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Report
EUPAN Working Level Meeting
Helsinki
19–20 September 2019

Summary

This report offers an overview of the EUPAN Working Level Meeting in Helsinki on 19-20 September 2019. The meeting focused on two main themes: the meaning of trust in developing public administration, and the possibilities of digitalisation and the use of artificial intelligence in public governance development.

The panel discussion 'Strategic environment of public administration – the role of trust, artificial intelligence and ethics' examined the themes of the meeting in reference to recent academic research. The panelists emphasised the crucial importance of trust for contemporary societies and the need to further develop ways to understand and measure it. The panel highlighted that public administrations need to be responsive: they should listen to citizens, make use of their knowledge and respond to their feedback by showing the concrete results of their engagement. A central challenge that all administrations in Europe have to tackle is how to respond to the multitude of varying expectations and preferences of citizens. **How to know and choose whom to listen, and when and how, without creating inequality gaps and distrust?** The panel discussed procedures and digital tools for doing this. The panelists reminded that digitalisation and artificial intelligence do not replace the importance of more traditional civic engagement, but they can be used to offer equal platforms and equal knowledge for it.

In his keynote, 'Trust as basis for good governance, service innovations and effective HRM', Professor Christoph Demmke highlighted the connection between justice and fairness perceptions and trust. Professor Demmke emphasised processes of destandardisation and individualisation, which have created new challenges for public administrations and HRM. Fairness was previously considered standardised treatment, but today values have changed and people want more individualised treatment. As a result, what people consider to be fair has also changed and we face new and more complex challenges on trust. The destandardisation and individualisation in the field of HRM have resulted in the delegation of decision-making powers and placed more responsibilities on managers and especially line managers. **Justice and fairness perceptions depend increasingly on the skills and competences of managers** to carry out their responsibilities in a professional and ethical way.

In the plenary discussion, the theme of diversity and its implications on trust were addressed. Delegates problematised the fact that public administrations are very homogenous in relation to education and social background. Several countries felt that this is a topic that requires further discussion. **How do you manage trust in diverse societies?** Should the civil service and the social backgrounds of civil servants reflect and represent the wider population? What could public administrations do in order to be more representative of the diversity?

The report includes the conclusions of the workshops and their messages to the EUPAN DG Meeting in November. The workshops are: 1. Horizontal cooperation in data-driven decision-making, 2. The use of artificial intelligence and robotics in public services, 3. Building a culture of integrity and trust, and 4. Life-long learning in public administration.

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"Making Trust Sustainable"

EUPAN Working Level Meeting
Helsinki
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Agenda

Wednesday 18 September

14:00–16:00   Voluntary visits to providers of government shared services: HAUS, Palkeet, and Senate Properties

Thursday 19 September

09:00   *Registration and welcome coffee*

09:30   Welcome and introduction
Director General Juha Sarkio
Ministerial Adviser Johanna Nurmi

10:00   Panel discussion: Strategic environment of public administration – the role of trust, artificial intelligence and ethics

Chair: Professor Hanna Wass, University of Helsinki, Finland

Panelists:
Professor Elina Kestilä-Kekkonen, University of Turku, Finland
Project Manager Daniel Gerson, OECD
Director General Juha Sarkio, Ministry of Finance, Finland
Head of Digital Regulation Jussi Mäkinen, Technology Industries of Finland

11:15   *Coffee break*

11:45   Keynote: Trust as basis for good governance, service innovations and effective HRM
Professor Christoph Demmke, University of Vaasa, Finland

12:15   Discussion

12:45   *Family photo and lunch*

14:15   Introduction and transition to the workshops
Ministerial Adviser Marjaana Laine

14:45   Workshops

1. Horizontal cooperation in data-driven decision-making
2. The use of artificial intelligence and robotics in public services
3. Building a culture of integrity and trust
4. Life-long learning in public administration

16:15	*Return to the plenary hall*
16:30	Presentation of the CAF 2020 Timo Kuntsi, CAF National Correspondent, HAUS Finnish Institute of Public Management
17:00	Closing of the first meeting day

Social programme

17:15	Tram sightseeing ride to Musiikkitalo
18:00	Arrival at Musiikkitalo - dinner
21:00	End of social programme

Friday 20 September

09:00	*Welcome coffee*
09:30	Update on current EUPAN affairs Proposal for Memorandum of Understanding with EGPA Report on social dialogue at the DG Meeting Observer status in EUPAN
10:00	Workshops continue
11:30	*Return to the plenary hall*
11:45	Presentation of the workshop conclusions by facilitators
12:30	Presentation of the priorities of the Croatian Presidency
12:45	Any other business Closing of the meeting and outlook on the future EUPAN work
13:00	*Lunch*

The first day of the meeting was held at the House of the Estates and the second at the Finlandia Hall.

Voluntary visits

The Finnish EUPAN Team organised voluntary visits to government shared service providers prior to the EUPAN WL Meeting on 18 September. Over 30 delegates participated. Delegates visited the government's training center HAUS, the government's center for finance and HR Palkeet, and the government's work environment partner and specialist Senate Properties.

Welcoming words

Director General Juha Sarkio welcomed the participants to the EUPAN Working Level Meeting. DG Sarkio noted that the previous Presidencies had raised the bar high for Finland and thanked the EUPAN 5 countries for their cooperation in ensuring smooth continuity of the EUPAN work.

DG Sarkio noted that the Finnish EUPAN Presidency has tried to introduce and experiment with some new activities and ways of working, including the voluntary visits to providers of government shared services. He encouraged the meeting participants to give feedback on how they felt about these efforts.

DG Sarkio highlighted the importance of the cooperation with the academic community. He noted that Finland has cooperated closely with researchers and research projects in the preparation of the Finnish EUPAN Presidency. In addition, university professors and researchers have a visible role in the agendas of the EUPAN WL and DG Meetings as keynotes and panelists. The idea of bringing together academics and practitioners is visible also in the pairing of the workshop facilitators and in inviting university students to help out in the workshops.

DG Sarkio noted that despite differences, the EUPAN countries share many problems, which can be more easily resolved with the help of mutual brainstorming, collaboration and sharing of new ideas. He hoped for open, fruitful and lively discussions and a nice, quality time for the meeting participants.

Panel discussion: Strategic environment of public administration – the role of trust, artificial intelligence and ethics

Chair: Professor Hanna Wass, University of Helsinki, Finland

Panelists:
Professor Elina Kestilä-Kekkonen, University of Turku, Finland
Daniel Gerson, Project Manager, OECD
Juha Sarkio, Director General, Ministry of Finance, Finland
Jussi Mäkinen, Head of Digital Regulation, Technology Industries of Finland

The aim of the session was to lay out the context defined in the EUPAN Strategy Paper, in which European civil servants operate, and to provide a basis for the discussions of the afternoon workshops. The panel discussion was streamed online and watched in 14

countries. The recording of the webcast was available online for 30 days after the meeting (until 25 October) and was viewed 117 times.

The panel discussed three main themes:
1. Trust & public administration
2. Digitalisation, artificial intelligence, ethics & democracy
3. Leadership & knowledge

In the beginning of the discussion on each theme, panel chair Professor Wass introduced a goal mentioned in the EUPAN Strategy Paper, linked it to recent research on the topic and asked the panelists to comment and reflect on the observations. The panel chair prepared the panelists and the audience by noting that some of her questions were meant to be provocative in order to 'facilitate a candid discussion and to avoid unapproachable administrative jargon'.

The first panel theme was trust in the context of public administration. Panel chair Professor Wass quoted the EUPAN Strategy Paper (p. 3):

> Trust plays an important role in the ability of governments and public administrations to respond to the new challenges, and it is a necessary ingredient of successful and sustainable reform, as well as in the promotion of good governance. It arises from ethically sustainable activities, integrity, accountability, openness, transparency and from an inclusive policy making in which all parties concerned are involved and contribute.

Professor Wass noted that these ambitious aims might be hindered by tendencies presented in the concept of *iron triangle*, originally developed by Gordon Adams in the US context in 1981.[1] The iron triangle refers to tight policy-making relationship between congressional committees, the bureaucracy and various interest groups. The concept is based on the assumption that bureaucratic agencies, as political entities, seek to enhance and consolidate their own power base.

Panel chair Wass noted that there is evidence that different interest groups have unequal access to the decision-making process, which can be considered a component in the so-called elite cycle of decision-making. Wass backed up her argument by citing an extensive Finnish survey study, which identified a group of 'super influencers', who most frequently interact with public servants. These organisations mainly represent business and industry.[1] Professor Wass asked the panelists: why are we in such a situation and how can we exit the iron triangle?
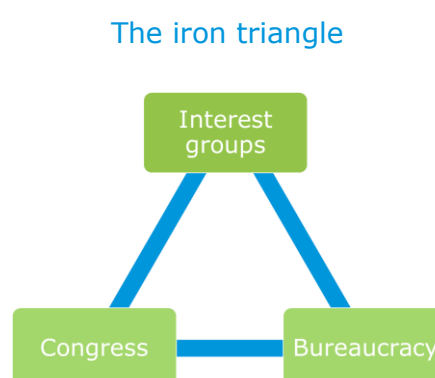
The iron triangle

The discussion started by diving into the concept of trust, highlighted in the EUPAN Strategy Paper. Daniel Gerson noted that trust is a nebulous concept. The OECD has tried

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[1] Adams, Gordon 1981. The Iron Triangle: The Politics of Defense Contracting. New York: Council on Economic Priorities.

to de-complexify it by focusing on the *trustworthiness* of institutions rather than as an attitude or perception of individuals.

Professor Kestilä-Kekkonen agreed that we should pay more attention on how we measure trust. Trust can mean a variety of things to the citizens, and we do not know exactly what people evaluate when they are asked about their 'trust in government'. According to the textbook definition, trust means the citizens' evaluation that the government responds to their normative expectations. Professor Kestilä-Kekkonen emphasised that the challenge is that expectations of citizens vary. Individuals are different and so are their expectations concerning participation: for some citizens, voting in elections is enough, while some citizens demand more direct forms of participation. Some citizens want that technocrats and experts decide on their behalf. These preferences vary, for example, based on the education and political orientation of citizens. Furthermore, citizens do not necessarily even have very organised preferences. Governments also vary in what kind of input they want and expect from the citizens. It is typical that governments want to hear the *informed* citizens. However, if we only listen to the informed citizens, it creates huge inequality gaps. According to Professor Kestilä-Kekkonen, this is one of the biggest challenges that all administrations in Europe have to tackle.

The panel chair stressed the question: why is there unequal access to the decision-making processes?

DG Sarkio noted that the public sector has tried to open the procedures concerning the lawmaking in Finland. One example is a website lausuntopalvelu.fi where citizens can see from whom the statements have been requested and whose comments have been included in the process. The underlying idea is that such platforms and forms of participation help in designing better services and eventually strengthen trust. It is true that the business sector and big interest groups easily get their voices heard better than the small ones. According to DG Sarkio the issue comes down to the central question: for whom are we creating the society? Sarkio noted that it is also a challenge that some actors do not want to be heard at all or they need different kinds of venues and ways of being heard.

Jussi Mäkinen highlighted the *openness of government and openness of data* as a key component in serving all citizens and in building trust. Mäkinen added that naturally there are hurdles to be taken into account. Those who have the most resources, also have most resources to crunch (analyse) the data and to communicate their message. Mäkinen argued that it is the role of the government to be critical in this respect and to fairly weigh different actors' input in the decision-making process. According to Mäkinen, another key component in building and maintaining trust is *effectiveness*. It is necessary that the government is able to renew itself, to utilise the possibilities to use the data it has, and to use the most effective methods for offering public services based on the data. Mäkinen highlighted the Finnish tax authorities as a good example. The tax authorities have automated their services successfully so that many Finns are happy to rely on them. Mäkinen argued that digital platforms have the capacity to break through the electoral cycle, instead of merely enhancing it. Data can be used to empower the citizens.

Panel chair Professor Wass noted that this brings us to different kinds of elementary challenges regarding basic education and the skills required from citizens. Mäkinen added that digital services must be designed so that they are easy to use by different kinds of people.

Moving to the next theme, the administrative promises of digitalisation, panel chair Professor Wass cited the EUPAN Strategy Paper (p. 4):

> There is a need for greater participation and partnership of civil society actors in public administration decision-making and in the creation and delivery of public services. Citizens want to have a say regarding policy making and public service delivery. They want a public administration that trusts citizens and takes them seriously, shares information and data and is open for dialogue in all parts of the policy cycle. (…) Digitization needs to ensure an efficient working environment and to enable the transfer of knowledge between generations of civil servants (in the context of an aging workforce in this sector). This may require new skills and knowledge, and special training of all generations of civil servants to upskill for the use of digital technology in the public sector. (…) Innovative e-government services can save resources (money and time), for both public administrations and users (citizens, companies). However, developing client-focused services in public administration, based on understanding user experience, remains an ongoing challenge.

Professor Wass phrased an underlining assumption of the Strategy Paper that citizens want to be more actively involved in the policy-making and public service delivery, and thus there is a need to develop more client-focused services. To state it differently, the civic society has such an enormous amount of knowledge on various types of 'wicked problems' that any public agency simply cannot afford to underutilise it.

Professor Wass cited a Finnish study from 2016[2], which argues that while online hearing has been developed, so far it has failed to make a breakthrough in Finland. Public servants rarely use online discussions or surveys for hearings, and organisations have not shown much interest in participating online. Nevertheless, the initial reactions of organisations and public servants to the online service for giving and requesting statements, lausuntopalvelu.fi, has been mainly positive. According to the results of the study, attention should be focused on the scope, transparency and timing of hearing. It may also be worthwhile to experiment with, for instance, a 'digital committee' that would make the drafting process transparent.

Professor Wass continued that the research findings concerning crowdsourcing are not that reassuring either. There seems to be different types of mechanisms that cause biases. One of them is the so-called *filter hierarchy*, which means that public administration is more receptive to proposals that come from organised groups or are perceived as most feasible and easy to implement. Professor Wass asked the panel what could be done. Would the panelists be willing, for example, to test a 'digital committee', which could make the drafting process more transparent?

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[2] Vesa, Juho and Kantola, Anu 2016. Kuka pääsee mukaan? Miten järjestöjen ääni kuuluu lakien valmistelussa. URL: http://urn.fi/URN:ISBN:978-952-287-321-7 (In Finnish, includes an abstract in English.)

Professor Kestilä-Kekkonen started from a critical point of view. She saw that the crucial question is *for whom* and *why* we develop the systems of hearing and participation. Are they, for example, only for fostering the legitimacy of the democratic system and current decision-making, as some citizens might think? Professor Kestilä-Kekkonen gave an example of community development planning in a suburb of Helsinki. According to a study, the organisers of the community development planning managed to activate people who were not otherwise active. However, in the end, the community members who participated did not have any real influence. Professor Kestilä-Kekkonen noted that the most disastrous thing and a disservice to democracy and political trust is giving hope to people, but then disappointing them by ignoring their input.

DG Sarkio reminded that the main work of the ministries is the preparation of laws, which is linked to the other institutions and processes of representative democracy, such as elections and the parliament. DG Sarkio admitted that the ministries most often hear actors that are organised. Sarkio was very much in favor of experimenting with open hearings of citizens, which have been successful in some countries. They could offer new information for policy-making and be important for the citizens as well. Web-based discussions could have the potential of bringing discussions closer to the citizens, and closer to the ones who are not otherwise so active. DG Sarkio argued that digitalisation offers a range of opportunities for hearing and participation of citizens and should be used.

Gerson noted that from the Canadian perspective one of the big challenges for public governance is how to bring down the decision-making to the local level in order to give communities more power and authority. Gerson gave an example of the active role of parents in developing the education outcomes in schools. Gerson emphasised that a lot of trust in public administration comes from the personal experiences of services in the local community where people live. In addition to the broad engagement for policy-making, we need to think of individual engagement for people who are connected to the services. According to Gerson, it is the responsibility of civil servants to find these people and use different tools and techniques to understand their reality. This does not always need digital tools, but instead, visiting the communities to listen to the people. Civil servants should have a more proactive role in facing the challenges. Gerson admitted that regardless of this, in representative democracy, citizens elect the representatives who make the final decision.

Panel chair Professor Wass noted that as pointed out in the EUPAN Strategy Paper (p. 4), a digital environment brings new threats for public administration, such as personal data security, cyber-attacks and fake news. Hence, a well-functioning and safe digital environment requires cross-sector and cross-border cooperation and internationally agreed ethical norms and legal principles. Professor Wass asked the panel how we could ensure that the need to protect public administration against harassment does not lead to restriction or even violation of core principles of liberal democracy.

Jussi Mäkinen admitted that this is a very challenging question. What we need the most is to prepare and upskill people to live with the phenomena like the social media. Mäkinen argued that we do not necessarily need 'protection' in the accustomed meaning of the word – 'protection' easily leads into a kind of cat and mouse play without lasting solutions.

Mäkinen rather believes in media-literacy as the key for working and surviving with fake news and such.

Professor Kestilä-Kekkonen argued that the more we have systems in digital form, the more we are taken away from the real people making the decisions. It is important to reflect for whom we develop digital systems and who are able to use them. People often argue that as young people grow up in a digital environment, the gaps in digital knowledge will eventually narrow. However, there is evidence that the gaps in political participation do not necessarily disappear. There are still gaps in understanding political processes, also among young people. It seems that the generational shift does not actually resolve the situation.

DG Sarkio noted that when the Finnish public sector tries to enhance digitalisation, it is looking above all at productivity and, second, better access to services i.e. that people can find the services when they need them. DG Sarkio noted that when the public sector opens its systems in order to create better services, there are always actors with bad intentions who want to utilise the situation. He admitted that AI and algorithms are a challenge for building trust as there is the risk of losing the human factor.

Mäkinen saw the possibilities of AI, at the first stage, in replacing best-guessing by analysing quality data. Mäkinen noted that we should perhaps reserve trust for human relations and instead discuss the *accountability* of AI systems. Accountability means in practice that we have open and critical data policies to make sure that we do not have biases in the data, and that we have mechanisms to evaluate and correct those biases. According to Mäkinen, we should develop AI systems with high quality so that everything is logged properly and things can be reversed if they go wrong. These quality issues contribute, if you will, to the trustworthiness of AI solutions. Mäkinen reminded the audience that gathering of and crunching of data do not replace the civic engagement in community planning and so on, but they can be used to offer equal platforms and equal knowledge on which to base the discussion.

The final section of the panel discussion dealt with leadership and knowledge. The EUPAN Strategy Paper (pp. 4-5) states that the challenges faced by public administration require changes in organisational culture, which depend on leadership, enhanced value-driven decision-making, increased accountability, quality management in public services, teamwork, and emphasis on motivation and wellbeing at work for public employees.

Panel chair Professor Wass noted that perhaps the pressures stemming from conscious and unconscious administrative action and behavior are the most intriguing aspects in this respect. Wass cited a recent article,[3] which makes an analogy on the one hand between *politicisation* and *administricising*, and between *politicking* and *administricking*, on the other. Whereas politicisation refers to a process in which previously more or less neutral issues become contested as a part of value judgement and lobbying, *administricising* means that actions that have previously been laissez-faire domain become regulated. In its most pronounced form, this tendency leads to the iron cage of bureaucracy. In turn,

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[3] Virtanen, Turo 2018. Administrative Action and Administrative Behaviour: Some Philosophical Underpinnings. In Ongaro, Edoardo & Van Thiel, Sandra (Eds.) *The Palgrave Handbook of Public Administration and Management in Europe*. London: Palgrave Macmillan UK.

whereas the aim of politicking is a pure power play within the power structures of polity, *administricking* means that power shares within the relevant institutional practices are used in the interest of individual administrations or their organisation. The most extreme example of this is a culture of corruption. Professor Wass asked the panelists whether they recognise these tendencies and if they do, what could be done to prevent them from becoming obstacles for good governance and leadership, accountability and value-driven decision-making.

DG Sarkio recognised the tendency for overregulation that happens despite the fact that rules are made with good intentions for the good of the people. DG Sarkio noted that one reason for overregulation is that the issues, which the rules are trying to resolve, are so complex.

Mäkinen saw the GDPR as a good example of administricising, when people rely on strange interpretations and images of what is proper. Mäkinen noted that administricising has the risk of blocking reforms, and in this sense it must be avoided at all cost. Mäkinen pondered that perhaps there is an inner bureaucrat in every one of us. In this respect, overregulation could be a human tendency.

Gerson argued that overregulation exists partly because we are untrusting of civil servants. Sometimes overregulation is a result of a crisis and the efforts to avoid its repetition at all cost. Gerson emphasised that overregulation often exists because there is a fear of breaking the rules and because of the uncertainty related to the interpretation of rules. According to Gerson, this attitude of paralysis is embedded in many public services, especially those structured by lawyers. Particularly the heads of organisations suffer from this, when they face the task of improving administrative capacity. Gerson highlighted the OECD Recommendation on Public Service Leadership and Capability and the OECD Recommendation on Public Integrity. Gerson argued that we can draw a pendulum between a very legalistic form of structuring an organisation, which is based on rules, and a values-driven organisation, where there are less rules, but whose members trust each other to be working towards the right outcomes in an open way that can be contested and discussed. This values-driven approach is what the OECD aims to support.

In the plenary discussion following the panel and the keynote, it was noted that one reason behind overregulation is the fear of failure. It is a product of a society that judges failures hard. It leads to a situation, in which no one wants or has the courage to take responsibility. A culture of failure that encourages learning through experimentation and unsuccessful endeavours should be supported more.

To conclude the discussion, Professor Kestilä-Kekkonen noted that it all comes back to trust. It is a difficult task to balance between regulation and overregulation. Regulation is a plausible way to tackle corruption that erodes trust, but at the same time overregulation seems to undermine trust. Kestilä-Kekkonen left the question for the EUPAN WL Meeting to discuss and resolve.

Keynote: Trust as basis for good governance, service innovations and effective HRM
Professor Christoph Demmke, University of Vaasa, Finland

The aim of the keynote was to provide views and further understanding of the meaning of trust in the ways we can develop public administration in Europe. The keynote was streamed online and the recording available online for 30 days after the meeting until 25 October.

Professor Demmke started his keynote humorously by saying that he accepted the invitation to give the keynote about 'this enormous title' as it is his 25th anniversary with the EUPAN.

Professor Demmke noted that there is not much need to tell the audience about the importance of trust. Trust is everywhere and we cannot live without it. We need trust in our daily lives, in relationships and with our families and friends. We need it when we communicate, coordinate and go to a doctor. We need it in the economy, social dialogue, HRM and so on. Trust is easy to destroy but much more difficult to re-establish.
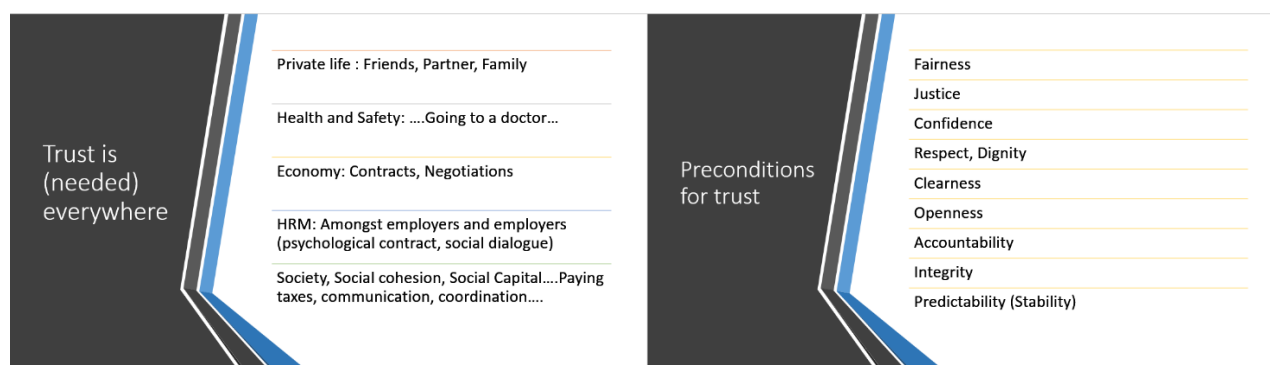
Professor Demmke listed some of the most important preconditions for trust – what is needed to have and build trust. According to Demmke, most research has focused on the link between fairness and trust. The conclusions are relatively simple: if people feel respected and if they have trust in the fairness of public actions, of civil servants, politicians and leaders, they have high trust levels. In other words, the perception of fair treatment by authorities increases the likelihood to comply with political decisions and to trust authorities. The perception of unfair treatment by authorities decreases the likelihood to comply with political decisions and to trust authorities.[4]

Professor Demmke argued that the effect of fair treatment perceptions on trust is stronger in contexts in which fair treatment is more common. For example, in low corruption countries with stronger fairness norms, violations of these norms decrease trust more strongly. Contrary to this, if citizens get used to unfair treatment, they are likely to believe that this is an accepted norm and this will not affect trust strongly. According to Demmke, the sharp decline in Finland's trust levels in the OECD's studies, for example, can be

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[4] See also: Marien, S. & Werner, H. 2019. Fair treatment, fair play? The Relationship between fair treatment perceptions, political trust and compliant and cooperative attitude cross-nationally, in *European Journal of Political Research*, No. 58, pp. 72-95.

explained by the high expectations for fairness in Finland. In high trust countries, the decline can be quicker, sharper and more dramatic than in countries with low trust levels.

Professor Demmke focused in the last part of his presentation on issues relevant to the EUPAN, namely, the public management reform, civil service reform and HRM reform. Demmke found it intriguing that there is so little concrete research being carried out on the link between HRM reforms, innovation in the field of HRM, fairness perceptions, trust and ethical behavior. HRM is an inherently ethical activity. Almost every action and every policy in the field of HRM has an immediate implication on how employees react as regards their fairness and justice perceptions. The simple question is: What do we know about the recent reforms or innovations in the field of HRM and fairness perceptions and trust?

Professor Demmke detected three important trends from the past years: destandardisation, delegation and individualisation. According to Demmke, if we look back 20 years, HR policies were highly top-down, bureaucratic and standardised. For example, the working hours, pay, recruitment procedures, performance assessments and retirement policies were standardised. Since then, these have been flexibilitised, *de-standardised* and *individualised*. Focus is now more on individuals.

What is the implication of all of this for fairness and trust? According to Professor Demmke, fairness was previously considered *standardised treatment*, but today values have changed. People want, for example, to be paid according to their individual performance. As a result, what people consider to be fair has also changed and we face new and more complex challenges on trust.

What is the challenge for leadership in all of this? The destandardisation and individualisation in the field of HRM have resulted in the *delegation* of decision-making powers and placing more responsibilities and duties to managers and especially *line managers*. The simple question arises: are line managers able to carry out the tasks on a fair manner? Do the employees perceive the actions as fair and just? Leadership is becoming ever more important on the level of line managers. Justice and fairness perceptions depend on the skills and competences of managers to carry out increasing responsibilities in a professional and ethical way. More employees are more vulnerable to individual discretionary and subjective behavior of line managers and HR experts. This emphasises the importance of ethical leadership.

Empirical studies show the existence of the trend, but we do not know if the line managers have the capabilities and competences to carry out the tasks and responsibilities. If they do not, it will lead to perceptions of unfairness and issues of distrust in the EU Member States.

Demmke shortly presented a survey he carried out during the Polish Presidency in 2011. The survey results emphasised that ethical leadership is the most important and effective instrument against unethical behavior. Demmke noted that today digitalisation would probably rank at the top in the second chart below.
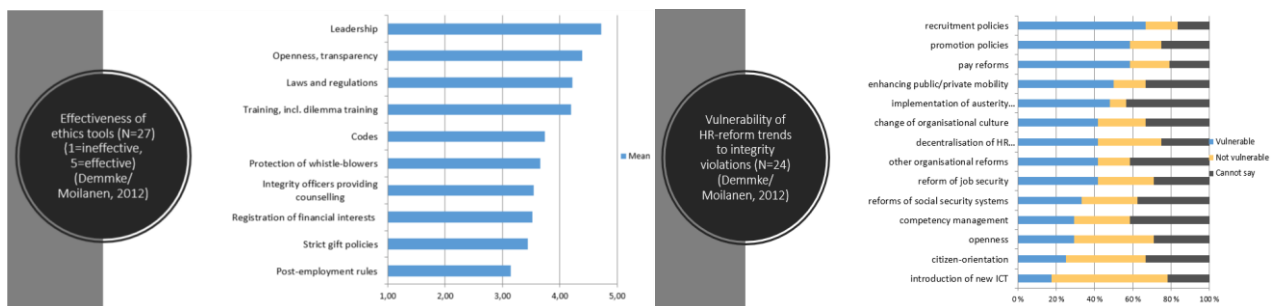
Professor Demmke argued that questions similar to the survey should be put forward today. How vulnerable are HR policies to fairness and justice perceptions and trust levels? Have HRM policies become fairer, less vulnerable to integrity violations, and generating more trust, or the opposite? What about the vulnerability of ICT, digitalisation and innovation?

Professor Demmke highlighted the importance of ethical and trust challenge issues arising from digitalisation. Digitalisation has both positive and negative impacts. However, especially worrisome is the fact that people lose trust in government because they do not trust public administrations to handle digitalisation properly.

Professor Demmke ended his keynote by turning the attention of the audience to a third and final challenge for public administrations in Europe, a possible new economic crisis. In

the OECD's survey Managing Budgeting Constraints Implications for HRM and Employment in Central Public Administration (2014–2015), many countries answered that the introduction of austerity measures led to a decrease of trust in the organisation and in leadership. Line managers are the ones who bring the bad news. Constraints create pressure at the work place, which results in the rise of stress levels and so on.

New economic crisis looming? New austerity policies? Same faults?
New trust challenges?
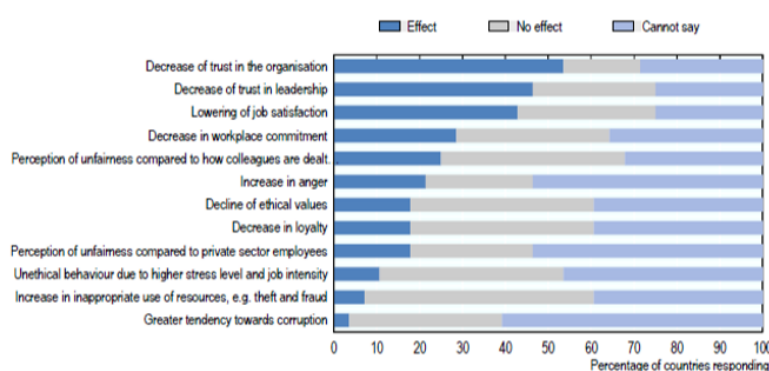
Source: OECD (2014), *Survey on Managing Budgeting Constraints: Implications for HRM and Employment in Central Public Administration*, OECD.

Professor Demmke noted that it is important to stress this survey now. What would be the reaction of public administrations if we faced a new economic crisis? Professor Demmke was afraid that public administrations would react the same way as last time, by introducing austerity measures, which would bring rather anticipated negative effects regarding work place behavior, motivation and workplace satisfaction, and most importantly, create distrust in the organisation and in management. Professor Demmke argued that we could still avoid this, if we were a little bit smarter this time.

Plenary discussion

In the plenary discussion, the theme of diversity and its implications on trust were addressed. Delegates problematised the fact that public administrations are very homogenous, for example, in relation to education and social background. Several countries felt that this is a topic that requires further discussion. How do you manage trust in diverse societies? What kind of consequences does it have on trust if public services do not take into account the diverse needs and backgrounds of citizens? Should the civil service and the social backgrounds of civil servants reflect and represent the wider population? What could public administrations do in order to be more representative of the diversity?[5]

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[5] Plenary speakers referred to two publications, namely, to a forthcoming diversity and inclusion working paper by the OECD and to Robert D. Putnam's article 'E Pluribus Unum: Diversity and Community in the Twenty-first Century. The

Plenary speakers noted that there is evidence that conflicts are easier to handle and resolve when public authorities reflect the demography of the country. In addition, it was noted that the idea of how you want to be treated as a human being has increasingly expanded to working life. This raises questions on how this idea should be visible in the working practices and how, for example, management should react to it. It seems that the 'one size fits all' does not fit everyone anymore and actually supports privileged groups and their conceptualisations.

Professor Demmke reflected on the discussion from the viewpoint of his keynote. He observed that there are expectations for even more diversity, which is increasingly difficult to manage. According to Demmke, there seems to be a crisis of equality. People have contradictory expectations as they want to be treated at the same time both individually and in a standardised manner. This creates challenges which are not easy to solve.

Workshop highlights and conclusions

The Finnish EUPAN Presidency aims to ensure a consistent flow of discussions and exchange of ideas between the EUPAN meetings. The discussions of the Working Level Meeting form a basis for the Directors General Meeting, but there will be a shift of perspective. Instead of just continuing the discussions of the WL, the DGs will examine the same themes from the point of view of leadership and management.

The themes of the workshops have been chosen in accordance with the [EUPAN Strategy Paper 2019-2022](#) and the priorities of the Finnish EUPAN Presidency. In contrast to the recent EUPAN practice, each participant chose only one workshop and participated in the same workshop on both meeting days. The format will be the same in the EUPAN DG Meeting on 28-29 November.

Workshop 1: Horizontal cooperation in data-driven decision-making

The workshop aimed to find answers to the question: How to ensure horizontal cooperation in data-driven decision-making?

Two main themes:

1) Data Management and platforms
- Horizontality is not just about working together, but also building platforms where data is shared. Managing data itself is important if we wish to make it usable for others.
- Legacy cost: Systems get out-of-date, for example, in Sweden there is data used in the budget process but systems do not allow the modeling of data. How to build systems that we will be able to update when there are better technologies available and when we need to analyse data in a new way?

- Open coding and crowdsourcing may be one solution when building platforms for data sharing.

2) Horizontal cooperation and data usage

- Using and collecting data horizontally needs strategic or top level management decision-making. Horizontal cooperation does not just happen but requires purposeful effort. These processes require change management and leadership role.
- Sharing information is cooperation. It helps to manage complex problems and improves productivity and service delivery in the public sector.
- Value cycle of data: the more the data is used, the more the value of the data grows.
- Efficiency assessment should examine cooperation as one aspect. Horizontal cooperation increases efficiency in the long run, hence cooperation should be one of the efficiency criteria.
- There are differences between the Member States on what data is/will be collected; who decides what data is collected, stored and used; how data is collected, is it standardised and usable across agencies. There are also differences in culture, administrative structures etc.

The importance of management and leadership

- Resistance to horizontal cooperation may be solved with financial reasoning.
- At the same time, there may be change resistance in organisations for cooperation due to the fear of losing power, because owning and having exclusive data is power. This is why enabling cooperation needs leadership.
- When building cooperation in terms of systems or culture, the change period may be very inefficient. Leadership is required if we wish to have our eyes on the long-term goals, not on the problems occurring in the cooperation today.

What can I do right now in my own work?

- Competence development/building to understand better and to be able to communicate with technical ICT experts
- Finding clever ways to purchase well-functioning ICT systems

Where should we be by the end of the EUPAN strategy period 2019-2022?

- Provision and sharing information of open source solutions for others to use
- Discuss principles of horizontal coordination in Member State strategies
- Benchmarking examples for others to learn, sharing stories behind them (Why? How?)

What should we do at the EUPAN level?

- Research on implementation of information systems and forms of cooperation: What things imply success, what are the usual problems throughout the Member States?
- Promoting open-source solutions that can be referenced internationally.

Messages to the EUPAN DG Meeting
- Have your eyes on the long-term goals, not on the problems occurring in the cooperation today.
- Create continuity of cooperation irrespective of national or international policy cycles.
- Discuss your own national strategies in international forums.
- Help to create a data system, which is able to portray government information in a visual and easy-to-understand format for civil servants, politicians and citizens.

Workshop facilitators:

Professor Jan-Erik Johanson, Tampere University, Finland

Maija Dobele, Consultant, State Chancellery, Latvia

Case presentations:

'Information policy as a new policy area in Finland', Olli-Pekka Rissanen, Ministry of Finance, Finland

'Utilising data to transform government: a case presentation of Tietokiri project', Markus Siltanen, Ministry of Finance, Finland

Workshop 2: The use of artificial intelligence and robotics in public services

The workshop aimed to find answers to the question: what kind of opportunities, threats and ethical questions are linked to the use of artificial intelligence (AI) and robotics in public services?

Opportunities in the use of AI and robotics highlighted in the workshop
- Non-discrimination: sometimes there is a smaller chance for discrimination if processed by machine
- Can simplify bureaucratic language and make it simpler and easier to understand for the user
- Good regulation: EU directives aim to answer challenges in accessibility and try to create digitally inclusive services

Threats in the use of AI and robotics highlighted in the workshop
- Lack of high quality data – without it, automated analysed data cannot be trusted
- The problem of defining a sufficient degree of transparency, while maintaining security

- AI threats to human rights:

Public value	Description	Risk
Non-discrimination principle	People should be treated equally in the same cases, and should not be unjustly excluded on the basis of certain characteristics.	- Bias in underlying data, leading to discriminatory patterns - Bias in an algorithm, leading to discriminatory patterns - Margins of error leading to incorrect classification
Privacy	People must be able to be 'themselves' and do whatever they want, without the interference of third parties.	- Large amount of data required for proper outcomes of AI systems - Sensitive data generated by AI systems
Freedom of expression	Everyone has the right to express and share beliefs, feelings and opinions with others. This includes the right of access to (balanced) information.	- Restricted access to and pluralism of information - Inaccurate algorithms that remove content too quickly
Human dignity	The mere 'being' of human beings is accompanied by a certain dignity, which guarantees a level of protection vis-à-vis the government and third parties.	- Decrease of interpersonal (and therefore quality of) contact when AI takes over interaction
Personal autonomy	A person must be able to make free choices and largely decide for himself how he organises his life.	- Undetected influence by steering AI
Right to a fair trial	Everyone must have access to the law; to information, advice, negotiating assistance, legal aid and the possibility of a decision by a neutral (judicial) body.	- Non-transparent algorithms that make it more difficult for individuals to stand up for their rights.

Source: John Kootstra's presentation 'Human centric digital government'.

Problems in the use of AI and robotics highlighted in the workshop
- The need for better coordination at the European level
- Lack of a common understanding between the Member States when standardising AI services and legal frameworks
- Different understandings of ethics in the Member States
- The need to collect more high quality (open) data
- Regulation/overregulation – for example the GDPR and data processing can slow down automatic data processing

What can we do right now in our work?
- Be careful not to 'go too far' with AI
- Set limits for AI self-learning
- Stay informed and learn

What should we do at the EUPAN level?

- Joint pilot projects on AI to share best practices between the Member States – states are at different levels with the development of AI.
- We need to teach each other both good practices and downsides learned from (national) pilot projects.
- Raise awareness about how AI transforms HRM – what are the new skills required and how to teach them to the right people; create new jobs and improve competences of the Public Administration.

Messages to the EUPAN DG Meeting

- Recognise the need for a common, European policy on the use of AI.
- Improving public data improves services – act on necessary measures on how to improve the quality of public data. These acts may be related to the reliability, information value, accessibility and accuracy of data, and may include factors such as a common, well-grounded framework for metadata, discussion on the responsibility issues etc.
- Common framework/guidelines as a baseline should be made for adapting regulation on AI.
- It is necessary to always have a human supervisor that can overrule the decision of AI.
- We need to set limits for AI self-learning.
- Enable stakeholders to play a role:
  - Empowering citizens: Improving technological citizenship; strengthening understanding and awareness among citizens and offering information (see e.g. the Dutch DigiDuck); creating new technologies through dialogue
  - Government organisations: improving coherence, exchanging knowledge, providing guidelines for responsible innovation, through cooperation platform, close cooperation and connection with the academic world (evidence-based knowledge), toolbox and ethical impact assessment; development of system principles, starting with non-discrimination.
  - Businesses: encouraging forms of self-regulation such as codes of conduct; developing ethical guidelines
- Supervision: search the blind spots in the system.
- We need international agenda setting: Council of Europe, EU.

Workshop facilitators:

Anna-Mari Rusanen, Senior Specialist, Ministry of Finance, Finland
Zoran Luša, Head of Sector, Ministry of Public Administration, Croatia

Case presentations:

'Customer chatbot to support immigrants', Harriet Mallenius, Finnish Immigration Service, Migri

'Human centric digital government', John Kootstra, Ministry of the Interior and Kingdom Relations, The Netherlands

'Service development in Palkeet', Mikael Mantila, The Finnish Government Shared Services Centre for Finance and HR (Palkeet)

Workshop 3: Building a culture of integrity and trust

The workshop aimed to find answers to the questions:
- Which factors strengthen and weaken trust in various aspects of public administration? (Between different actors, inside the administration)
- What is the role of integrity and fairness when it comes to trust?
- What solutions and approaches build the culture of trust and integrity?

The workshop highlighted the following aspects in building a culture of integrity and trust:
- Importance of line managers – training, competence, ethical risks.
- Importance of communication – enabling negative feedback from bottom up, enabling communication channels from bottom up.
- Ethos and professionalisation of civil servants – important factor is behavior of top officials – tone from top.
- Effectiveness of trust and integrity measures – the need to develop tools for measuring it.
- Countries differ a lot. The most important thing is to think how to build trust, not to compare countries with each other.

- Trust in public administration is linked to general social trust and political trust in the society, but the PA can and should do its part in building trust.
- Delivery of public services is the key to maintaining trust between citizens and public administration. If people do not feel that agencies can adapt to changing environment and requirements, it can lead to mistrust.
- There seems to be more polarisation between different groups in the societies: there are people who do trust governments but also more people who distrust governments.
- Most people are critical and think that governments have good intentions, but not enough competencies to make a change.
- The aim should be not just to gain trust, but to act worthy of trust and to develop trustworthy institutions.

- Clear transparent rules are an important factor creating trust inside administration.
- Ethics is too easily put aside in bad times. Detailed rules in the public administration are not enough: they do not automatically create corruption-free practices or strengthen trust.
- A common understanding of ethicalness is central. People with different cultural backgrounds can have different views of what constitutes ethical behavior by civil servants.

Teleworking as a case of trust
- New ways of working can increase trust, but they can also in some cases decrease trust inside the administration.

- New ways of working give more freedom to employees, which is a desirable goal. But more freedom can lead to more uncertainty, which can lead to mistrust in some cases.
- Teleworking requires trust. Especially, the mindset of the manager has an effect on whether there is trust in the relationship between the employee and the manager to utilise new ways of working. For example, the manager has to have a certain amount of trust before giving permission to work from home.
- Managers should not lead by the example of mistrust. The competencies and skills of managers to lead ethically should be strengthened.
- Middle and top management need to be trained to move from controlling to the new culture of enabling, because then trust can bring effectiveness to the work of administration.
- Control is also of course needed, but more in the sense of control of the quality of work.
- Teleworking and leadership unbound of time and place emphasise the importance of good leadership. They are a risk especially if leadership is otherwise already bad.
- In order to move to the new culture, management needs to be given new capacities.
- Hierarchy inside the organisation is also something to think about: if teleworking is only allowed to some people inside the organisation, it can lead to mistrust between different groups.
- Dialogue, communication and participation are needed when developing the common ways of doing work.

Digitalisation
- Digitalisation can have positive and negative effects on citizens' trust in public administration. Digitalisation and data management is a way to produce public services more efficiently, but public administration has to be competent enough to use the data to produce better services.
- Governments need to be very transparent with data management and communicate what it is doing with the collected data.
- Governments need to take the lead and make sure that the data and artificial intelligence are used ethically.

Management of crises
- The way the government handles crises affects the level of public trust. For example, governments were not prepared for the immigration crisis.
- People need to be able to trust that governments are prepared for outside threats and global crises.

Where should we be by the end of the EUPAN strategy period 2019-2022?
- There is a great interest in continuing the discussions on trust and integrity in EUPAN.
- Trust is also on the agenda of Croatian and German presidencies.

Messages to the EUPAN DG Meeting
- We need to talk about trust as concretely as possible (e.g. the case of telework), with a future orientation (e.g. digitalisation) and in connection with personal situations.
- The support of top leaders and managers is crucial.
- Managers should not lead by the example of mistrust. The competencies and skills of managers to lead ethically should be strengthened.
- Middle and top management need to be trained to support the move from controlling to the culture of enabling.
- Importance of communication – enabling negative feedback from bottom up, creating and supporting communication channels from bottom up.
- Ethos and professionalisation of civil servants – important factor is behavior of top officials – tone comes from the top.
- We need to develop tools for measuring effectiveness of trust and integrity measures.

Workshop facilitators:
Professor Christoph Demmke, University of Vaasa, Finland
Maroš Paulini, Expert, Office of the Civil Service Council, Slovakia

Case presentations:
'State of civil service ethics in Finland', Anna Gau, Ministry of Finance, Finland

'Building trust: update on the project on ethics in the Romanian public administration', Cristina Paladeanu, Ministry of Regional Development and Public Administration, Romania

'What is social trust, and why do we need it?', Maria Bäck, University of Helsinki, Finland

'Ethical initiatives of Civil Service Council of the Slovak Republic', Maroš Paulini, Office of Civil Service Council, Slovakia

Workshop 4: Life-long learning in public administration

The workshop aimed to find answers to the question: How can we ensure life-long learning in public administration?

The workshop highlighted the need for a new learning culture:
- Learning is a never-ending process
- Learning is a responsibility of the individual in a long career
- Learning is about dealing with change, and change is about doing things differently from yesterday
- Learning starts with the attitude
- The role of the managers should move from getting-the-work-done to a people developer
- Organisational and HR development needs are imperative due to social, demographic and technological changes
- Development of digital competencies is essential

- 70-20-10 structure of learning: on the job learning 70%, peer learning 20% and training courses 10%
- Each individual is unique --> the way of learning is unique as well

Do we need learning culture when everything is digitalised and AI is doing the work?
- We should consider AI and computerised systems as an opportunity, rather than a threat.
- Challenge: how to get digital competence in an organisation? Lack of ICT personnel in all Europe. Lack of shared understanding between management developers and ICT developers cause problems.
- Old school management tends to recruit the same type of managers as they are. This needs renewal.
- The challenge of the organisational culture is to provide an environment for change (meaningful and not-opposed).

Recruitment dilemmas
- Choosing from between a perfect candidate for the competencies and a 'good curious type' who can cover the lack of competence quickly.
- Labour markets are not offering perfect candidates, but instead it is important to look for 'curious types.'
- How to find these people? What questions to ask? -> One possible method for interviews: the people will reveal themselves eventually. The candidate tells about how he/she feels about the future and the job. After some time the interviewer may get the picture that this person is the one.
- Leadership requires spending time with your employees. Sustainable management: Taking care of the people who work for/with you makes them even better in the labour markets.
- Changing top managers interorganisationally.

Messages to the EUPAN DG Meeting
- The role of the manager is crucial
- Learning culture:
  - Introduce life-long learning by default (learning is a part of everyday life)
  - Make a framework for a culture that makes room for learning and failing
  - Sustainable learning culture should be a part of management objectives (ensure management skills and continuity)
  - To be open to experimenting/piloting, cynicism is poisonous
- Management/leadership:
  - Personnel development should be every manager's priority
  - Role of top management is to create conditions for learning
  - Role of middle-management in stimulating and supporting the team is essential
  - Managers should encourage staff to use digitalisation in improving their own work
  - Recruit people that have the right attitude

- Create a positive and inspiring atmosphere for employees. Everyone has a right to think that something good will happen to them. In other words, if they do their work well, something positive will come out of it. If this idea of fairness does not materialise or is not supported, the organisational culture becomes demanding.

Workshop facilitators:
Ari Sihvola, Senior Adviser, HAUS Finnish Institute of Public Management Ltd
Daniel Gerson, Manager of the Public Employment and Management Project, Public Governance Directorate, OECD

Case presentations:
'Personnel Planning ensuring life-long learning', Pirta Karlsson, Finnish Tax Administration

'Building a learning culture in the public service: what role for leadership and strategic HRM?', Daniel Gerson, OECD

Background reading for the workshops

Workshop 1:
- Government report on information policy and artificial intelligence (Finland)
- Policy brief: Information and Information Policy at the Core of Digitalisation (Finland)
- Policy brief: A Long Tradition of Dialogue between Research and Public Governance Development (Finland)
- Glances at Public Governance in Finland (presentation in eOppiva.fi)
- Political and Social Trust: Pathways, Trends and Gaps, some key findings
- Policy brief: The Role of Public Governance in Strengthening Trust (Finland)
- EUPAN Strategy Paper

Workshop 2:
- Policy brief: Information and Information Policy at the Core of Digitalisation (Finland)
- Ethics guidelines for trustworthy AI (EC)
- Government report on information policy and artificial intelligence (Finland)
- Digital inclusion – Everyone must be able to participate (The Netherlands)
- Glances at Public Governance in Finland (presentation in eOppiva.fi)
- Political and Social Trust: Pathways, Trends and Gaps, some key findings
- Policy brief: The Role of Public Governance in Strengthening Trust (Finland)
- EUPAN Strategy Paper

Workshop 3:
- Policy brief: Long-term development and future prospects of civil-service ethics in Finland (Finland)
- OECD, Trust and Public Policy - How Better Governance Can Help Rebuild Public Trust
- Edelman 2019 Trust barometer
- Political and Social Trust: Pathways, Trends and Gaps, some key findings
- Policy brief: The Role of Public Governance in Strengthening Trust (Finland)
- Policy brief: Clear Language is Inclusive and Prevents Exclusion (Finland)
- Glances at Public Governance in Finland presentation in eOppiva.fi

- [EUPAN Strategy Paper](#)

For further reading:
[Demmke, Christoph 2019. Governance Reforms, Individualization of Human Resource Management (HRM), and Impact on Workplace Behavior—A Black Box?, *Public Integrity*](#)

Workshop 4:
- [Policy brief: Information and Information Policy at the Core of Digitalisation](#) (Finland)
- [Political and Social Trust: Pathways, Trends and Gaps, some key findings](#)
- [Policy brief: The Role of Public Governance in Strengthening Trust](#) (Finland)
- [Glances at Public Governance in Finland](#) (presentation in eOppiva.fi)
- [EUPAN Strategy Paper](#)

Game of Trust

Finland presented the Game of Trust at the EUPAN WL Meeting. The game is designed for innovating, planning and highlighting actions to improve open government and for making personal commitments for these improvements. The game is intended to be a concrete tool for communities and organisations to further develop open government.

The materials for playing the Game of Trust can be downloaded from:
https://avoinhallinto.fi/en/game-of-trust/

Presentation of the speakers

Hanna Wass is Acting Professor of Political Science at the University of Helsinki. Among other things, she is a work package leader in the research projects 'Tackling the Biases and Bubbles in Participation', funded by the Academy of Finland, and 'Elections GO', funded by the European Commission. She is also a member of the steering committee for the Finnish National Election Study.

Elina Kestilä-Kekkonen is Acting Professor of Political Science at the University of Turku, Finland. Her main research interests lie in political trust, civic competence and political engagement. She led the Consortium of Trust Research, funded by the Academy of Finland, in 2015–2019. She currently leads a new four-year Academy Project 'Education, Political Efficacy and Informed Citizenship (EPIC)', which will run until 2023. Professor Kestilä-Kekkonen is also an Editor in Charge of the journal Scandinavian Political Studies for 2017–2020 and one of the three Principal Investigators of the Finnish National Election Study 2019.

Jussi Mäkinen is Head of Digital Regulation at Technology Industries of Finland. Mr. Mäkinen has a strong background in policy work in the fields of data, AI and digitalisation. Before his current position, he worked in the Finnish telecoms national trade association and also at the Ministry of Transport and Communications. Mr. Mäkinen is a lawyer by

training with interest in driving further European policy work to foster a competitive and vivid single market, where the digital dimension is firmly embedded.

Juha Sarkio is Director General of the Public Governance Department at the Ministry of Finance, Finland. DG Sarkio is in charge of governance and personnel policy in state administration. The main focus is to develop public administration steering systems, leadership, structures and activities in state administration and to streamline the operational efficiency and quality of public service systems and service provision. DG Sarkio has over 30 years of experience in state administration mainly in the ministerial level and the research funding sector. DG Sarkio holds an LL.M. degree in Administrative Law from the University of Helsinki and also a military degree from the Finnish National Defence University.

Daniel Gerson leads the OECD's project on Public Employment and Management, with a mission to help governments understand and shape the changing nature of work in their civil services. Prior to joining the OECD, Mr. Gerson was responsible for a range of projects in the Canadian Federal Public Service, where he worked on developing policies to support social innovation and helped to design and implement a variety of organisational and civil service reforms. Mr. Gerson holds a Master's degree in community and regional planning from the University of British Colombia in Canada and a Master's in Public Management from the University of Potsdam in Germany.

Christoph Demmke is Professor of Public Management at the University of Vaasa, Finland. Prior to this, he was Visiting Professor at the University of Potsdam, Interim Professor at the Zeppelin University, Official in the OECD, Professor of Comparative Public Administration at the European Institute of Public Administration and Guest Professor at the College of Europe in and the University of Maastricht. He has been a fellow at Harvard Law School and a visiting scholar at Oxford University, American University and the University of Georgia in the United States. Professor Demmke is also a long-standing advisor to the European Union Presidencies, almost all EU institutions and national governments on HR reforms and ethics.