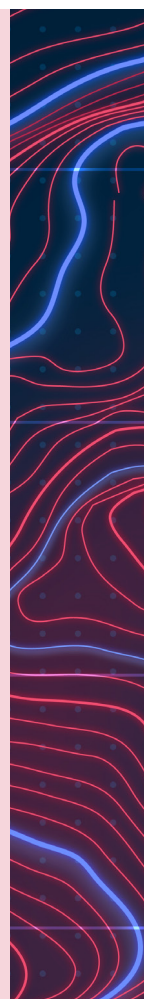
Implications for public-sector talent

In this scenario, ageing can have advantages because of diverse backgrounds and thinking of different age groups. People seek to achieve well-being throughout their careers—they do not wait for retirement, as their work lives are combined with parenting and later with grandparenting too. Ageing can have disadvantages for those sector of societies that do not benefit from increased mobility (and work opportunities offered). These people find it harder to change locations and careers, especially those seeking greater levels of stability in later life, or whose health needs make frequent travel problematic.

PERSONAL STORY: ALENKA

Alenka lives in San Francisco and is director of the Slovenian subsidiary of a large multinational philanthropy organisation. At times, she feels very alone in the vast metropolis of San Francisco. Given that many of its highly mobile residents live a transient lifestyle, she has trouble balancing an active work life with building meaningful connections and friendships with individuals. Moreover, cultural differences have made it difficult for her to understand the way in which local people network and conduct business.

Despite cultural barriers, Alenka has been able to call upon her international network of friends from her time at the London School of Economics. This allowed her to leverage private-sector interests and launch an ad campaign to convince Slovenians to donate to the ongoing effort to improve health coverage for people with lower incomes. The proceeds of her efforts are going towards building vaccine distribution networks.



Global competition for talent becomes increasingly fierce and global, as the supply of highly educated and skilled individuals barely keeps pace with the level of demand. Great effort and expense goes into attracting, retaining, and growing talent with international experience.

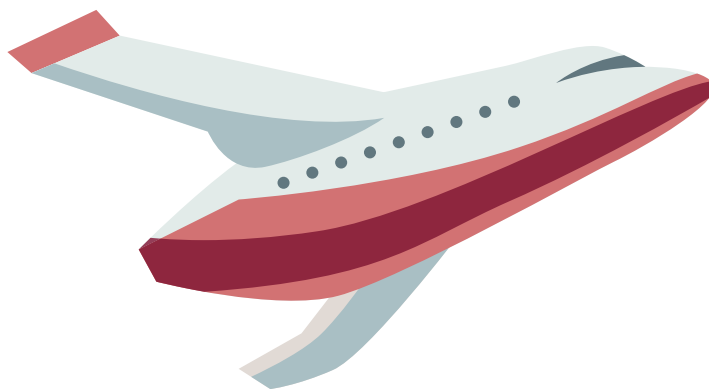
We may see migration of citizens to countries that they consider the most 'brain-friendly' or which have the most democratic structures.

High-skilled elites are very demanding in terms of the working conditions employers must provide. They take responsibility for their own careers, and rarely follow the trajectories set out for them by proactive employers. Less empowered individuals are dependent on opportunities and training offered to them to prevent them falling further behind. There is strong demand for telework and other flexible arrangements.

We will need to take into account a high degree of individualism.

Philanthropic foundations attract many talented individuals because they succeed in communicating a strong sense of purpose and mission that individuals aspire to. As a result, governments often have no choice but to play a subordinate role in certain policy areas they used to guarantee.

Sometimes the only way for the public sector to benefit from private-sector and non-profit talent and expertise is to outsource tasks to them. However non-governmental organisations are not always as reliable and their activities are not always sustained over time, so governments have to develop capacity to pick up where philanthropists left off.



CLOSER CULTIVATORS



3.2. CLOSER CULTIVATORS

Contextual change

The coronavirus pandemic boosted people's awareness about how they wanted to live their lives, and **well-being is understood as more than just material wealth**. There is **greater equality** as property prices even out between urban and rural areas. **People are satisfied having enough, instead of always wanting more**. Some local communities do better than others due to **varying levels of trust** and collaboration. Fake news exists but doesn't spread so far because every community has its own news and people work together to get to the truth.

But this scenario is not a return to the past. Technology has enabled and is enabled by the transformations that have taken place. Some of the biggest advances are in **precision farming and small-scale production** methods such as 3D printing.

A revolution in open-source non-personal data such as soil quality, water management, and production capacity has made it much easier to adapt so **local economies meet local needs**.

There is a revitalisation of the small economy—micro-shops and micro-entrepreneurs—because people need it in more rural areas.

Numerous environmental improvements have come from a **reduction in transport** and an increase in productive efficiency, but also from reduced reliance on material goods. An increasingly emotional connection between people and planet favours **greater acceptance of legal means to protect the environment**. Small-scale production and communities mean **local economies are revitalised**, with artisans, micro-shops, and micro-entrepreneurs all benefiting while still constantly growing and improving thanks to online information exchange.

MAIN IDEAS

Waves of pandemics and other natural hazards magnify the vulnerabilities of living in densely populated cities. Better infrastructure, and distributed production technologies (including precision farming) make rural life much more appealing.

A new production revolution brings economies of scale back closer to home, and automation gives people more time to focus on their well-being.

A slower, more local life isn't for everyone though and there are freeloaders and free spirits who don't do well in smaller communities where people talk.

Public administration, now fully adapted to remote work, becomes an employer of choice for those well suited to this new lifestyle.

Government is highly localised, and policies are often adapted and tailored to different local settings. **Hierarchy is flattened**, and networked governance actors such as local agencies favour mutual learning over command-and-control steering. This creates **great complexity for policy makers**, as organisations responsible for implementing a policy are not necessarily accountable to the institution that created it. Services are personalised and delivered through physical encounters enhancing a human connection between providers and recipients. Human service interaction is seen as a source and prerequisite for much greater trust in government. Self-organising local community groups also create a great deal of public value. The distinction between public and private actors becomes less clear.

Implications for public-sector talent

In this scenario, ageing can have advantages because of local knowledge of experienced citizens. Ageing can have disadvantages when shrinking populations and long retirements leave gaps in organisations and service provision. Local and personal services means less telework and less scope for flexible hours. Talent is less geographically and occupationally mobile.

***There will be growing importance
of personalisation in
attracting talent.***

Increased demand for the 'human touch' means that there is a great deal of work on offer for people who wish to work for the public sector, but the skills demanded are high because it is necessary to navigate the complexity of digital tools and their interaction with humans in every domain. Local cultural knowledge and interpersonal skills are also extremely valuable.

PERSONAL STORY: DARJA

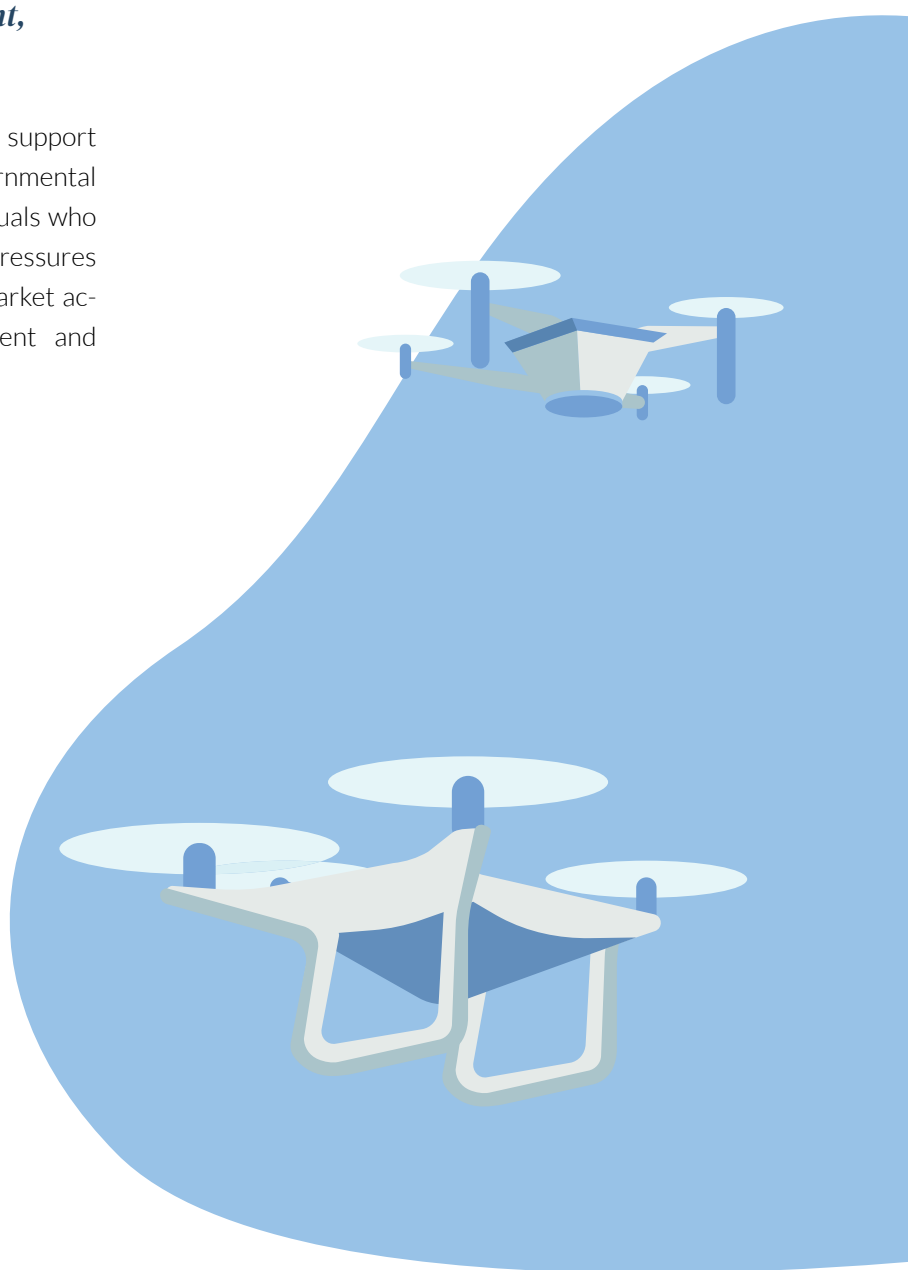
Darja is a part-time agricultural data analyst and full-time grandmother. In her work, she monitors not just crop growth and yield but also genetic variation of microorganisms in the soil and the impacts of production on biodiversity. Her findings directly inform choices around what to grow, when, and how. Darja has been doing this job for most of her adult life, but it never got boring because it involves so many different aspects of agriculture, from soil microbiology to the computer code she wrote for the drones that harvest the crops. As a result, she has knowledge in a very broad range of fields.

Due to her remote location and declining birth rates, Darja's 8-year-old grandson has few children his own age to spend time with. She gets help from friends, including the local mayor, who just turned 80 and often comes over with her own grandkids. Like the parents, the two women find themselves multitasking most of the day. The children do attend a local school, but it is generally accepted that what they learn outside the classroom is just as important. Darja is a board member of the association that helps negotiate the curriculum for her grandson's school.

There is greater equality and more jobs overall due to the replication of many roles in different local contexts. Greater redundancy means the system is more resistant to shocks but also slower to adopt positive change. Workers with expertise feel entitled to exercise discretion in most decisions, and quality assurance comes less from hierarchical accountability and more from peer pressure and public demand.

***It might be a challenge to integrate
a future vision for results and outcomes
in a public sector with very different,
localised approaches.***

Working for the government is seen as a way to support the shift to a well-being society. Local non-governmental organisations also recruit many talented individuals who want to do good. Moral, economic, and legal pressures combine to check and balance the powers of market actors. People move freely between government and non-government jobs.





LIVE



FREER THINKERS



3.3. FREER THINKERS

Contextual changes

A crisis of trust between **polarised political groups** cannot be resolved by people, and machines turn out to be the only source of legitimacy. As a result, **people trust algorithms** more than they trust each other, even though they do not inherently guarantee fairer or more desirable outcomes. Computers do not necessarily become more transparent, but they do become smarter, enabling **personalised public services** in healthcare, education, and most major life events to become the norm.

The fast growth of digitalisation will bring higher transparency, so the challenge is how to achieve open and empathetic communication between public employees and relevant stakeholders.

As computers tend to get most things right most of the time, more and more important decisions are entrusted to AI. This also applies to economic and even some political decisions. Many issues such as fiscal policy, education, and healthcare are depoliticised as machine learning proves better able to manage the economy than humans. Growth, employment, inflation, and current accounts are balanced and held at sustainable levels over the long term, ending the boom-and-bust cycles associated with human governments and electoral politics.

The system becomes increasingly opaque and difficult to overhaul, meaning that environmental issues are often ignored. When action is taken, it is generally in the form of technocratic responses to systemic challenges. Issues of value judgement such as gene editing, cognition-enhancing 'smart' drugs, and become even more contentious. But change becomes increasingly difficult due to lock-in effects and path dependency. The most progress is made in less politicised areas. Most people do not realise the extent to which auditors have gained great influence over their lives.

MAIN IDEAS

Rising populism and fake news become too much for people to handle and human decisions are no longer trusted. Digital algorithms take an increasingly large role in people's lives—making even more important decisions with or without us realising.

People decide that whoever is creating algorithms must be better held to account, and systems are set up to better govern the production, deployment, and outcomes of AI decision-making.

This defuses polarisation and regains people's confidence by depoliticising certain issues such as how state benefits are allocated. But tough choices need to be made about some of the unprecedented ethical questions raised—and only humans can make those decisions.

Implications for public-sector talent

In this scenario, ageing can have advantages because diverse age groups bring perspectives to ethical debates such as those mentioned above. Ageing can have disadvantages when issues of intergenerational justice such as investing in tackling climate change fall in the gaps of political and automated decision-making. Technological literacy greatly determines people's ability to understand and make the most of the system to support their well-being.

Getting algorithms right is crucial, and failure to check and understand what is going on underneath the surface can lead to disastrous outcomes—or suboptimal ones that go unnoticed for a very long time. The public sector may wish to adopt new, more efficient ways of working quickly in order to avoid being “left behind”, but it takes time to properly assess the implementation and impacts of new algorithms. Countries who try to roll systems out on the national level without sufficient prior testing often pay a high price in unintended consequences—system failures, loss of data, and privacy breaches being some of the issues encountered.

AI forecasting might create a system which predetermines lives from an early age. More data could be a trap, reducing opportunities for mid-career changes.

Teleworking and flexible arrangements are easier than ever as AI can bridge many gaps while humans are eating, sleeping, caring for families, or socialising. Management duties are increasingly taken on by machines, which have started to take the initiative to research and consult to support their own learning. As a result, expertise in particular policy domains (such as epidemiology, pedagogy, or engineering) is highly prized. Ethicists and ethics teams are in much greater demand to evaluate the development of new processes.

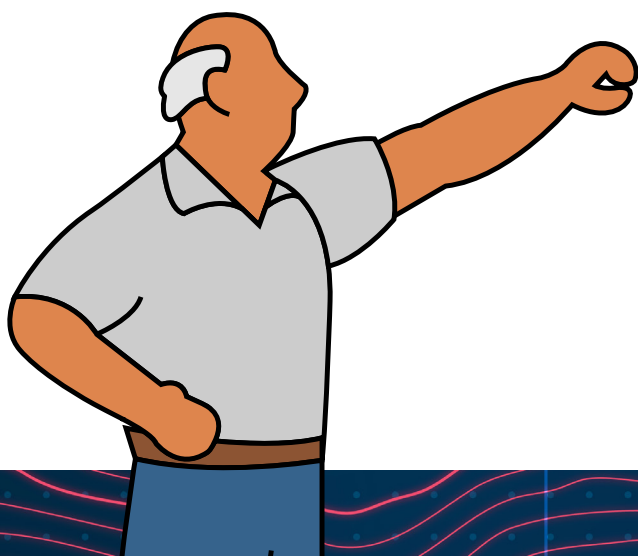
There is a risk that decisions affecting people's lives will no longer come with accountability or discretion.

PERSONAL STORY: ŽIGA

Žiga is chief ethical officer in the Slovenian Ministry of Public Administration. He is one of the most important figures in the ministry and oversees one of its largest teams: five people. He is the longest-serving member within his team, as the others rotate in and out every few months according to the programme of work. This is made possible thanks to the ministry's talent management AI that automatically matches potential candidates with available positions.

Žiga has worked hard to obtain his role and loves his job but he is often unhappy about the impossibility of establishing stable professional relationships with his colleagues. This is exacerbated by the fact that, like most other employees, he works fully remotely and rarely goes to a physical location for professional reasons. However, the situation has meant that Žiga and his partner, who also works remotely, spend much more time together at home.

Traditional public-sector jobs are mostly automated, but there is a great deal of public-sector project work. These gigs are attractive because they are impactful, and make a difference in real issues. But the reality is often that the inertia of the system makes for a frustrating experience for many dynamic talents. Job security is low but efficiency and pay are high: it takes money to attract the right person for a project, but once they finish the work they are let go.



BETTER NEIGHBOURS



3.4. BETTER NEIGHBOURS

Contextual changes

People from different generations become closer and spend more time together, while new social compromises are made between different social groups who realise they all have something to contribute and a lot to lose in this brave new world. A new social contract is developed as forms of collective bargaining transform to reflect the values and ideals of younger generations who want to protect their future while also caring for seniors.

Social media becomes a powerful force for strengthening the voices of the marginalised and exploited, but people lacking digital skills continue to fall behind. Economic solidarity is promoted through radical new experiments. Universal basic income is not entirely straightforward to implement but is overall successful, with social benefits that outweigh economic costs.

Business is forced to act ethically by society's growing conscience. Better environmental protections are negotiated between various social partners, though they may not go far enough. New environmental treaties and protocols are generally agreed just in time and there is always a sense that negotiations could fall through and the resulting agreements are fragile.

It could become harder to make Slovenia heard as a small country.

Regional cooperation and competition is at the top of everyone's minds. Highly educated new arrivals to countries in southern and eastern Europe are generally able to successfully settle, integrate, and contribute positively to economies and societies. Their social capital and political know-how help them to exert influence on governments' geopolitical alignment.

MAIN IDEAS

Slovenia matures as a nation and faces a reckoning with past disputes. Society can only heal through greater openness. Companies can't make profit, people can't earn livelihoods, governments can't get consent without new ways of securing public trust.

Public frustration is gradually appeased as parliaments in Ljubljana and Brussels legislate for universal basic income; better transparency and freedom of information measures; more groups are represented in the political process; and inequalities are rebalanced—though not without some economic turbulence.

As other Balkan countries join the EU, connections become closer and talent flows more freely. People generally support greater cross-border cooperation, but cultural misunderstandings do arise—especially as further waves of immigration from the Middle East have made the Balkans more ethnically rich than ever.



Implications for public-sector talent

In this scenario, ageing can have advantages because reconciling with the past requires knowledge and truth from experience. Ageing can have disadvantages when charting a way forward means letting go of established ways of doing things; older workers may feel alienated unless there is effective change management in place.

Intergenerational justice is a strong debate, with demands for representation and provision of services, particularly for younger populations.

There is more work to do and more complexity because the government has to mediate between organised employers and organised employees more often than ever. Talent and skills in systems thinking, negotiation, and process design are needed more than ever. Working in the public sector is well paid, but seen as extremely hard work. Talent from elsewhere in the region is an important source of knowledge exchange, especially countries with similar languages.

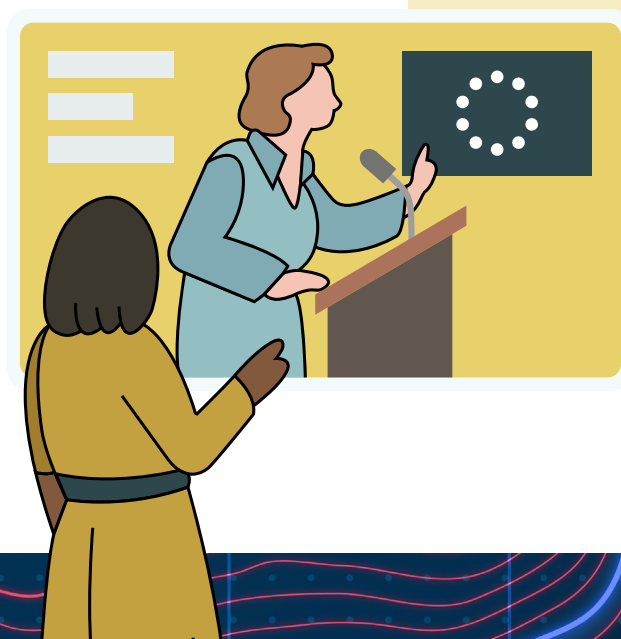
Agreements take longer to reach, even though people are better off for it.

Workplaces increasingly take on “hybrid” characteristics as people work as much with contacts in other countries as they do with colleagues in the next room. Managing diversity and intercultural encounters is seen as a significant investment but it generally pays off for organisations that commit to it.

PERSONAL STORY: HASSAN

Hassan is a doctor. The son of parents from Lebanon, he grew up and did his studies in Belgrade, and has just moved to Ljubljana to work in the city’s new public hospital. Thanks to his language skills and to the EU employment harmonisation rules in the healthcare sector, Hassan has been able to move in different Balkan countries to follow his partner’s professional needs. After working in Serbia for four years and in Croatia for the last five, he is now in Slovenia where he plans to stay for the next couple of years.

Hassan works in the hospital most of his time but does a lot of his research work remotely, in collaboration with colleagues from around Europe. He has unlimited leave days, and receives bonuses and subsidies for using his free time to participate in outreach activities for local people with mental health difficulties. His employer makes it very easy for him to visit his parents in Belgrade regularly. The journey is set to become dramatically quicker thanks to the planned trans-European high-speed train that will connect the two cities in just over two hours.



4

Innovations

This chapter outlines a number of potential innovations in the area of talent management, along with the prototyping and experiments that could accompany their implementation. They have been identified through discussion of the scenarios above with policy and talent management experts.. Each innovation is described along with the following components:

- **Policy objectives** (such as ensuring work is meaningful, or avoiding skills shortages), which inspired the innovation
- **Anticipatory knowledge** (scenarios), to which the innovation responds
- **Suggestions** proposed in the accompanying report, which the innovation supports
- **Implementation** through the work areas and tools listed in the strategic inventory (see box below)

For a fuller explanation of how the scenarios gave rise to these ideas, please refer to the annex on process methodology.

The process described in this report was designed to support prototyping using strategic foresight to spur ideas on what could be possible and desirable to respond to future challenges and opportunities yet to materialise. Since scenarios are intentionally fictional and are not expected to actually occur, the innovations generated do not need to directly respond to the future needs envisaged by any particular scenario. Instead, they can be options to better prepare the organisation for multiple scenarios, or options to address present-day weaknesses and build on strengths that were revealed through the scenarios.

STRATEGIC INVENTORY FOR TALENT MANAGEMENT IN SLOVENIAN PUBLIC ADMINISTRATION

To develop innovations, it can help to begin with a comprehensive awareness of the various work areas and tools within the capacity of an organisation to act. This 'strategic inventory' is analogous to the ingredients and methods a chef might use to make a recipe. The objective in the anticipatory innovation process is to select work areas and apply tools in novel ways that respond appropriately to the futures envisaged in the scenarios. The lists below outline the strategic inventory identified for talent management in public administration through the workshops with Slovenian officials and other experts.

Work areas

Recalling the work areas and tools outlined in the accompanying report, the strategic inventory for talent management in Slovenia as discussed with experts is listed below.

Talent attraction

- Outreach activities
- Cooperation with others such as private firms, municipalities, academia, philanthropy, resource groups, unions, etc.

Talent identification

- Definition of talent
- Selection and recruitment process

Talent development

- Mentoring
- Education and training

Talent retention

- Incentives
- Flexible work arrangements
- Employee and family benefits

Talent deployment

- Internal labour markets (within government)
- Succession planning
- Retirement provisions

General

- Proposals for legislation
- Funding models
- Salary system

Talent management tools

Examples of initiatives that could be introduced, shaped, and altered in light of scenario dialogue might involve those mentioned in the accompanying report. These items were used as reference and inspiration in the anticipatory innovation process to promote creativity and originality.

- People/workforce analytics
- Internal board for staff mobility
- Training on managing talents
- Internal talent exchange programmes
- Shadowing and mentoring
- Fast-track entry programmes
- Audits of talents/skills/capabilities
- Functional/hierarchical talent pools
- Talent pipeline for high potentials
- Job rotation programmes
- Government-wide talent databases
- Talent matrix evaluation
- Spotting star performers for fast-tracking
- Individual tracks for high performers
- External talent exchange programmes

4.1. INTERNAL PROJECT MARKETPLACE

One of the core values of talent management in public administration in Slovenia—now and in the future—is ensuring that all staff find their work meaningful. Against the backdrop of the **Freer Thinkers** scenario, a potential future in which self-motivation takes on much greater importance, this innovation proposes a match-making system connecting skills and work within a new way of operating the internal labour market focused on projects, not jobs.

The idea is to create an **internal project marketplace**, targeted initially at employees in the Ministry of Public Administration and with a view to expanding to other public-sector workplaces. Managers would post projects and tasks on an online platform for staff to volunteer or potentially bid to work on them. The added value would be a greater sense of agency for the staff participating, a more flexible allocation of duties, increased chances of matching the best skills to particular tasks, and greater potential for cross-silo collaboration if teams are formed in the process. The idea also responds to potential developments in public-sector organisations towards flatter hierarchies.

This innovation helps address the suggestion to **examine institutional arrangements for talent management**.

The following considerations must be taken into account in order to successfully implement this pilot:

Stakeholders

- **Project managers** must understand the system and form reasonable expectations of how it would work
- **Participating staff** should have time to take on the tasks offered

Resources

- **Scale** of the pilot is important: too many staff joining at once would become unwieldy and difficult to learn from; too few would risk missing a quorum of projects for there to be true choice and agency for participating staff
- **Software** will be needed for the online platform to function; this could be as simple as a message-board tool which allows comments and names contributors

Timeline and management

- **Responsibility** for the platform would initially fall under the Ministry of Public Administration, with the possibility to decentralise it as an independent service as other ministries join
- **Implementation** of the platform would take place over a 12-month period, with weekly meetings in the first month and monthly meetings thereafter to assess the setup and uptake of the system

4.2. INTERGENERATIONAL DIALOGUE

Reflecting on ageing as a major theme in public-sector talent, as well as the growing value placed on diversity and inclusion, this prototype seeks to connect experts from multiple generations within the public service—including those who have left on retirement and young people before the start of their careers. Considering the **Higher Flyers** scenario, a potential future in which people's working lives are much longer and where dialogue is constrained by increased telework and geographical separation, this innovation proposes engaging in stronger public relations and opening up the attraction of talent.

The pilot would consist of an **intergenerational dialogue** used to solicit the imagination and knowledge of age-diverse groups to address real-life problems or challenges faced by public administration. The dialogue would take the form of regular meetings with regular or changing participants in the form of a facilitated workshop to combine the creativity and experience of all participants according to where they add the most value. The ambition would be to reframe problems and potentially reveal solutions and initiatives that would not otherwise have been considered in public administration. This initiative also responds to the ambition to communicate public-sector work as a challenging and impactful career to young people considering where to seek future employment.

The intergenerational dialogue initiative reflects the suggestions to **focus on developing inclusive ageing strategies; and to improve succession planning.**

The following considerations must be taken into account in order to successfully implement this pilot:

Stakeholders

- **Participants of different age groups** must be identified and engaged according to what motivates them to contribute
- **Participating staff** should have time to reflect on challenges to propose for discussion, and to reflect on and potentially implement outcomes of the dialogue
- **Moderators (staff or outsourced ones)** must be identified to ensure effective facilitation of these dialogues

Resources

- **Venue and organisation** of the pilot will require a physical or virtual space
- **Case studies** based on real-life problems; this requires setting up the procedure of identifying and choosing the problems to discuss them in dialogues.

Timeline and management

- **Responsibility** for the dialogue can start with the Ministry of Public Administration and potentially be shared with other ministries or staff associations if these exist

4.3. PERSONAL FIVE-YEAR PLANS

Building on the value of making work fulfilling, as well as the interest in ensuring that public administration attracts top talent, this prototype involves engaging with staff to develop five-year career plans using strategic foresight and anticipatory innovation approaches. Derived from the **Better Neighbours** scenario, in which employee expectations are significantly higher in the future, this initiative seeks to promote constructive negotiations between parties to seek win-win outcomes.

The pilot involves **personal five-year plans** for individuals to discuss and envision their career development with their managers, supported by senior leadership. Using approaches akin to visioning and back-casting, employees would set expectations for their development and then work out steps and resources (such as training and experiences) needed to get there. As even the best-laid plans can be subject to unforeseen diversions, it would be wise to test the plans against alternative future scenarios and review them regularly. This practice has the added advantage of giving participating staff hands-on experience in the approaches of anticipatory innovation by applying them to their own lives.

Trialling personal five-year plans helps towards the suggestions to **improve public sector attractiveness** and to **increase anticipatory capacity**.

Stakeholders

- **Participating staff** can be drawn from an initial pool, or selected at random
- **Line managers** should receive briefings and support to guide staff in developing the plans
- **Heads of service** should review plans to confirm feasibility and identify resources and support needed to pursue the plans

Resources

- **Training** where promised in the plans should be made available
- **Salary and associated costs** should be budgeted for throughout the appropriate time-horizon, taking into account legislative constraints, but also longer-term career prospects such as envisaged promotions

Timeline and management

- **Implementation** is essential to ensure the system is trusted to deliver on its promises
- **Responsibility** for the dialogue can start with the Ministry of Public Administration and potentially be shared with other ministries or staff associations if these exist

4.4. NOVEL FORMS OF MANAGER TRAINING

Recognising the value of keeping abreast of developments in the public sector and beyond, a further prototype concerns introducing new forms of training for managers which use novel methods and which develop novel skills. Responding to the **Closer Cultivators** scenario, a future in which communication skills and human-touch services are more important than ever, this initiative is about positioning Slovenia's public services to build productive and trusting relationships among personnel and with local communities.

The prototype involves **novel forms of manager training**—and not just senior leadership but line managers also. These would involve drawing expertise from other organisations such as in the private sector to identify and trial content and manner of delivery for manager training that would add significant value above what is already provided in Slovenia's public sector. Content might include ethical questions raised by the deployment of new technologies, implementing next-generation diversity and inclusion strategies, or building anticipatory capacity. Manner of delivery could include virtual reality simulations, exchanges within or between organisations, and involving different levels of the hierarchy. This initiative could also help meet the need for managers to evolve and adapt into multiple competency areas over their professional lives, and promote cross-disciplinary transferable skills.

Experimenting with novel forms of manager training can benefit progress on the suggestion to build strategic human resources capacity.

Stakeholders

- **Senior leadership** can be engaged in identifying which kinds of training, and to test the format and delivery
- **Line managers** should be identified to participate, and also give feedback immediately after the training, as well as after a delay to identify how far the training has served them in their work

Resources

- **Budget** needs to be made available for training programmes to be purchased from external providers
- **Time and meeting capacity** should be allocated for searching, studying, and evaluating (before and after implementation) the training programmes used

Timeline and management

- **Implementation** can be relatively immediate if an 'off the shelf' solution is used
- **Responsibility** for the trainings and their evaluation should be allocated in advance to ensure ownership

ANNEX 1: STEPS OF A TYPICAL SCENARIOS PROCESS

Whether creating scenarios from scratch or applying existing ones, effective scenario planning always includes four main activities: purposing, perceiving, sense-making, and acting. The steps listed below were adapted to create the scenarios in this report—a full account of that process is in annex 2. The steps in this annex can also be used in applying the scenarios described in this report for new purposes.

Participation and dialogue are indispensable to the effective use of scenarios. Scenarios are not intended as information or objective facts about the future, so cannot be studied as if they were. Instead, they are a starting point for the exploration, contextual understanding, and creation of narratives. Shaping the future of public administration will be a collective effort. In order for strategic actions to make sense to those responsible for or affected by them, those same people must have experienced or at least appreciated the futures dialogue in which those actions make sense.

The steps in a typical scenarios process, like those of implementing talent management, are not linear or sequential; instead, they are best carried out iteratively in a cycle of framing and reframing.⁶⁰

***Participation and dialogue are indispensable
to the effective use of scenarios.***

Annex 2 contains a detailed description of how this process was applied to the creation and use of scenarios in the context of talent management in public administration in Slovenia.

The best way to ensure the successful use of scenarios for a particular intervention, particularly in terms of the impact of the insights generated, is to enlist the expertise of an experienced foresight practitioner. They will know how to manage knowledge and dialogue, as well as the pitfalls to avoid. This will free up policy experts to participate fully in the discussion and bring their experience to bear. A number of difficulties often arise in scenario-based policy dialogue, inhibiting the successful use of scenarios for their intended purposes. For an overview of what these difficulties are and how to avoid them, please refer to annex 3.

Purposing

A fundamental yet often overlooked stage of scenario planning involves establishing why scenarios are useful. It is not always possible to know in advance exactly what outcomes the process should achieve, but there should be an idea of the following:

- **What is the organisation that is considering its future?**
- **Why does the organisation exist?**
- **Who are the actors with which the organisation interacts?**
- **What strategy, programme, or policy is the organisation considering that would benefit from discussion of scenarios?**

Perceiving

Discussion of scenarios begins by exploring and understanding the logic and characteristics of the scenario.

- **For each of the scenarios, what signals are there in the present that they may already be coming true?**
- **How would someone living in each of these worlds of the future describe it to someone from today?**

Sense-making

Discussion continues by considering how the user organisation would fare in the scenarios, and, if relevant, how their current strategies would perform.

- **What new threats and opportunities emerge for us in each scenario?**
- **Which of the scenarios are we most and least prepared to succeed in, and why?**
- **What new changes or signs of change do we need to watch out for?**
- **How do existing practices perform in each scenario?**
- **What new questions do we need to address today?**

Acting

The moment where scenario dialogue bears fruit is where discussion uses the scenarios as a lens through which to view the present-day actions of the user organisation.

Action is defined in terms of changes to the plans and practices in the organisation's strategic inventory. These include the practices aimed at identifying and monitoring; assessing and prioritising; and designing and evaluating.

Initiatives arising from scenario-based policy dialogue are potential public sector innovations. Such innovations are not guaranteed to succeed and may need development and refinement in order to achieve intended results. The 'acting' phase is hence best thought of as an innovation and experimentation phase, during which new ideas can be prototyped and tested.

Chapter 4 of this report deals with the innovations and experiments that were identified through the development and discussion of scenarios.

ANNEX 2: DESIGN PRINCIPLES AND INTERVENTION PROCESS

The process used to develop the scenarios and innovations in this report was designed in a bespoke manner to respond to the desired outcomes listed in the accompanying report, while drawing on rigorous expertise in methods of anticipation, notably scenario planning. At the same time, the design also reflects practical arrangements such as number and frequency of workshops, and the need to conduct most work and dialogue remotely during the restrictions related to the COVID-19 pandemic. It further sought to innovate by combining tools and methods of strategic foresight with ideation and prototyping in order to generate the innovations explored in the chapter 4.

The process to develop the scenarios and innovations took place over a number of workshops with experts from the Slovenian administration, as well as other key stakeholders, experts in human resources, and OECD subject matter experts. What follows is a synthesis of the steps followed, rather than an account of each workshop in turn.

Stage one: mapping the strategic environment

Over the course of the preliminary focus groups and during the first workshop, participants undertook a listing and mapping of the “strategic environment”—the actors, trends, signals, and developments of current and potential future significance for talent management in public administration and its success. This stage makes the crucial distinction between the immediate organisational environment the public service inhabits (where social, economic, and political transactions take place) and the broader environment, or context, in which it operates.⁶¹

Examples of relevant actors identified for talent management in public administration include other branches of government, trade unions, universities, employee resource groups, governments of other countries, competitor employers, and various press and media organisations. Examples of relevant contextual factors included those explored in the second chapter of this report on drivers of change: ageing populations, Slovenians abroad, economic circumstances affecting government budgets, life expectancies, generational values, technological developments, the future of work.

Stage two: potential changes of surprise and significance

With potential sources of change and disruption identified, the second phase sought to imagine what potential disruptions could occur in the contextual environment, using a variety of methods such as futures wheel and cross-impacting.⁶² Ideas generated included a labour market shift where people would work their whole lives; Slovenia as a destination of choice for people seeking greater well-being; artificial intelligence taking over many more significant decisions; and new breakthroughs in collective bargaining.

The objective in this stage was to identify “fragments of the future” which would be precursors to the scenarios (the reader will note the resonance between the examples above and the content of the scenarios in the accompanying report). They were selected not for their probability but for their potential to bring about surprising and significant change for talent management in public administration in Slovenia.

Stage three: draft scenarios and expert validation

Coalescing the precursors developed in the prior stage, a set of four draft scenarios was developed and put to consultation among OECD subject matter experts. Those present included senior policy analysts and project leaders in areas including human resources, education and skills, labour markets, economic of demography. The dialogue resulted in numerous refinements to the scenarios. The four draft scenarios were then presented to the Slovenian participants from the first two stages for further critique and refinement.

Stage four: upframing and downframing

Scenario planning serves to question and reframe organisations’ conception of what is here-and-now, versus what is elsewhere (often ignored as the future or the long-term). It does this through creating a dialogue between the two. Using scenarios to imagine a broader contextual environment (higher system logic) and more distant moment in time (conceptual future) has been referred to as ‘upframing’, while using scenarios to bring discussion back to the local and present reality of the organisation is known as ‘downframing’.⁶³ It is through iterative cycles of upframing and downframing that scenarios are refined and their value in promoting organisational learning is realised.

Upframing discussions of the scenarios led to renewed realisation of the role of inclusivity, trust, and political stability in the contextual environment—and the challenges that could arise if those things were lacking. Downframing discussions looked at ways to make the most of neurodiversity, to combine efficiency and job security, and to closely monitor the role and influence of AI in decision-making, among others.

The result of this stage of dialogue was that participants already began to see new possibilities for innovative talent management initiatives that emerged from the scenarios.

Stage five: prototyping experiments and innovations

The final stage of the process involved connecting multiple ideas of the future—preferable and possible—to create mental situations to rehearse and resolve using innovative approaches. It took stock of the strategic inventory to reference what could be changed in the public administration’s talent management in order to bring about such innovations. The result was a number of brief descriptions in the form of a pitch outlining what the initiative was, what purpose and value it could serve, and how it would be implemented (see chapter 4 of this report).

The steps taken responded to the following questions:

1. **What would be a characteristic of an ideal and successful public sector?**
2. **What new circumstances in one or more of the scenarios could present challenges or opportunities for achieving that success?**
3. **What work areas (strategic inventory) are at our disposal, and how can we act?**
4. **What action, experiment, or innovation could be started today to prepare?**

For the third question, the items in the strategic inventory were coupled with verbs to spur action-oriented thinking. Examples of the verbs and elements of the strategic inventory are listed below, alongside a recalled list of the strategic inventory itself.

Work areas

Recalling the work areas and tools outlined in the accompanying report, the strategic inventory for talent management in Slovenia as discussed with experts is listed below.

Talent attraction

- Outreach activities
- Cooperation with others such as private firms, municipalities, academia, philanthropy, resource groups, unions, etc.

Talent identification

- Definition of talent
- Selection and recruitment process

Talent development

- Mentoring
- Education and training

Talent retention

- Incentives
- Flexible work arrangements
- Employee and family benefits

Talent deployment

- Internal labour markets (within government)
- Succession planning
- Retirement provisions

General

- Proposals for legislation
- Funding models
- Salary system

Actions

Verbs used to match with the work areas and inspire action included the following:

- Adapt
- Advocate
- Authorise
- Break
- Cancel
- Communicate
- Connect
- Create
- Explore
- Harmonise
- Incentivise
- Leverage
- Mobilise
- Open up
- Partner
- Prioritise
- Reframe
- Reorganise
- Research
- Reverse
- Simulate
- Transform

ANNEX 3: STUMBLING BLOCKS IN SCENARIO-BASED POLICY DIALOGUE

Attempting to switch from discussing scenarios to discussing policy objectives and desirable futures for the contextual environment

This can take the form of discussing negative characteristics of a scenario and comparing them to a preferable future context. Participants will often refer to principles of broad consensus that would be at risk in a scenario, such as ensuring good quality education or reducing inequalities.

- **Why this occurs:** it is unpleasant to talk about plausible futures that have undesirable characteristics, so people may find it more socially and professionally acceptable to discuss preferable futures which confirm the organisation's current agenda instead of possible futures which threaten it. Moreover, many organisations, particularly in government, overestimate or confuse their mandates and aspirations with what they are able to change—they conflate the contextual environment (what could happen independently of their will) with instrumental capacity (what the organisation can do to shape the future).
- **Why it is unhelpful:** while these aspirations are important, they are not within the power of any one organisation to bring about, therefore they amount to nothing more than good intentions or wishful thinking. Scenario planning serves to support actions that are robust in the face of uncertainty. It cannot do that if no action is undertaken.
- **How to address it:** participants should remember that it is entirely plausible that they would one day find themselves in a world that does not correspond with their aspirations. It can help to structure contributions to the dialogue around the pair of phrases “in the future we would want to see... But in the scenario under discussion there is an issue that...”. This way of contrasting preferable and plausible futures helps to refocus minds on the value of scenario planning. A further action-oriented sentence may be added, such as “to prepare for this, our organisation might change...”.

Attempting to gauge probability of the scenarios (either in isolation or in comparison to one another).

This can also manifest itself in attempts to disregard a scenario because it seems unlikely to occur.

- **Why this occurs:** this often stems from the misconception that scenarios are intended to be forecasts or predictions. Many also assume that only probable future developments are worth discussing.

- **Why it is unhelpful:** attempting to judge probability draws attention to the validity of the scenarios themselves, rather than the strategy they are intended to serve. It is much easier to critique someone else's work than our own strategy! It also undermines a premise of scenario planning, which is to accept that a good deal of future developments are unpredictable, and many things will occur that seem unlikely from today's perspective. Furthermore, it is possible to learn valuable lessons today from fictional future events, even if they never really occur.
- **How to address it:** participants in a dialogue can be reminded of events that have recently occurred that would have seemed almost impossible a decade prior (there are many!); it can also help to refer to fables that are known fictions, but which nonetheless contain valuable lessons. Scenarios are fictions about the future from which we can learn. Another useful technique is to ask leading questions about what developments in the present positively suggest that the given scenario is already coming true.

Attempting to identify actions that would neutralise or 'solve' the characteristics of a scenario that seem problematic.

This can also occur when participants describe a scenario as 'unstable' and look for ways to return their image of the future to one closer to the status quo or current expectations.

- **Why this occurs:** this happens when participants accept that a scenario could occur, but find it undesirable and believe that they have the capacity to prevent it coming true or reverse it after it does. It is very common in policy dialogues for participants to fail to make a distinction between (A) what policy as a whole is capable of achieving; and (B) what their own organisation can achieve alone and through its actual partnerships.
- **Why it is unhelpful:** a central principle of scenarios is that the user should be forced to consider how they would face alternative futures that they are not in a position to determine. Only through the discipline of understanding one's own limitations can one identify concrete actions that can be taken to succeed in the future. Scenarios may reveal very insightful options for public policy as a whole, but if the dialogue does not reveal actions for the user to take then no impact will come of the exercise.
- **How to address it:** participants should be asked to divorce themselves from the present by imagining what they would do if they fell asleep today and woke up in the world described by the scenario. It can also help to structure participants' thinking using verbal devices, such as insisting that every sentence used to explore a scenario begin with the words "this is a world in which..."

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The background of the entire page is a dark blue field with a fine grid of small dots. Overlaid on this are numerous wavy, contour-like lines in red and blue. These lines flow across the page, creating a sense of movement and depth. Some lines are thicker and more prominent than others. The overall effect is a complex, organic pattern that suggests data or a topographical map.

The Observatory of Public Sector Innovation is part of the Open and Innovative Government Division in the Public Governance Directorate of the OECD. We support OECD member governments in taking a more deliberate, systemic and consistent approach to innovation, through learning from each other and exploring the new.

We have been working to support governments in the areas of anticipatory innovation governance, behavioural insights, innovation portfolio management and exploration, futures and foresight, innovation management and emerging technologies and approaches such as Blockchain and Rules as Code.