

A person's foot, wearing a dark shoe, is stepping onto a path of colorful, out-of-focus lights in a dark forest. The lights are in shades of yellow, orange, red, green, and blue, creating a bokeh effect. A stylized, multi-colored line (yellow, orange, pink, blue) forms a frame around the central text.

**How can
governments
create**

**more public
value at a
faster pace?**

Enter 

Click through to read
the digital magazine

Improving outcomes in the public
sector means prioritizing three
things: people, money and tech



The better the question.
The better the answer.
The better the world works.

The EY logo, consisting of the letters 'EY' in a bold, white, sans-serif font.

Shape the future
with confidence

The time for talk is over

Around the world, governments that gained or kept power in the 2024 election supercycle have pivoted from campaigning to governing. And they're beginning to implement the policy agendas that won the vote of the electorate for them.

The task won't be easy. The world is a more complex and uncertain place than five years ago. The disruption that began with the COVID-19 pandemic is still growing, as are levels of public debt. And according to the **2025 Edelman Trust Barometer**, the election supercycle failed to improve public trust.

In this challenging context, converting policy into clear public value – improved outcomes for citizens – will be crucial to success. To achieve it, governments and public sector organizations will need to equip **people** with better skills, spend public **money** better and use **tech** to deliver better services.

In this magazine, we've collated insights from leading experts from EY, and beyond, to show how prioritizing these areas can create more public value, faster.

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Can making tough choices today prevent bigger crises tomorrow?

Governments that adopt integrated risk management in 2025 will shape the future with confidence.

Navigating the top 10 risks for governments in 2025

Spotlight on ... | ◀ ▶ ≡

A framework for the future

New and re-elected governments globally face the immediate task of navigating an increasingly interconnected risk landscape. And they must do so amid growing disruption and public mistrust, as well as decreasing social cohesion.

In this volatile environment, government and public sector organizations must make difficult, potentially politically unpalatable trade-offs to mitigate risk now and prevent larger crises later. They must also become more agile and quicker to adapt. An integrated approach to risk management will provide the framework they need.

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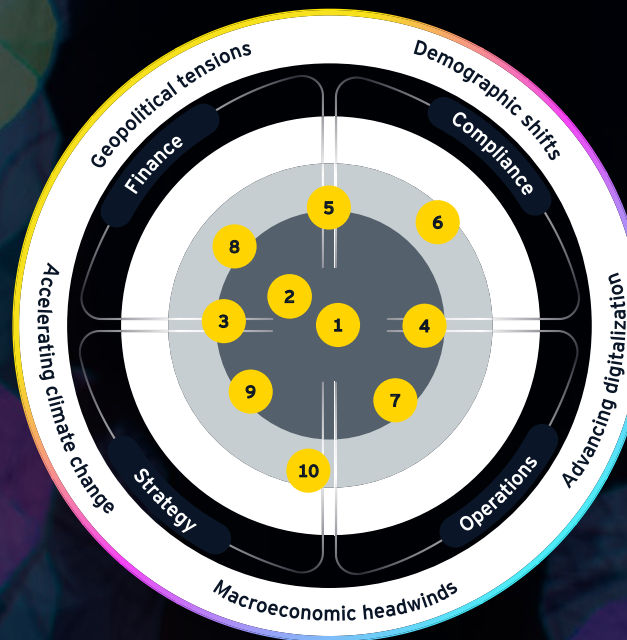
The number one challenge for government and public sector leaders is navigating the rapidly evolving risk landscape without compromising public service delivery or fiscal responsibility.



Catherine Friday

EY Global and EY Asia-Pacific Government & Infrastructure Industry Leader

A new EY report reveals how integrated risk management and courageous leadership will help government and public sector leaders mitigate interconnected threats in 2025. Here's a summary of the risks and suggested actions.



KEY

Impact

Higher

Lower

Macro influences

Download the full report in PDF or audio format



Learn more about the Top 10 risks for governments for 2025 on the next page.

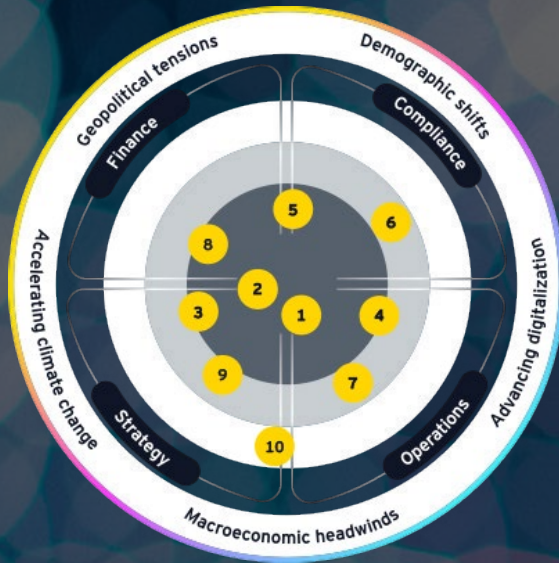
Coming soon: Government Risk Radar podcast

Listen to EY leaders explore the risks in more depth in our special mini-series.

Subscribe to our Leading into Tomorrow podcast to get notified when they launch.

Top 10 risks for governments in 2025

Spotlight on ... | ◀ ▶ ≡



1 Inability to achieve sustainable public finances

To reduce the high debt-to-GDP ratio, governments must make difficult decisions and focus on outcomes and long-term value.

2 Weak or unsustainable economic growth

Mitigating the low medium-term trajectory of global growth will require government and public sector organizations to foster sustainable, inclusive development.

3 Labor shortages and growing work informality

Governments can shape an increasingly fluid labor market by investing in drivers of economic growth and galvanizing the private sector to formalize work and upskill employees.

4 Deficient digital capacity and cybersecurity

Organizations must anticipate evolving cyber threats from aging technology infrastructure and siloed systems, while upskilling the workforce to close the digital skills gap.

5 Failure to adapt to a new geopolitical landscape

Diplomacy and strong working relationships across borders will be key to defusing tension, while data and predictive analytics will help governments prepare for disruption.

6 Limited or no supply chain visibility and traceability

Governments can better manage third-party risk, use integrated technology solutions to improve visibility and traceability and upskill talent to take advantage of new technologies.

7 Low employee resilience hampering public sector talent advantage

Reducing the administrative burden on employees is crucial. Expanding total rewards, a sense of purpose and talent development systems will help to build a talent advantage.

8 Failure to close the gap between climate ambition and action

Governments must set more ambitious emissions reduction targets, green their own operations and unlock blended finance to close the sustainable infrastructure funding gap.

9 Lack of resilience to climate-related shocks

Along with meeting the collective quantified goal set at COP29, governments can incentivize the private sector, integrate climate risk into budgets and promote grassroots projects.

10 Unconnected to citizen experiences and needs

To reverse decreases in public trust and social cohesion, leaders need to create accountability from the top and engage citizens in policymaking.

How can governments meet people's growing needs when their budgets are shrinking?

Thinking differently and getting creative will help governments improve life for citizens as well as employees.



Building a talent advantage

With scrutiny, expectations and fiscal constraints all rising, the pressure on government and public sector organizations to transform is greater than ever. But the EY 2024 Work Reimagined Survey found that they lack the talent advantage to compete for the people and skills they need.

To attract and motivate the best, governments need to be bold and creative with their total reward programs and promote an employee value proposition that captures their unique offer. They also have a responsibility to help citizens develop their skill sets, so they can contribute to society. How can they pivot to enable everyone to succeed?

EY voices:



Sonia Sharp, EY Oceania People Consulting Leader, explores the talent challenges facing the sector and how building a more strategic people function can help.

Watch

Taking the public sector pulse

The EY 2024 Work Reimagined Survey found that 27% of public sector employees intended to quit in the next 12 months, compared with an average of 38% across all sectors. Yet the sector's overall talent health score (equivalent to a net promoter score) was 43, compared with a cross-sector average of 55. Explore the issues and solutions in our point of view.

Read

Modernizing to meet the needs of out-of-work residents

Explore how workforce agencies in the US can shift from being safety nets to sought-after resources for career development, re-skilling and new employment opportunities.

Read

How businesses can be the schools of tomorrow

Today's dynamic workplaces require employees to continuously learn and evolve their skills. Find out how creating flexible roles, with opportunities to move across functions and departments, can help.

Read

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With expectations of the public sector and its employees growing, it's vital that employers improve the capability of their organization. They can do this by attracting, rewarding and upskilling everyone, and helping them feel connected and supported in their roles.



Josie Cluer

Partner, EY UK&I People Consulting, Ernst & Young LLP

Thinking differently to make a real difference

Aging populations, economic inequality and mental health crises: as demand for human services rises, so does the cost of providing them.

Many administrations have pledged to address these growing needs, but fiscal constraints and workforce shortages are forcing them to think differently. Their only option is to shift the conversation from inputs to outcomes and adopt technologies that will help them spend the money they have, better.

Implementing change on this scale can be uncomfortable. But the payoff is the serious work of government: making a genuine impact on the lives of citizens.

EY voices:



Jessica Chamba, EY Global Human Services Leader, suggests an approach for social care that improves outcomes and empowers people to make more informed decisions, sooner.

Watch

Reforming the care economy

With the number of care recipients projected to reach 2.3 billion globally by 2030, and budgets under increasing strain, there's an urgent need to rethink the care economy. Discover 10 desired scenarios and funding models that could bring huge social and economic value.

Read

Learn from the pioneers: how AI is transforming social services

Around the world, pioneering governments are applying artificial intelligence (AI) to improve outcomes for their most vulnerable citizens. Listen to case studies from Australia, France and the UK in our webinar.

Watch

Navigating the childcare crisis

With costs soaring and availability dwindling, finding affordable, reliable childcare is increasingly difficult in the US – with impacts for families, workforces and the economy. Explore the innovative ways in which state governments and a federal agency are tackling the problem.

Read

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We estimate that greater adoption of technology in the social services workforce will release up to 60% more time for case workers. It's time for governments to truly explore how tech can transform working practices for staff and services for vulnerable citizens.



Georgina Gates

Partner, EY Social Services Australia

How can governments spend better to make a bigger impact?

By allocating money appropriately, and measuring outcomes, governments can demonstrate value and ultimately rebuild public trust.



Managing the future of public money

Now more than ever, governments must demonstrate that the public money they spend is creating better outcomes for citizens. But while factors including ageing populations and accelerating climate change are increasing the pressure to spend, high debt and low growth are constraining efforts to address them.

In other words, governments are in a fiscal headlock. To break out of it, they must urgently rethink how they allocate, track and measure the impact of public money, particularly through technology. By spending smarter, and making a bigger impact, they'll be better placed to meet growing societal demands while making public finances more transparent and sustainable.

EY voices:



Mark MacDonald, EY Global Public Finance Management Leader, suggests a way forward. The debate about how public money is spent, and what it achieves, is intensifying.

Watch

The future of public money is brighter than we think

Though the long-term fiscal projections for government are grim, a joint report by EY and OMFIF, The future of public money, shows that public finance management can be dramatically improved. Find out how.

Read

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Faced with competing and compelling demands for public spending, governments have no choice but to concentrate on economic growth and getting more value for the money they spend.



Rohan Malik

EY EMEA & UKI Managing Partner,
Government & Public Sector

Dive into the detail

Hear experts at EY, OMFIF and beyond explore the report in a series of podcasts, available on the [OMFIF website](#) or [Podbean](#).

Why measures matter

Discover how governments can develop present metrics for long-term costs and risks with Nikhil Sanghani, Managing Director at OMFIF Economic and Monetary Policy Institute. Joining Nikhil are Carolyn Bourdeaux, Senior Visiting Scholar at the University of Georgia, and Mark MacDonald, EY Global Public Finance Management Leader.

Listen

Funding a sustainable future

Governments are increasingly issuing bonds to fund the green transition. Alex Caridia, Head of Public Sector Markets at RBC Capital Markets and Heather Taylor, Partner, Climate Change and Sustainability at EY, join OMFIF's Lead Economist Taylor Pearce to explore this evolving landscape.

Listen

Transforming public finance through tech

Mark MacDonald, EY Global Public Finance Management Leader, and OMFIF's Managing Director Nikhil Sanghani join Joachim Schwerin, Principal Economist, DG GROW at the European Commission, to discuss how blockchain and AI can improve forecasting, decision-making and overall outcomes.

Listen

When technology is evolving so fast, could stopping to think be the best place to start?

Emerging technologies offer limitless gains, but there's a lot to consider before implementing them.



To deliver fundamental change, governments need the right foundations

There's no transformation without technology. From implementing an electric vehicle (EV) transit system to improving the employee experience, tech is helping governments globally to address converging challenges and meet the changing expectations of citizens.

But success requires more than adopting the latest innovation. Organizations must first build strong foundations in data, digital infrastructure, people and governance – and be ready to embrace fundamental change.

“

Modernizing public services to meet citizens' expectations requires service design coupled with innovative technology solutions. Unleashing human potential and productivity with digital solutions will benefit both citizens and public servants, delivering better outcomes for all.



Kirsten Tisdale

Strategic Advisory Partner
EY Government and Public Sector

EY voices:



Sheena Thompson, EY UK Digital and Emerging Technology Leader, outlines how governments are implementing data analytics and AI – and what they can learn from their high-performing peers.

[Watch](#)

Coming soon – major EY report explores how to implement data and AI programs at scale

We surveyed 492 public officials in 14 countries to understand how governments are unleashing the power of data analytics and AI to deliver better public value.

Our findings revealed a mixed picture:

Most government organizations understand the **potential benefits** of AI.

63% agree or strongly agree that it has the potential to improve their services.

64% agree or strongly agree that it will lead to significant cost savings.

And while they feel pressure to move quickly, various factors are holding them back.

62% indicated that data privacy and security concerns are a significant constraint.

42% mentioned concerns about ethics.

But there's a big gap between understanding the potential of AI and implementing it.

25% indicated that they have deployed AI in parts or across the whole of the organization.

Our research also uncovered five foundations in place at government organizations that have deployed data and AI initiatives successfully and at scale. We've used these to create a framework for governments to follow, so they can transform successfully.

[Sign up to receive the report in the coming weeks.](#)

From tech gatekeeper to strategic guide: the evolving role of the CISO

As technology use has grown, so the responsibilities of the chief information security officer (CISO) have expanded from protecting the organization to promoting growth and resilience. Read more about this pivotal role, including the pitfalls to avoid.

[Read](#)

Education can teach us about AI, but AI can also transform education

We'll only realize the full benefits of AI if our education systems prepare us to live and work with it safely and effectively. AI can transform how education is delivered and by default students will become proficient in using it and bring their skills to the future workforce. A new report from EY and the World Governments Summit offers a roadmap to guide the purposeful and equitable adoption of AI in education.

[Read](#)

Applying AI to improve public services

There's no disputing AI's power to transform public services. But according to the EY AI Sentiment Index Study, considerably more citizens are using AI-enabled consumer services than government services (67% to 45%). And 67% of citizens agreed or strongly agreed that they were cautious about governments collecting and processing their data with AI.

Setting guardrails around responsible and ethical use is a must for closing this gap. But success will come from recognizing and building on areas where citizens are willing to embrace AI. So they feel empowered to use it in ways that are valuable and meaningful to them.

EY voices:



Catherine Friday, EY Global and EY Asia-Pacific Government & Infrastructure Industry Leader, explains how. By collaborating across society, governments can agree AI adoption principles that result in transparent, equitable services.

Watch

EY AI Sentiment Survey: AI excites citizens as much as it worries them

Our comprehensive global survey shows that citizens are embracing AI to improve how they live and work. But concerns remain. The organizations that succeed will address those fears while investing in emerging opportunities.

Read

EY European AI Barometer: three ways to reboot public services for an AI future

Dr Thomas Erwin, EMEA AI & Data Leader at EY, explains how AI can help bridge the gap between citizen expectations and public sector performance. So governments in Europe can deliver services that are smarter, faster and more personalized to their citizens.

Read

Learn on the go with the latest episodes of the AI in Government podcast

EY Technology Consulting Partner, Naveen Thomas PhD, leads three fascinating new episodes of our Leading into Tomorrow mini-series. The focus: fast-changing AI technologies and their future impacts on people, business and society.

Listen on your preferred platform



Deliver world-class customer service with GenAI

Most US government and public service agencies lag private companies at offering the personalized, streamlined customer service that users expect. Discover how generative AI (GenAI) tools could help close the gap.

Read

“Governments must create a fertile business environment that supports innovation while managing the risks around the safe and equitable applications of AI. Taking this dual approach will enable them to adopt AI faster to improve public services.”



Stig Thorgersen
EY EMEA Government & Infrastructure Leader

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