

Main issues with the branding and reputation of the public administration

2019

Key factors affecting reputation of public administration



Brand

Perception that people have of organisation and its products and/or services



Branding

The process of promoting selected brand in order to establish a favourable reputation



Reputation

General, overall and long-term impression of an organisation on a specific public. Reputation is rooted in what people know or think they know about an organization and what attitudes they hold based on that information

Perception of public sector, including the public administration, is often surrounded by negative connotations despite its vital role. In a context of public sector an important element for measuring reputation is closely linked to trust. Trust is generally understood as holding positive perception and is derived by both individual experiences that plays a significant role as well as to and subjective interpretations. Building trust is key element that will contribute towards improving reputation of public administration

Key factors affecting public trust on basis of OECD research

On basis of OECD framework, following pages provide more detailed outlook and analysis on situation in Latvia.

Competence



Provision of public services



Access to public services, quality and timeliness of public services

Anticipation of changes, protection of citizens



Effective management of social, economic and political uncertainty
Consistent and predictable behaviour

Values



Ethical use of power and public resources



High standards of behaviour and clear accountability
Commitment to fight corruption

Informing, consulting and listening to citizens



Giving citizens useful information on what government is doing
Engagement opportunities that genuinely influence policy choices

Improving socio-economic condition for all



Pursuit of socio-economic progress for society as a whole
Consistent treatment of citizens and businesses

Source: [OECD "Trust and Public policy"](#)



Latvia: main issues

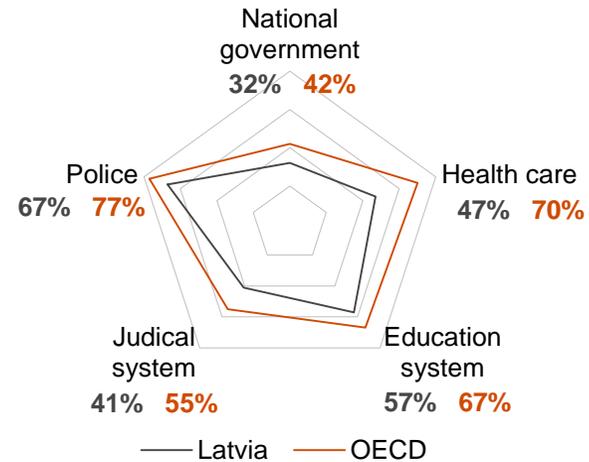
Provision of public services

Public service performance is closely linked with citizen satisfaction and public trust

Factors affecting satisfaction include access to public institutions, staff competence and quality of communication

Despite the fact satisfaction and confidence rates across public services in Latvia are lower in comparison with OECD average, overall satisfaction with public services provided by state and municipal institutions show positive trends. At the same time there are differences in opinion about performance of different institutions

Satisfaction and confidence across public services (% of citizens expressing confidence/satisfaction, 2016)



Latvia ranks below OECD average in all categories analysed. Since 2007 Latvia has experienced slight changes in trust levels

- ↑ Satisfaction on judicial system (+6%)
Satisfaction on national government (+4%)
- ↓ Satisfaction on health care (-2%)
- No changes in trust in education system
- ? No data available for changes in trust in police

Average satisfaction rating with public services provided by state and municipal institutions in Latvia (On a scale from 1 to 10, 2018)

- 8.5 Service when applying
- 8.3 Speed when applying
- 8.2 Service overall
- 7.9 Understandability of service when applying
- 7.8 Information provided on the service

In terms of institution that **best serves the public**, top five institutions **named by citizens** are as follows

1. State Social Insurance Agency: 7.8%
 2. State Revenue Service: 6.6%
 3. Municipality, city and county councils: 5.5%
 4. Road Traffic Safety Directorate: 5.1%
 5. Latvian Post: 3.4%
- None of institutions serve successfully to the public: 9.6%
 - ? Did not provide answer to the question: 31.5%

Source: [OECD "Government at Glance. Latvia" \(2017\)](#), [VARAM "Klientu apmierinātība ar valsts pakalpojumiem" \(2018\)](#) and [State Chancellery "Valsts pārvaldes klientu apmierinātības pētījums" \(2018\)](#)



Latvia: main issues

Provision of public services

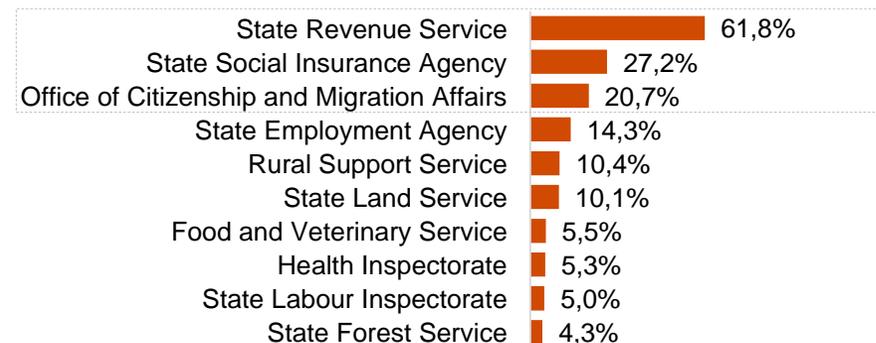
In the context of public services, it should be noted that most citizens and entrepreneurs have direct contact with only limited range of state institutions. Thus, these institutions largely contribute at creating perception on public administration

In terms of public services essential is satisfaction of users that is relatively high among citizens, whereas entrepreneurs are slightly more sceptical.

Entrepreneurs are also more sceptical in their assessment of existence of quality standards for institutions (e.g. requirement on how fast service should be). Although foreign good practices indicate that setting standards for institutions give opportunity for users to understand what they can expect, resulting in increased satisfaction. Unified general requirements that applies to all institutions are recommended.

Interaction with state institutions in last 12 months (2017)

Citizens



Entrepreneurs



Overall satisfaction of services provided by the institution In scale 1 (the best) to 4 (the worst)

Average by citizens: 1.80

Average by entrepreneurs: 2.01

More positive evaluations

- Spoken language in family: Latvian
- Employees in NGO sector
- Students
- Those having low incomes
- Those living in Kurzeme

More negative evaluations

- Spoken language in family: Russian
- In the age group from 18 to 24
- Unemployed or working in the private sector
- Self-employed
- With high income
- Based in Riga

More positive evaluations

- Those being based in Rēzekne, Ventspils, Valmiera, Jēkabpils
- Those representing commercial industry
- Individual merchants
- Turnover below 2 million EUR

More negative evaluations

- Those based in Jelgava, Liepāja
- Working in the field of construction
- Has from 50 to 249 employees
- Turnover over 2 million EUR



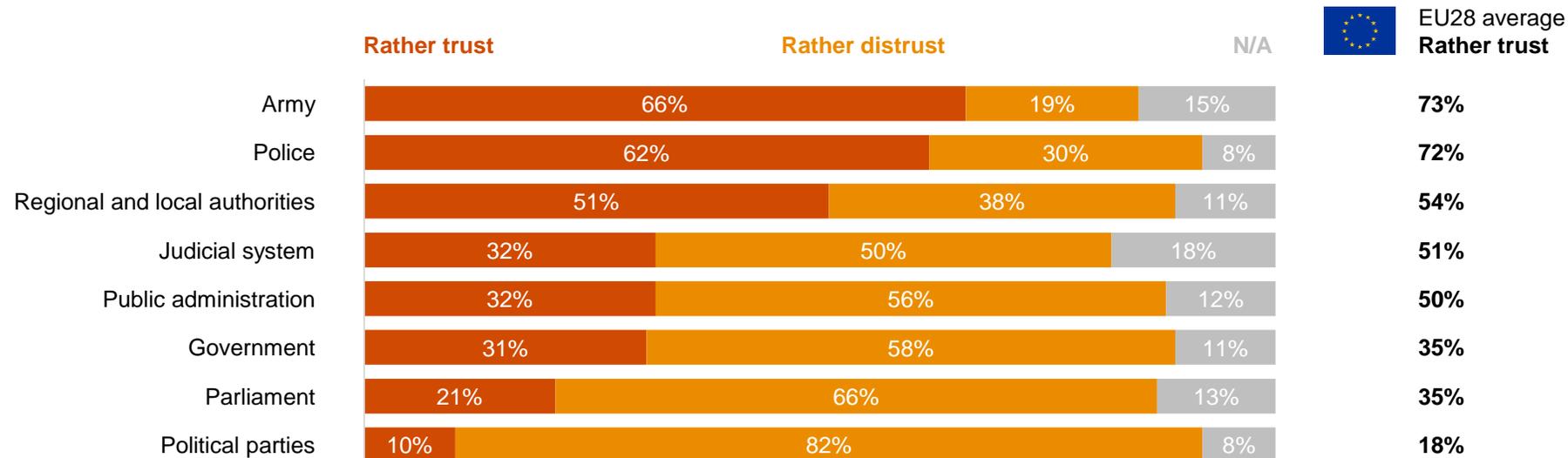
Latvia: main issues

Anticipation of changes, protection of citizens

Overall, trust is considered to be of general nature with some variations in level of trust with regard to different institutions

Compared to EU28, level of trust is overall lower in case of Latvia. Public administration show one of the largest gaps, thus outlining the need for action

Although, it should be noted that perception is not built by public administration alone but is aggregated. Thus, typically low trust levels in government, parliament and political parties in particular also have an impact on forming overall perception



Level of trust in Latvia is **below EU28 average** in all institutions analysed

Largest gaps

1. Judicial system: 19%
2. Public administration: 18%
3. Parliament: 14%

Differences in level of trust are evident across various socio-economic groups. Trust in judicial system, public administration and parliament in Latvia show following trends

↑ Higher level of trust in comparison to other group

Young people (aged 15-24)
People consider belonging to the upper class
People believing their voice counts in their country

↓ Lower level of trust in comparison to other groups

People living in Riga

Latvia: main issues

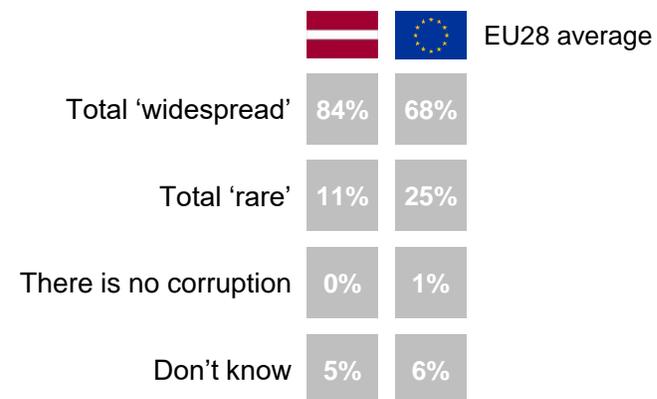
Ethical use of power and public resources

Ethical use of power and public resources as well as fairness in actions influence level of trust

In addition to lower level of trust in various institutions in comparison to EU28, perception on spread of corruption is also higher in case of Latvia. Despite relatively high level of trust in police, it is considered to be institution with most widespread corruption

With regard to public administration, awarding public tenders and issuing building permits are seen as most critical areas. It appears that one of the aspects in the problem is that the public is not aware of positive practices and good examples

Opinion on how widespread is corruption in their country (2017)



Some differences in opinion are visible in the socio-economic analysis. Opinion on how widespread is corruption in Latvia show following trends

More likely to perceive corruption as widespread

Those experienced or witnessed corruption
Those disagreeing their voice counts in their country
Professional category: self-employed

Less likely to perceive corruption as widespread

Young people (aged 15-24)
Professional category: students

Opinion on where is corruption widespread (2017)

- 1** Police / customs
- 2** Officials awarding public tenders & Officials issuing building permits
- 3** Political parties

Opinion on **causes of corruption**

- Links are too close between business and politics: 80%
- Efforts to combat corruption are not effective: 77%
- Favouritism and corruption hamper business competition: 74%
- Not enough successful prosecutions in to deter people from corrupt practices: 63%

Key reasons why people do not report corruption

1. Reporting it would be pointless because those responsible will not be punished
2. Difficult to prove anything
3. There is no protection for those who report corruption



Latvia: main issues

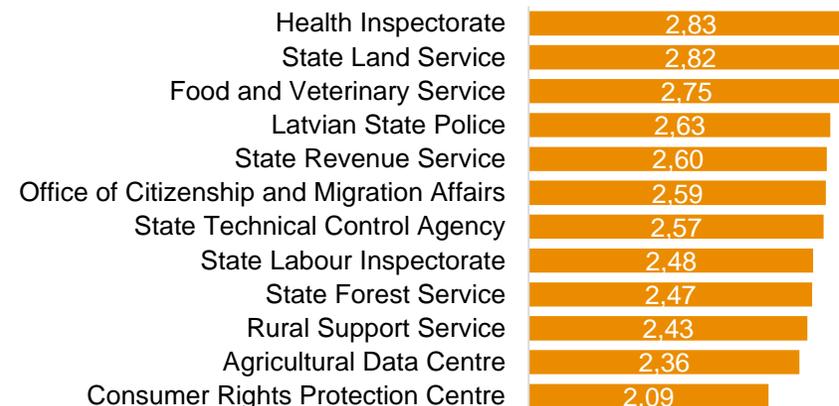
Ethical use of power and public resources

Awareness is an essential element for building perception. Thus, awareness raising activities might crucial for improving perception

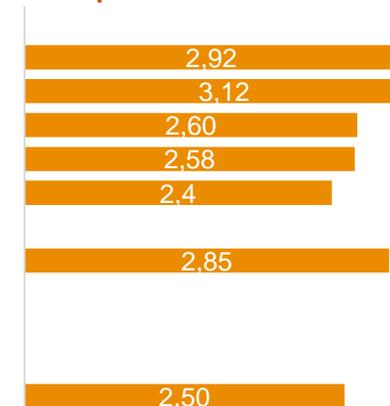
The average rating with regard to sufficiency of information on anti-corruption activities is relatively low both among citizens and entrepreneurs. The lowest rating among citizens is for Health Inspectorate and among entrepreneurs for State Land Service. In both cases interaction rates with these institutions are not among highest (5.3% and 6.2%, respectively)

Opinion on whether the institution sufficiently informs the society on anti-corruption activities performed (In scale 1 (the best) to 4 (the worst), 2017)

Citizens



Entrepreneurs



Average by citizens: 2.64

Average by entrepreneurs: 2.57

More positive evaluations

Employees in NGO sector
Housewives
Those living in Latgale

More negative evaluations

In the age group from 55 to 63
Those with higher education
Those working in the private sector
Those based in Riga

More positive evaluations

Those being based in Rēzekne, Valmiera, Jūrmala
Those representing commercial industry
Number of employees 0 to 9 and 10 to 49
Turnover below 2 million EUR

More negative evaluations

Those based in Jelgava
Working in the construction sector
Number of employees 50 to 249
Turnover over 2 million EUR

Latvia: main issues

Informing, consulting and listening to citizens

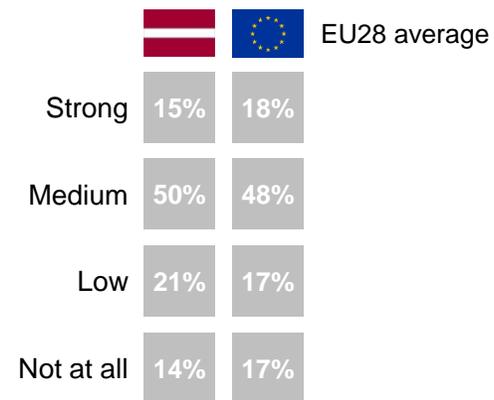
Political interest is shaping both awareness of political processes as well as participation

Overall political interest in Latvia is mediocre and primary channels for obtaining information on national political matters are media. Media literacy trends highlight that around half of population trust media and are not intended at assessing and verifying information provided there. It leads to people being easily manipulated, creating a false impression on politics and public administration

It should be noted that question on media law and media literacy is on the political agenda and is particularly highlighted by president Egils Levits.



Political interest index (2017)

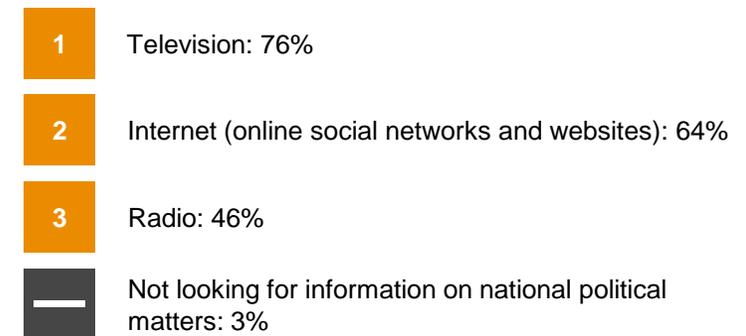


Interest and understanding of political processes in Latvia is generally mediocre both in terms of being aware of general political events in the country as well matters specific to citizens, e.g. public services provided by state and municipal institutions

More likely to demonstrate low political interest in Latvia

Young people (aged 15-24 and 25-39)
Professional category: students

Primary channels for obtaining most news on national political matters in Latvia (2017)



Media literacy trends in Latvia

50% of population think information is published/broadcasted in media is true
54% of population have noticed differences in information reflected about the same event in different media
Only 40% of LV population claim to be able to recognize reliable information from trendy and fabricated

People with basic education have lower media literacy indicators and greater trust in media



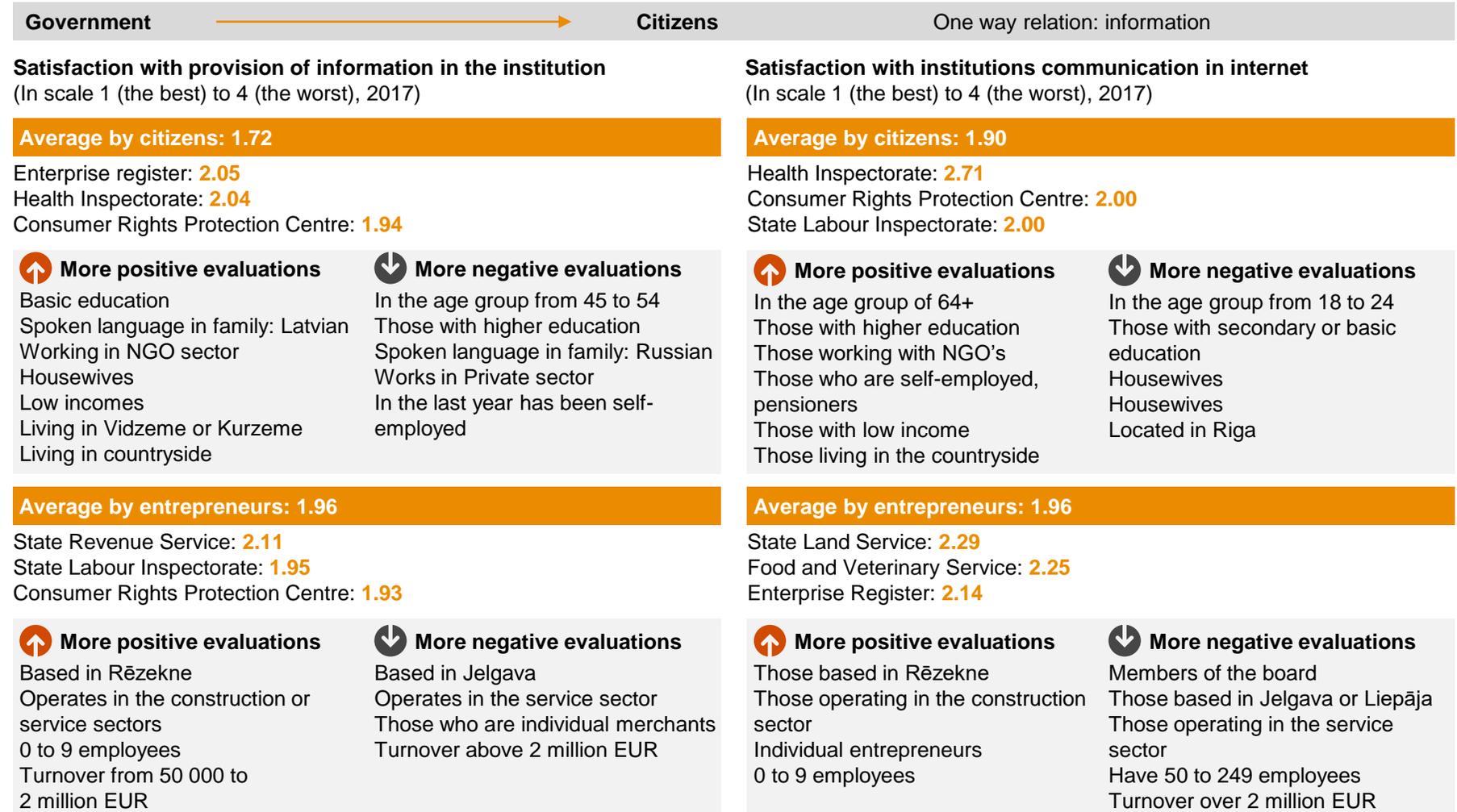
Latvia: main issues

Informing, consulting and listening to citizens

Alongside general awareness on political processes that is obtained primarily by media, also the way institutions inform citizens is crucial

Both citizens and entrepreneurs show relatively positive indicators in terms of satisfaction of information in institution as well as satisfaction with institutions communication in internet

At the same time it appears that opinion on performance of different institutions varies. It highlights the idea that institutions should focus on understanding user needs and preferences



Latvia: main issues

Informing, consulting and listening to citizens

Listening to users on performance of institutions is integral for building positive relations

Entrepreneurs are more sceptical than citizens with regard to possibility to be heard and make suggestions. There is also fundamental difference in how different institutions are assessed



Opinion on whether clients are heard and they have possibility to make suggestions (In scale 1 (the best) to 4 (the worst), 2017)

Citizens



Entrepreneurs



Average by citizens: 2.07

Average by entrepreneurs: 2.21

↑ More positive evaluations

Basic education
Spoken language in family:
Latvian
Housewives and students
Lower incomes
Living in countryside

↓ More negative evaluations

Secondary or Higher education
Spoken language in family:
Russian
Employees in the private sector
or unemployed
Those with high incomes
Living in Riga

↑ More positive evaluations

Based in Rēzekne, Ventspils,
Valmiera, Jēkabpils
Representing construction
industry
Individual merchants
Number of employees:
0 to 9

↓ More negative evaluations

Companies with limited liabilities
Members of the board
Based in Liepāja or Jelgava
Have 50 to 249 employees
Turnover from 16 000
to 49999 EUR



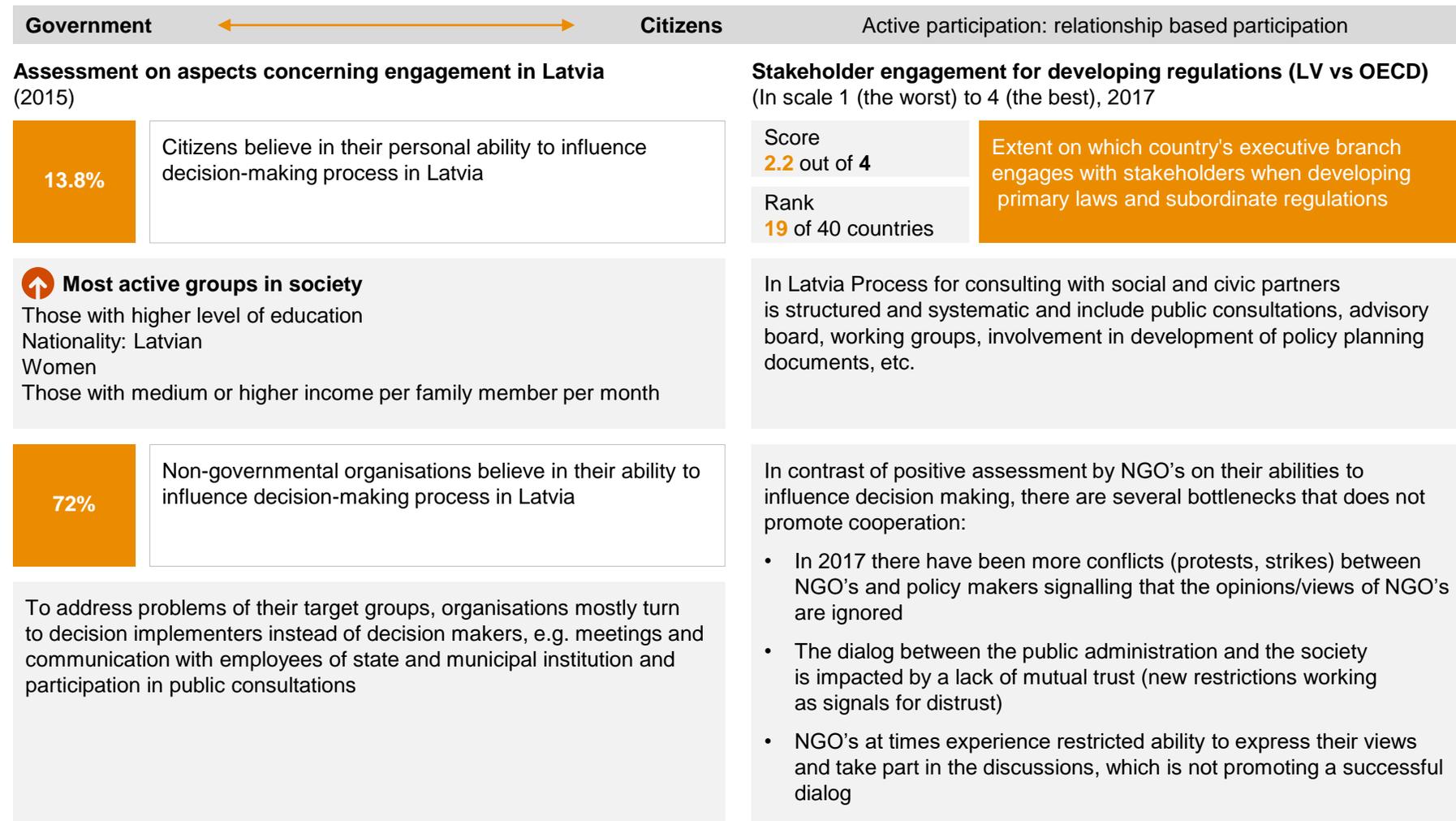
Latvia: main issues

Informing, consulting and listening to citizens

Engagement is considered to be one of determinants to increase trust in public administration

In Latvia citizens do not really believe in ability to affect decision making process. At the same time non-governmental organisations are very optimistic. Thus, non-governmental organisations already have a potential to serve as ambassadors on desire of public administration to adapt and find the most appropriate solution.

Formal engagement mechanisms are relatively developed, ensuring that citizens, organisations as well as social and civic partners have opportunities to affect decision making. At the same time formal engagement mechanisms are not always convenient and accessible. Yet, it is crucial to engage various stakeholder groups in a way that is convenient, accessible and understandable for them



Source: [Eurobarometer](#), [OECD "Better life index"](#), [Pārskats par NVO sektoru Latvijā 2015](#), [LV portāls](#)



Latvia: main issues

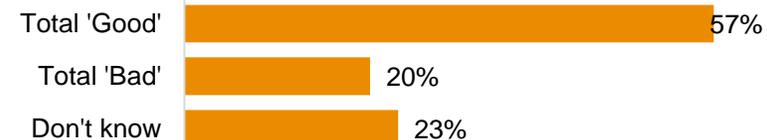
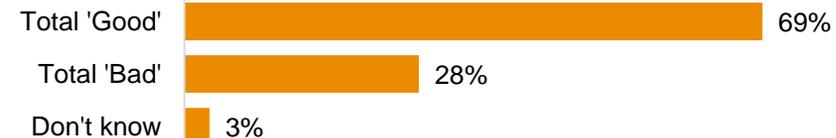
Improving socio-economic condition for all

Actual situation perceived by citizens in terms of socio-economic performance influence the level of trust. According to research carried out by OECD, citizens expect "effective policies to improve socio-economic conditions, but also irreproachable behaviour"

As for the situation in the country, there is no unambiguous opinion within society. One of elements for improving perception would be sharing information on achievements and good practices

With regard to personal situation and situation in the household, the most important is actually experiencing improvements. Yet, role of public administration lays in communication on state support mechanisms to relevant target groups

Assessment on current situation in Latvia (2017)



The most significant problem highlighted by citizens in Latvia is rise of prices / inflation / cost of living: 38%

↑ Those assessing situation in national economy and national employment as 'good' show **higher level of trust to different institutions**

↑ Those assessing situation in national economy and national employment as 'good' and almost never/never have difficulties paying bills are **more likely to say things are going in the right direction in Latvia**

↓ Citizens that are characterised with individual problems in terms of financial situation and/or employment are **more sceptical** when assessing situation in the country

Source: [Eurobarometer](#), [OECD "Trust and Public Policy"](#)

Latvia: main issues

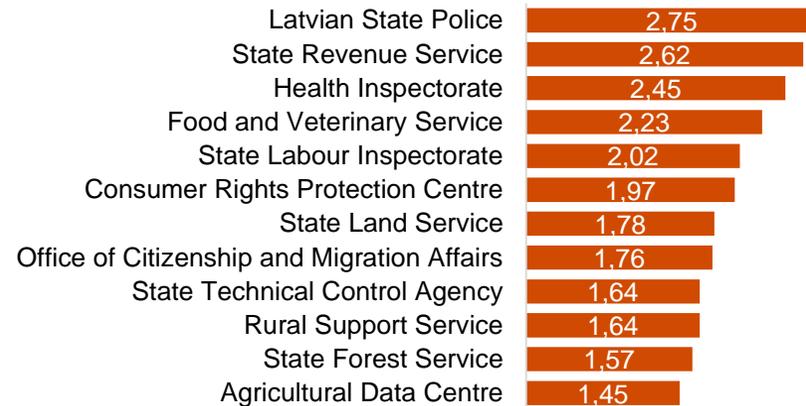
Reputation

Reputation of certain institutions is largely affected by trust that lays in competence and values as well as in their performance and communication

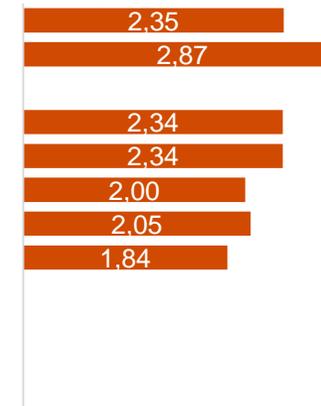
The reputation of institutions that are less valued in terms in their ability to communicate with citizens in satisfactory manner, insufficiently informs the society on anti-corruption activities performed and are consider as unopened in terms on listening to suggestions. Therefore, integral element of building positive reputation is engagement with users and action according to their needs

Opinion on whether institution, its employees have good reputation in society (In scale 1 (the best) to 4 (the worst), 2017)

Citizens



Entrepreneurs



Average by citizens: 2.32

Average by entrepreneurs: 2.64

More positive evaluations

- Age: 64+
- Basic education
- Unemployed
- Housewives, students
- Low or moderately low income
- Living in countryside

More negative evaluations

- In the age group of 18 to 24
- Those with higher education
- Working in the private sector
- Those with high income
- Those based in Riga

More positive evaluations

- Those being based in Rēzekne, Daugavpils, Jūrmala, Jēkabpils
- Turnover: 50 thousand to 2 million
- Number of employees: 10-49

More negative evaluations

- Member of the board
- Based in Valmiera
- Working in the industrial field
- Have from 50 to 249 employees
- Turnover between 16 000 and 49 999 EUR

Best practices and lessons learned

Determinants of trust in private sector

Edelman Trust Barometer show that trust is formed mainly through personal experience as well as feedback available on experience of others. Crucial factor in buying decision is quality. In addition, people are more willing to buy brands whose values and behaviours are consistent with their personal ones



Edelman Trust Barometer reveals a difference in trust between business and government. Business are considerably more trusted. Therefore, public sector has to leverage good practices from business in terms of building trust and developing brands that are highly appreciated among people



There is variety of reasons why people choose certain brands in the private sector. Although, direct competition between public and private sectors is rare phenomena, private sector has set high standards in building their brand. Therefore, public sector cannot avoid from being compared and should be capable of keeping up

Percent who say each attribute is a deal breaker or deciding factor in their buying decision (2019)



Source: [Edelman Trust Barometer \(2019\)](#), [Edelman In Brands we Trust \(2019\)](#)

Best practices and lessons learned

Public sector in EU and OECD countries

| Values-based culture  | Unified identity  | Citizen-centric approach  | Citizen and stakeholder engagement  | Sharing and rewarding best practices  |
|--|--|--|--|---|
| <p>Values and ethical principles are considered to be foundation of successful public administration as they shape the culture and reflect desired patterns of action</p> | <p>Unified identity embodies core elements reflecting the character of particular brand (including visual elements, standardised patterns, etc.)</p> <p><u>Canada</u> </p> <p>Canada has unified identity for federal government (corporate identity, design, message, stationery, signage, marketing, etc.)</p> | <p>Citizen-centric approach ensures that all interactions between citizens and public administration builds positive experience, whereas communication addresses needs of target audience</p> | <p>Citizen and stakeholder engagement in policy-making and service design by applying various methods of participation</p> | <p>Focusing on sharing good practices and initiatives in public sector to general public in order to improve reputation of public administration</p> |
| <p><u>Australia</u> </p> <p>In order to enliven values in public administration, in Australia discussions are organised among employees to make them personally attached. Annual survey takes place in order to track employees views</p> | <p><u>Japan</u> </p> <p>Many Japanese municipalities similar to sports teams has representing mascots. This gives municipalities a character, personality and develops image. Many mascots have become popular on social media both locally and abroad</p> | <p><u>United Kingdom</u> </p> <p>Citizen-focused website that includes 25 ministerial departments, 405 other agencies and public bodies and allows citizens to obtain information on public services in one place</p> | <p><u>Sweden</u> </p> <p>Sweden emphasizes the need for service design in collaboration with citizens. One of projects implemented is "Innovationsguide" that supports public sector development on basis of user needs</p> | <p><u>United Kingdom</u> </p> <p>Awards for excellent public service communications regardless of budget, discipline and channel</p> |

Best practices and lessons learned

Private sector in EU and OECD countries

| Re-defining the values  | Unified identity  | Employer branding  | Display of values  | Customer focus  |
|--|---|--|--|---|
| <p>As organisation evolves, so should its values. Re-defining organisational values calibrates the organisation, which shapes the culture and actions toward the future organisational goals</p> | <p>Unified identity embodies core elements reflecting the character of particular brand (including visual elements, standardised patterns, etc.)</p> | <p>Employer brand describes an employer's reputation as a place to work, and their employee value proposition. Promoting as employer of choice to attract the target employee</p> | <p>Display of values contributes to organizations brand in the eyes of both the customer and the employee, and acts as a remainder what organization stands for</p> | <p>Organization's orientation towards serving its' clients needs. Customer focus ensures that satisfaction of customers and fulfilling their needs are put first</p> |
| Uber  | Google  | Heineken  | SEB  | Amazon  |
| <p>"The culture and approach that got Uber where it is today is not what will get us to the next level," said CEO Dara Khosrowshahi. Uber organised 20 employee work groups to define the new values of Uber</p> | <p>Google's identity is perceived as unified on all displays and mediums (corporate identity, colour schemes, logos, fonts, materials, interfaces, marketing etc.). Over 200 product's design is based on the same brand identity</p> | <p>Besides CV, applicant needs to fill out a video form that invites to answer series of various questions in 5 seconds each. Some of the snippets were used in their marketing campaign demonstrating that their brand revolves around the personality and ambitions of their employees</p> | <p>SEB's values are displayed in the workplace, lobbies, seminars and on roadshows. Higher management is used as value ambassadors for communicating the values. Combined with hiring strategy, SEB ensures value communication top-down and bottom-up</p> | <p>Amazon tries to make customer lives easier by providing wide variety of services in the most convenient way. Understandable and easy processes, instant delivery and gift vouchers and free months of Prime if anything goes wrong</p> |

Latvia

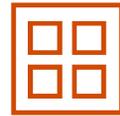
Current status of activities related to brand of public administration

In line with best practice examples from public and private sector in other EU and OECD countries, Latvia take steps to unify public sector identity, introduce values-based culture as well as put increasing focus on user



Unified visual identity
(adopted 01.01.2015)

Establishment of unified visual identity of state institutions that replaces different logos that were used by state institutions



Defined values and ethical principles
(adopted 21.11.2018)

Adoption of Cabinet of Ministers regulation “Values and Ethical Principles of the Public Administration”



Whistleblowing Law
(adopted 11.10.2018)

Attempts to raise public interest and courage to report violations and improve the protection of whistle-blowers



Good service movement
(introduced in 2015)

Engagement of citizens in evaluation of customer service specialists. Top customer service specialists are rewarded on annual basis. Movement contributes to developing customer-oriented culture in public administration



Advise first principle
15.06.2017

Memorandum to improve cooperation between entrepreneurs and supervisory authorities, by focusing on advising and supporting instead of punishing



Common governmental website
(in development process)

Single, centralised website management solution for state and municipal institutions with unified structure and improved user experience



Lack of single customer service standard

There are various EU and national level requirements and guidelines that concerns customer service in public sector, but no universal standard has been developed. It is believed by Latvia there is no need to create a single document

Latvia

Potential development directions related to reputation of public administration

On basis of identification of main issues in Latvia and in line with best practices from public and private sectors in other countries, four potential development directions are identified in order to improve the reputation of public administration in Latvia

