



Future of Advice podcast

Practical steps to modernise talent and leadership in Luxembourg's public service

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Host: Welcome back to the *Future Advice Podcast* by Deloitte Luxembourg. Today, we're taking a deep dive into something that feels a little less digital than our usual topics.

Guest: Right. Less about shiny new tech and more about the humans.

Host: Exactly. The humans working in the public sector here in Luxembourg.

Guest: Yeah.

Host: Because from what we're seeing in the research, the pressure cooker is really turning up.

Guest: "Pressure cooker" is definitely the right phrase. If you look at the landscape of the Luxembourg public sector right now, it's effectively facing a perfect storm.

Host: Yeah. You've got this massive talent shortage.

Guest: Which isn't unique to Luxembourg. Everyone is feeling it. But it's felt very acutely here, given the size of the market.

Host: And then you have this relentless demand for new digital and regulatory skills. On top of that, there's the demographic cliff: the workforce is aging, people are retiring, and they're taking decades of institutional memory out the door with them.

Guest: That's the part that always scares me. You have someone who's been there for 30 years. They know exactly why some obscure regulation from 1995 exists. The day they retire, that knowledge just completely evaporates.

Host: It's gone. And the tension — which is really the heart of our deep dive today — is that the old ways of doing things just aren't cutting it anymore.

Guest: You mean the slow hiring processes?

Host: Exactly. Hiring processes that take months. Rigid job descriptions that gather dust in a drawer. Traditional top-down management. It's all just too slow.

Guest: It feels a bit like trying to run the latest smartphone OS on a desktop computer from 1995.

Host: Mm-hmm.

Guest: The hardware — the people — might be totally capable, but the operating system — the management structure — crashes every time you try to do something new.

Host: That's a great analogy. And the reality is, this isn't just about tweaking a few HR policies or buying a new software platform. Our mission today is to outline a fundamental shift in how the public sector operates.

Guest: Right. So we're looking at three main pillars from the source material.

Host: Yes. First, moving from rigid roles to a skills-based organization. Second, making continuous learning the true engine of resilience. And third, completely redefining the role of the manager.

Guest: Okay, let's jump into the first one: moving to a skills-based model. I have to play devil's advocate here for a second because, honestly, I like my job title. It tells the world who I am. It dictates my salary band. Why are job titles becoming less relevant?

Host: We're not saying you should burn the organizational chart tomorrow. But think of it this way: a job title is a static label.

Guest: Right?

Host: But the work required by the public sector is dynamic. It changes constantly. In a world driven by AI and shifting citizen needs, headcount based purely on job titles doesn't actually tell you what your workforce can do.

Guest: It's like having a giant toolbox where everything is labeled "tool." You don't know if it's a hammer or a screwdriver until you open it up.

Host: Precisely. Or worse — everything is labeled "hammer," but half of them are actually screwdrivers, and you're trying to pound in a nail with a Phillips head.

Guest: Which doesn't work. And if you have a rigid structure and a new priority comes along — say, a sudden need to modernize a digital public service — you might look at your org chart and say, "Well, we don't have a digitalization officer in this department, so we can't do it."

Host: Right. You assume the capability doesn't exist just because the label doesn't exist. So the ability to react is completely slowed down.

Guest: Exactly. Workforce planning can no longer be a once-a-year HR exercise where you just look at headcount. It has to be a continuous strategic lever. You treat the organization as a collection of skills rather than a hierarchy of roles.

Host: So what does that look like in practice? How do you map those skills?

Guest: You map them in depth. You look far beyond the current job title. For example, you might have someone in a purely administrative role who happens to be an incredible coder in their spare time.

Host: Or someone in finance with amazing project management skills that aren't being used because their box says "accountant."

Guest: Right. You need to understand what people are actually capable of. Once you've mapped that out, you can start forming agile, project-based teams.

Host: Okay, pause there. Agile teams sound great in theory. But in the public sector — where budgets are siloed and departments operate almost like little fiefdoms —

Guest: That's the friction point.

Host: Because if I'm a director, I won't want to loan out my best person to another department just because they have the right skills. I need them for my own work.

Guest: And that mindset is exactly what has to change. The organization has to view talent as a shared asset. Instead of relying on formal hierarchy, you assemble teams based on the specific mix of skills needed for a task. Think of it like a film crew.

Host: A film crew?

Guest: When you make a movie, you bring together a sound engineer, a lighting technician, a director, and actors for one specific project. It doesn't matter what permanent department they belong to. Once the movie wraps, they move on to the next project.

Host: That makes sense. It's a huge shift for recruitment and promotion too, right? You're prioritizing skills over degrees or tenure.

Guest: A huge shift. It opens up internal mobility and secondments. But to make it work — to make objective recruitment possible — you need a common language.

Host: Which brings us to the framework mentioned in the research: the "Model of Competence 5 + 1," which sounds a bit like a math equation. What is the 5 + 1?

Guest: It's actually an elegant way to standardize how we talk about talent. The "+1" is the technical expertise — the specific knowledge required for the job, like tax law or civil engineering.

Host: Right.

Guest: The "5" are behavioral competencies that apply to everyone: information management, communication, collaboration, service orientation, and self-management.

Host: So it creates a common language for soft skills and behaviors. Instead of just saying someone is a "good worker," you can be specific about their capabilities.

Guest: Exactly. And we're already seeing this skills-first mindset in action here in Luxembourg. The research specifically mentions the Digital Learning Hub.

Host: Oh yes — the initiative by the Ministry of National Education, Children and Youth.

Guest: Yes. They support lifelong learning to bridge the digital skills gap. It's practical, hands-on proof that the public sector knows the old ways aren't enough.

Host: Which leads perfectly into our second pillar. If skills change as fast as they do now — driven by AI and new ways of working — the question isn't if gaps will emerge, but how the organization responds.

Guest: Absolutely. The shelf life of skills is getting shorter. That's why continuous learning has to be the engine of resilience. It can't be a side project.

Host: But when I hear "public sector training," I picture a windowless room, a PowerPoint with 50 slides, and a trainer reading bullet points. It feels like a massive distraction.

Guest: We've all been in that room. That's the old model: rigid training calendars and mandatory box-ticking exercises. The new model is learning in the flow of work.

Host: Break that down for me.

Guest: Learning isn't a destination — it's a tool you use while you work. It involves microlearning, coaching, and peer-led sessions.

Host: So like a YouTube tutorial. If I get stuck on a spreadsheet, I don't take a three-day course. I watch a five-minute video right then and there.

Guest: Exactly. And technology plays a key role — AI-enabled learning management systems can personalize learning journeys.

Host: Based on your role and interests?

Guest: Based on your role, interests, and prior learning history. The AI acts like a recommendation engine, pushing relevant microlearning when you need it.

Host: But training is experienced so differently across staff. Some feel unsupported. Others see it as an annoyance. How do we align that?

Guest: A few things are essential. First, development plans must be grounded in honest conversations between managers and employees. Staff need a voice in their own growth.

Host: They have to want to learn.

Guest: Exactly. Second, training curricula must focus on future-required skills — not just today's needs. It's about strategic alignment.

Host: And the third piece?

Guest: Performance objectives should be linked to explicit learning goals in annual work plans.

Host: So job evaluation includes whether you acquired new skills — not just output.

Guest: Exactly. Luxembourg already has a strong foundation: the public service training platform offers over 700 courses. The challenge is connecting that internal platform with specialized external providers to cover rapidly evolving skills.

Host: So we have the skills-based model. We have continuous learning. But none of this happens without the right leadership.

Guest: Which brings us to the third pillar: redefining the manager.

Host: Possibly the most important piece.

Guest: In the past, career paths often promoted people based on seniority or technical expertise. But management is a profession in itself.

Host: Being a great technical expert doesn't mean you know how to manage people. It requires competencies in leadership, communication, and change management.

Guest: It's the shift from being a supervisor to being a builder.

Host: Exactly — from supervision to judgment, enablement, and capability building. The research outlines five priorities for these new public managers.

Guest: Let's go through them.

Host: First: coaching and mentoring — guiding people through complexity instead of just giving instructions.

Guest: Takes more time upfront, but pays off later.

Host: Second: supporting ongoing learning — actively connecting training to daily tasks.

Guest: Third?

Host: Owning and cascading objectives — translating high-level strategy into clear individual goals so people understand why their work matters.

Guest: Connecting the dots. I like that.

Host: Fourth: mapping capabilities — maintaining a clear view of your team's real skills and identifying gaps.

Guest: And the fifth?

Host: Managerial courage.

Guest: That's a big one.

Host: It means providing timely, honest feedback and not avoiding difficult conversations. In environments with high job security, it's easy to ignore underperformance.

Guest: But that demotivates high performers. A true builder of talent has the courage to say, "This isn't working. Let's figure out how to fix it."

Host: And managers need support too. Management training can't be a one-and-done course. It must be a continuous journey backed by senior leadership.

Guest: And supported by key enablers — like HR Business Partners.

Host: The HRBPs play a vital role.

Guest: They connect people strategy with operational execution. They help managers set goals, prepare for difficult conversations, and create environments for growth.

Host: Almost like personal trainers for managers.

Guest: Exactly. Without empowered HRBPs, managers risk drowning in day-to-day operations.

Host: So if we zoom out — what's the ultimate goal?

Guest: Building a resilient, adaptable, future-ready public workforce.

Host: And it won't happen overnight.

Guest: No. There will be resistance, limited resources, and deeply ingrained habits. But momentum is real. Teams are already experimenting — like with the Digital Learning Hub. The shift is underway.

Host: To recap: first, value skills over static job titles. Second, embed learning into the workflow. Third, evolve the manager into a coach and builder of talent.

Guest: That sums it up perfectly.

Host: I'll leave listeners with one final thought. The challenges of attracting and retaining talent are real — but they're also opportunities to reshape how public services are delivered.

Guest: It's not just about hiring more people. It's about unlocking the capabilities of the people already in your organization.

Host: It's about seeing the talent you already have through a new lens. Thank you for listening. Until next time.