

Public Sector strategic vision 2026-2036

Future proofing
public services:
The strategic journey
from disruption
to transformation



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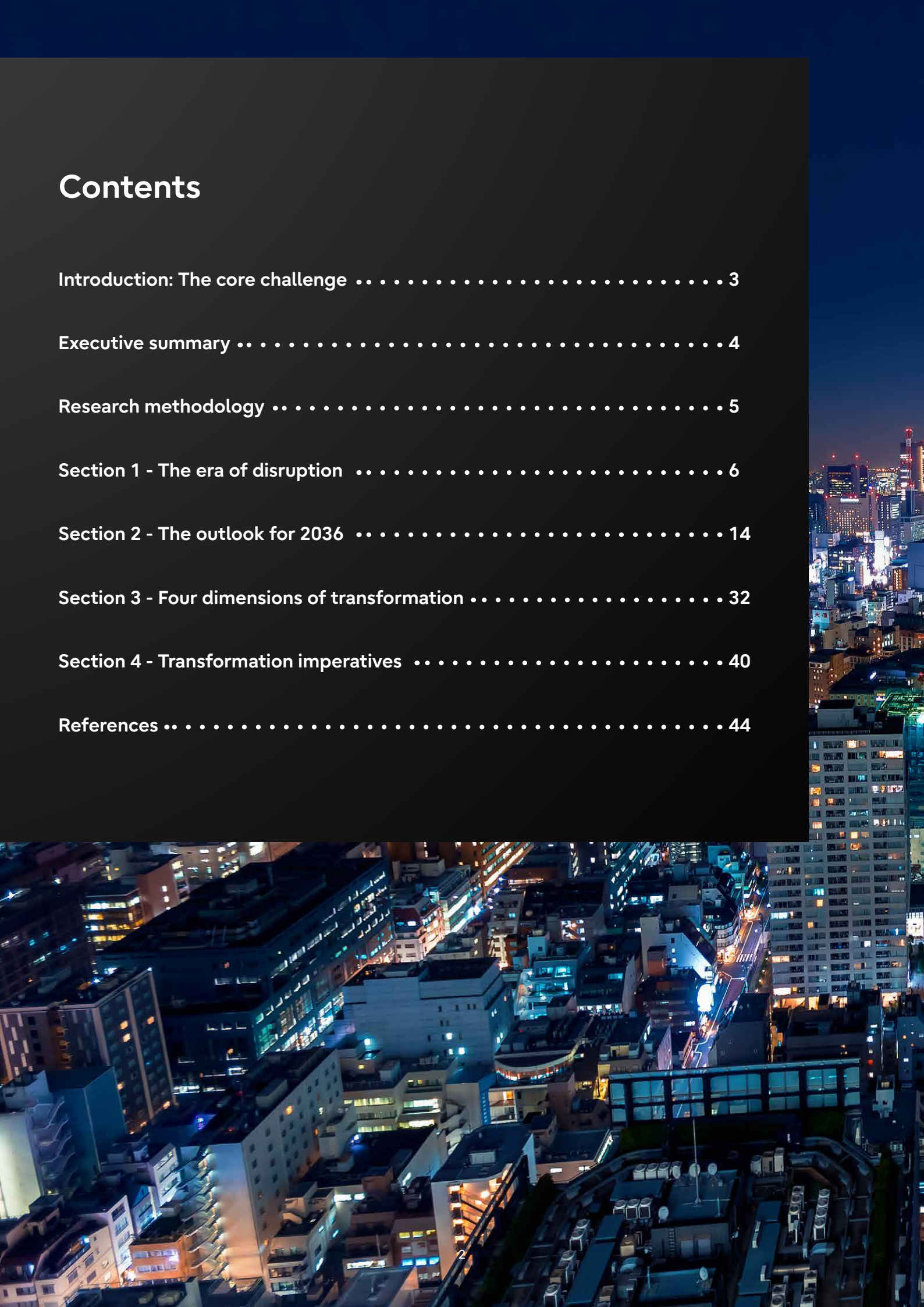
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An aerial night view of a city skyline, likely Tokyo, with a train track in the foreground. The city is illuminated with various lights, and the train tracks are visible with some light trails. The background shows a dense urban area with many buildings and lights.

Introduction: **The core challenge**

Navigating the tension between rapid technological advancement and the pace of Public Sector transformation.

The Public Sector operates at the intersection of accelerating technological innovation and the realities of complex, mission-critical service delivery. While advances such as predictive analytics and hyper connectivity are redefining what is possible, legacy environments, established ecosystems, and the need for stability shape how quickly transformation can be achieved.

Leaders are recognizing that the potential of digital transformation must be balanced with the realities of Public Sector delivery. Rapid advances in technology are redefining what is possible, while governance, legacy environments, and distributed decision-making influence the pace of change. At the same time, trust remains a critical enabler for investment, workforce transformation, and cross-sector collaboration.

This report bridges immediate priorities with long-term transformation, helping leaders address today's challenges while building resilient and trusted public services for the future.

Leaders must move from reactive management to proactive, outcome-driven systems that connect today's challenges with the capabilities of tomorrow.

Executive summary

Addressing the demographics and strengthen trust to build resilient public services for 2036.

This report provides a strategic roadmap for Public Sector leaders to navigate the compounding pressures of a fragmented world. It outlines the journey from the immediate challenges associated with trust deficits and procedural complexity, towards proactive, outcome-driven public services.

The era of steady disruption

Examines the key challenges shaping public sector transformation today, including evolving trust expectations and leadership capability gaps. It explores how maintaining public confidence and strengthening decision-making at all levels are critical to accelerating modernization and ensuring effective service delivery.

The outlook for 2036

Maps the foresight process, outlining the strategic transition towards long-term resilience and the external future environments that will dictate operations. It emphasizes the necessity of moving away from the hype of standalone technology towards ubiquitous, invisible automation that directly addresses the double burden of an aging population and a shrinking skilled workforce.

Four dimensions of transformation

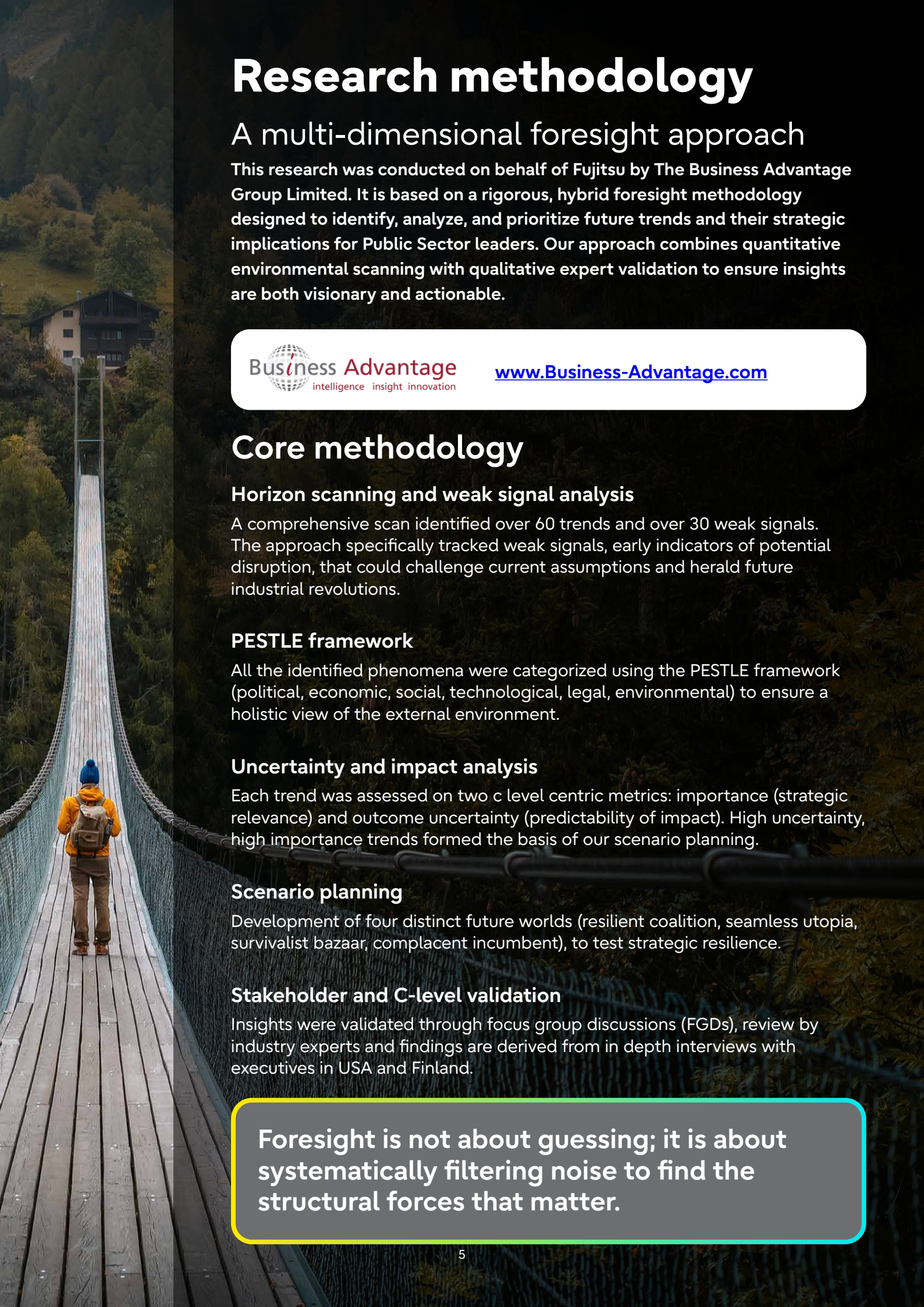
Explores the structural disablers and technological enablers required to shift from fragmented service provision to holistic system management. It defines the four plausible external scenarios ranging from a highly integrated smart state to a fragmented state of paralysis and provides a framework to stress test business models against these critical uncertainties.

Transformation imperatives

Provides five concrete strategic routes to convert foresight into actionable operations. From deploying an automated efficiency drive to building an inclusive mobility bridge, these structured pathways offer leaders a practical playbook to secure operational resilience and navigate the transition from reactive firefighting to systemic stability.

The strategic mandate is to execute actions that solve short-term crises today while building resilience for any of the four varied future environments.





Research methodology

A multi-dimensional foresight approach

This research was conducted on behalf of Fujitsu by The Business Advantage Group Limited. It is based on a rigorous, hybrid foresight methodology designed to identify, analyze, and prioritize future trends and their strategic implications for Public Sector leaders. Our approach combines quantitative environmental scanning with qualitative expert validation to ensure insights are both visionary and actionable.



www.Business-Advantage.com

Core methodology

Horizon scanning and weak signal analysis

A comprehensive scan identified over 60 trends and over 30 weak signals. The approach specifically tracked weak signals, early indicators of potential disruption, that could challenge current assumptions and herald future industrial revolutions.

PESTLE framework

All the identified phenomena were categorized using the PESTLE framework (political, economic, social, technological, legal, environmental) to ensure a holistic view of the external environment.

Uncertainty and impact analysis

Each trend was assessed on two c level centric metrics: importance (strategic relevance) and outcome uncertainty (predictability of impact). High uncertainty, high importance trends formed the basis of our scenario planning.

Scenario planning

Development of four distinct future worlds (resilient coalition, seamless utopia, survivalist bazaar, complacent incumbent), to test strategic resilience.

Stakeholder and C-level validation

Insights were validated through focus group discussions (FGDs), review by industry experts and findings are derived from in depth interviews with executives in USA and Finland.

Foresight is not about guessing; it is about systematically filtering noise to find the structural forces that matter.

Section

1

The era of disruption

Navigating the friction between technological acceleration and the inherent complexities of public administration.

The era of steady disruption

The immediate operational reality of the Public Sector is characterized by steady evolution rather than overnight revolution.

The Public Sector is currently pinned between the relentless push for digital transformation and the anchoring weight of legacy infrastructure and bureaucratic processes. This friction creates a unique operating environment where external shocks, such as fluctuating tax bases and geopolitical cyber threats, collide with internal emergencies like severe talent shortages and fragmented data silos.

Consequently, the primary blockers to modernization are not solely technological, but fundamentally human and structural. To move forward, Public Sector organizations need to address the deep seated trust crisis and leadership capability gaps that currently stall systemic progress.

How would you characterize the current pace of change within the Public Sector?

"I think to be honest, I think there is a lot of hype around this industry... I would definitely choose steady evolution."

Chief Medical Officer | Public Sector | Finland

Systemic resilience begins by acknowledging that structural bureaucracy and a deficit of trust are the primary barriers to digital execution.

External forces: The funding squeeze

Macroeconomic shifts and evolving work patterns are fundamentally eroding traditional Public Sector funding models.

The Public Sector is facing unprecedented financial constraints exacerbated by changing societal behaviors. As virtual work becomes a permanent fixture, traditional geographic tax bases are diminishing, leaving city and regional budgets severely strained. This economic pressure is increasing due to rising infrastructure maintenance costs, compounded by the growing threat of external, state-sponsored cyber attacks and other criminal activities, both of which demand significant investment in advanced defensive capabilities.

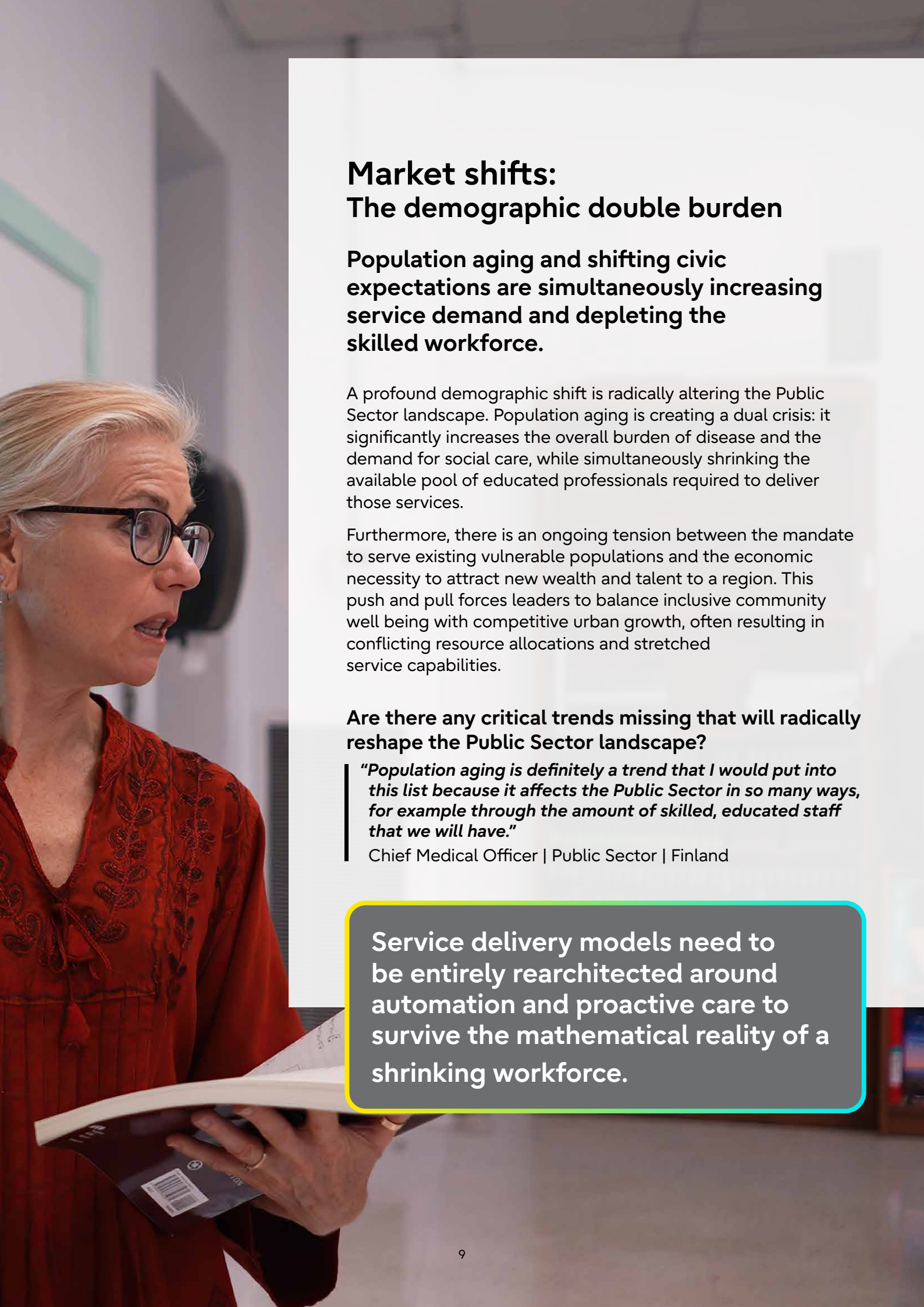
Leaders are forced to navigate this scarcity while attempting to maintain essential services, making legacy funding models completely unsustainable. The challenge is no longer just balancing the budget but fundamentally rethinking how public value is generated and funded in a digitized, borderless economy.

What is the single pain point causing the most disruption today for your organization?

"Funding is for one. It is always going to be your number one issue."

Chief Human Resource Officer | Public Sector | USA

Leaders should consider diversifying revenue streams and transitioning towards outcome based financing to counteract the erosion of traditional geographic tax bases.



Market shifts: The demographic double burden

Population aging and shifting civic expectations are simultaneously increasing service demand and depleting the skilled workforce.

A profound demographic shift is radically altering the Public Sector landscape. Population aging is creating a dual crisis: it significantly increases the overall burden of disease and the demand for social care, while simultaneously shrinking the available pool of educated professionals required to deliver those services.

Furthermore, there is an ongoing tension between the mandate to serve existing vulnerable populations and the economic necessity to attract new wealth and talent to a region. This push and pull forces leaders to balance inclusive community well being with competitive urban growth, often resulting in conflicting resource allocations and stretched service capabilities.

Are there any critical trends missing that will radically reshape the Public Sector landscape?

"Population aging is definitely a trend that I would put into this list because it affects the Public Sector in so many ways, for example through the amount of skilled, educated staff that we will have."

Chief Medical Officer | Public Sector | Finland

Service delivery models need to be entirely rearchitected around automation and proactive care to survive the mathematical reality of a shrinking workforce.

Competitive landscape: The partnership friction

Navigating a complex web of vested interests and Private Sector agendas is slowing down public innovation.

Unlike private enterprises that can pivot rapidly to capture market share, Public Sector organizations operate within a highly constrained ecosystem of vested partnerships and legally binding administrative tasks. The competitive landscape is not defined by traditional market rivals, but by the complex negotiation required between local businesses, industries, and resident groups, each pushing conflicting priorities.

This dynamic frequently stalls progress, as reaching consensus among divergent stakeholders slows the adoption of new operational models. Additionally, the sector faces fierce competition from private technology firms when trying to attract top tier digital talent, forcing public institutions to rely on external vendors or face significant implementation delays.

Why is the Public Sector struggling to match the pace of change seen in the broader commercial industry?

"The Public Sector has a lot of vested partnerships... industry, local business residents. Everyone has their own kind of agenda."

Chief Human Resource Officer | Public Sector | USA

Organizations need to transition from fragmented stakeholder appeasement towards unified, system-wide partnerships driven by shared outcome metrics.



Internal challenges: The capability gap

A deficit in substance knowledge at the leadership level is leading to poor decision making and resource waste.

A critical internal barrier to transformation is the misalignment of leadership capabilities with the specific operational realities of public service. As organizations attempt to modernize, they frequently import executives from unrelated commercial sectors who lack a fundamental understanding of civic duty, clinical pathways, or community dynamics.

This knowledge gap creates a severe language barrier between top level management and front-line professionals. Consequently, leadership struggles to make effective tactical and operational decisions, often investing capital into superficial fixes rather than addressing the root causes of systemic inefficiency.

What do you see as the biggest internal barrier to your organization adapting at the necessary pace?

"If we are trying to lead a transformation, you actually need to be able to understand what it is that you are leading. If you come from the chocolate or biscuit industry, you do not necessarily understand the substance. Without understanding the basic principles, where value and data are created between patients and professionals, resources are wasted."

Chief Medical Officer | Public Sector | Finland

Leadership recruitment and training programs need to prioritize deep sector specific substance knowledge alongside general digital management skills.

Technological barriers: Solving the wrong problems

The misalignment between sophisticated technology offerings and actual Public Sector needs is creating systemic friction.

The promise of artificial intelligence and digital transformation is frequently undermined by a top down approach to technology procurement. The Public Sector often falls into the trap of purchasing highly advanced, theoretical solutions that completely miss the practical realities of front-line service delivery.

This occurs because the true innovation potential resides where professionals interact directly with citizens, yet technology decisions are often made in bureaucratic isolation. When external vendors fail to listen to the actual unmet needs of the community, capital is wasted on systems that add complexity rather than utility, deepening the divide between digital expectation and operational execution.

What makes insights and solutions from a technology partner feel truly actionable?

"There is a lot of frustration there... companies are offering brilliant solutions to the wrong problems."

Chief Medical Officer | Public Sector | Finland

Technology investments should be decentralized, empowering front-line professionals to select tools that directly solve validated, everyday operational bottlenecks; however, front-line professionals must also be part of the decision-making team, as focusing only on their needs is not sufficient.



Summary:

The mandate for integration

2026 is defined by fragmentation and scarcity; the future requires proactive intelligence and trust.

We have established that the Public Sector is currently pinned between external shocks, such as an eroding geographic tax base and extreme demographic shifts. And internal emergencies, including a severe leadership capability gap and disconnected technology procurements. This polycrisis is defined by the collision of these forces against a rigid, bureaucratic framework. The old maps no longer work, and navigating this landscape requires a holistic hybrid transformation that addresses all these colliding forces simultaneously.

The strategic outlook - In 2026, public organizations need to accelerate change to survive. They should consider:

- Addressing the trust crisis by establishing radical transparency in all digital and policy initiatives.
- Dismantling bureaucratic hierarchies to empower front-line, data driven decision making.
- Aligning technology investments exclusively with validated, outcome based citizen needs.
- Building cross sector partnerships that operate on shared, system wide metrics.

What would be the biggest risk for your organization when attempting to respond to these compounding trends?

"You become paralyzed if you... lose trust... it can set you years and years behind because nothing is happening."

Chief Human Resource Officer | Public Sector | USA

To break free from current operational paralysis, organizations need to understand the external future scenarios that will dictate the next decade of public service delivery.

Section

2

The outlook for 2036

Integrating intelligence and automation to build systemic value for the next decade.





The strategic imperative of the long-term view

Decisions made today must be designed to withstand the pressures of the next century.

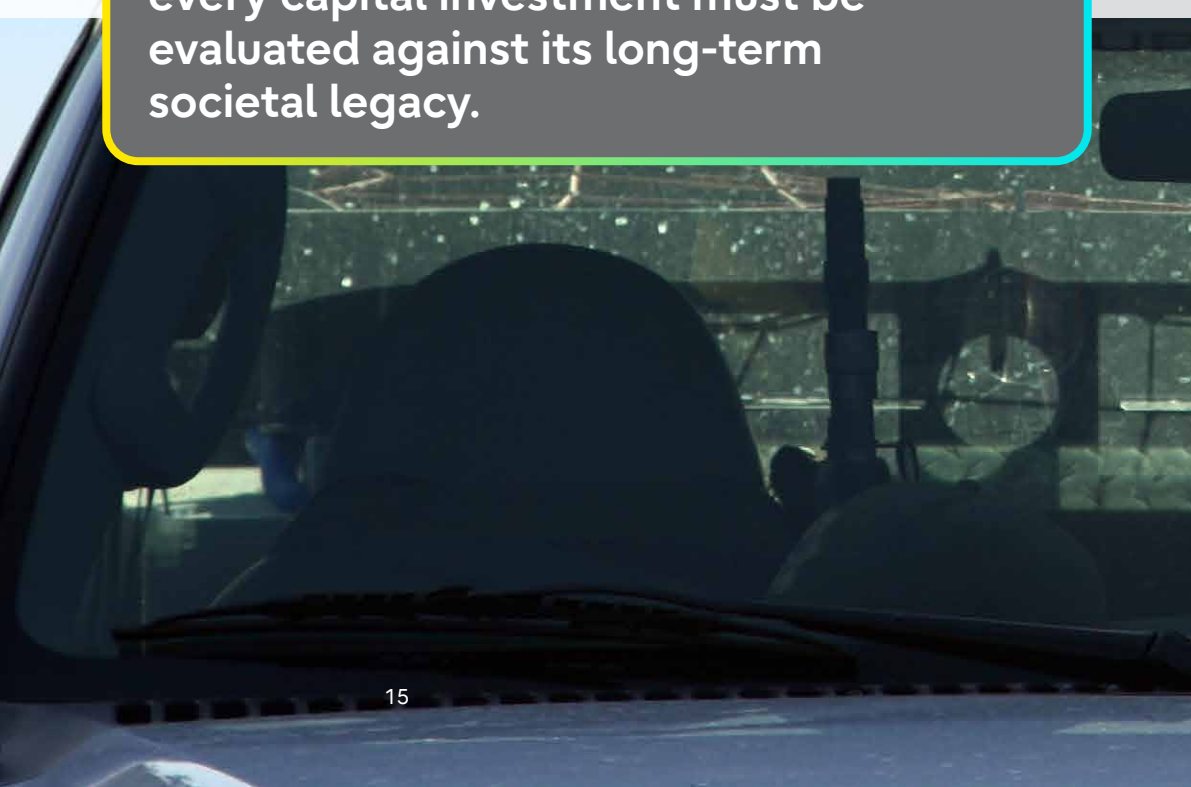
Public Sector investments are not measured in fiscal quarters but in generational impact. The structural rigidity discussed in the previous section means that the infrastructure, data systems, and social programs enacted now will define civic life for decades. Leaders need to move beyond reactive symptom management and adopt a proactive, long-term vision.

This requires balancing immediate operational crises with sustainable, future proof architectures. Organizations can no longer afford to implement stop gap measures; they must prioritize capital investments that offer durability and systemic value, ensuring that today's solutions do not become tomorrow's legacy burdens.

How far ahead should Public Sector leaders be looking when making core infrastructure decisions?

"What we lay down in the next 10 years is going to be critical for the next, you know century."

Chief Human Resource Officer | Public Sector | USA



Short-term fixes are no longer viable; every capital investment must be evaluated against its long-term societal legacy.

From market signals to strategic scenarios

We applied a rigorous analytical filter to separate temporary noise from permanent structural change.

To ensure this outlook is grounded in reality rather than speculation, we executed a rigorous multi stage foresight process. We began by casting a wide net, identifying a long list of broad trends and emerging weak signals from across the global Public Sector ecosystem.

These inputs were then validated through expert focus groups and in depth interviews with c suite leaders. Finally, we applied a PESTLE impact analysis to rate these forces by importance and uncertainty. This filtration process allowed us to derive the two critical axes: the societal fabric and governance paradigm, which form the matrix of our four future scenarios. Foresight is not about guessing; it is about systematically filtering noise to find the structural forces that matter.

Why is it critical for Public Sector organizations to adopt a formalized, forward looking strategy?

"Industry changes so quickly, society is changing so quickly that you have to be proactive... you have to think about what is coming down the road."

Chief Human Resource Officer | Public Sector | USA

A formalized foresight process acts as an early warning system, allowing leaders to prepare for multiple plausible futures.

The forces shaping the Public Sector landscape

A convergence of demographic, technological, and social pressures is redefining the boundaries of civic administration.

Several dominant macro trends are fundamentally rewriting the rules of the sector. The shift towards proactive, citizen centric governance is forcing a move away from process oriented bureaucracy to data driven outcomes. Simultaneously, the integration of artificial intelligence offers tremendous efficiency gains but also introduces new complexities regarding algorithmic compliance and digital trust.

These technological shifts are occurring against a backdrop of severe talent shortages, an aging population, and a growing mandate to prioritize holistic citizen well being over pure economic output. Successfully navigating the next decade will require leaders to address these disparate forces not in isolation, but as interconnected components of a broader systemic shift.

What is the fundamental shift required to meet the increasing demands for public service effectiveness?

"To be more outcome oriented, there is a need to be more in control of what is actually being done with patients."

Chief Medical Officer | Public Sector | Finland

True transformation requires integrating technological and social forces into a cohesive, system wide operational strategy.

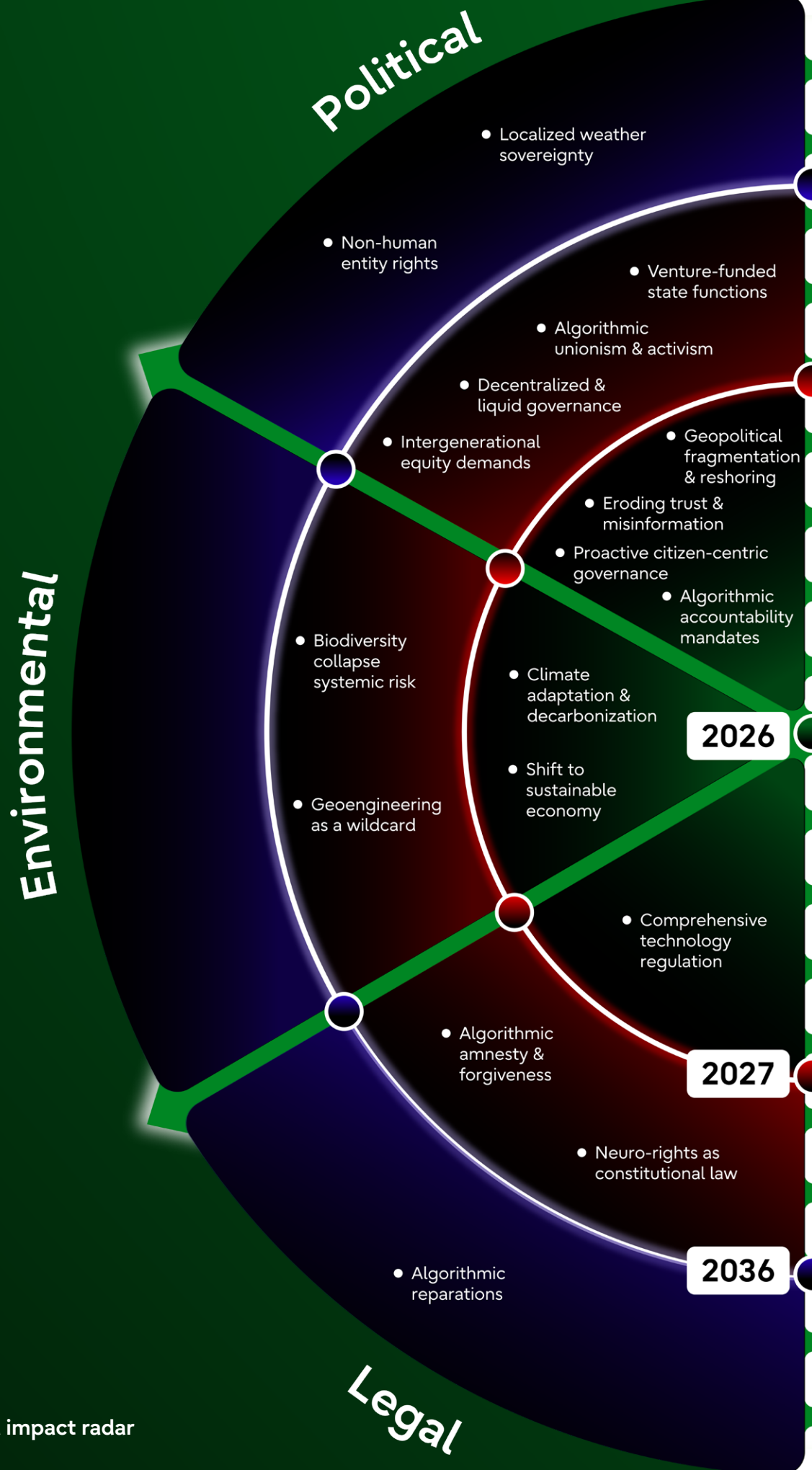
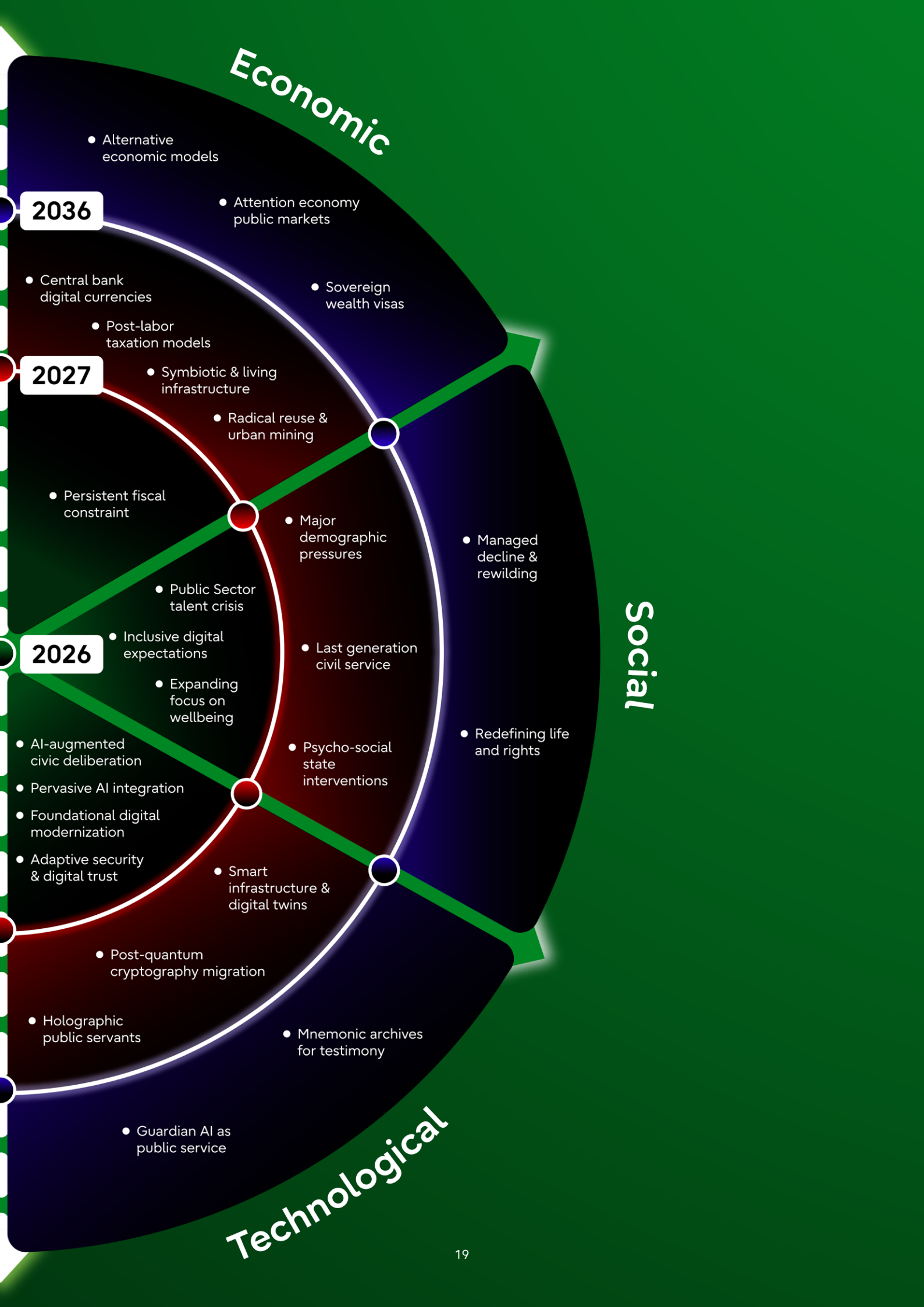


Figure 1: The macro-trend impact radar



From trends to scenarios: The logic of the future

Scenarios are not guesses; they are the structured outcome of high impact, high uncertainty forces colliding.

To derive the four potential futures of 2036, we applied a rigorous trend impact analysis and an uncertainty filter to the core structural forces identified in our research.

- **Rating**

We rated every trend on two dimensions:

- Importance (how much it matters for the case).
- Uncertainty (how hard it is to predict its outcome).

- **Filtering**

Trends that are high importance / low uncertainty are treated as guaranteed realities present in all scenarios.

- **Axes formation**

The trends that are high importance / high uncertainty, specifically governance paradigm and societal fabric, became the two axes of our matrix. These are the variables that will define the differences between the four visions of future worlds.

In the following slides, each scenario is accompanied by a trend radar. This visualization maps the ten structural forces to show the unique pressure profile of that scenario. The shape of the radar changes to reflect which forces are dominant in that specific future.

To map the future, we filtered the main structural trends through a matrix defined by two critical axes:

The governance paradigm (ranging from proactive and data driven to reactive and bureaucratic) and the societal fabric (ranging from cohesive and collaborative to fragmented and distrustful). Crucially, the resulting four scenarios are not strategic options for an enterprise to select from a menu.

They represent unpredictable external environments dictated by macro forces beyond any single company's control. Therefore, the goal is not to choose a favorite scenario, but to formulate robust, adaptive strategies to prepare for all four possible futures.

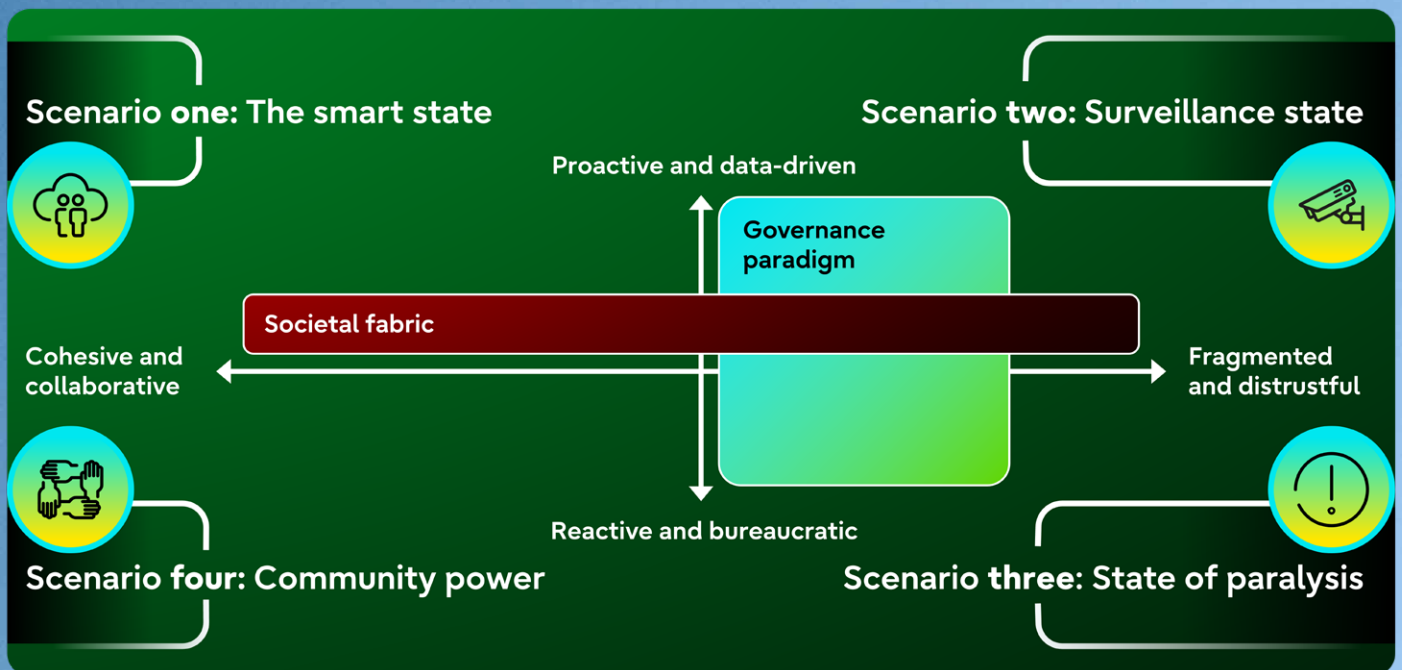


Figure 2: Public Sector strategic scenario matrix

Defining the critical uncertainties

Two dominant forces, societal fabric and governance paradigm, intersect to define the four futures.

The trends identified previously do not operate in a vacuum; they interact and collide. To make sense of this complexity, we mapped these trends against the two most unpredictable and high impact variables facing the industry. The horizontal axis defines the societal fabric, ranging from a deeply fragmented and distrustful populace at one extreme to a highly cohesive and collaborative society at the other. The vertical axis plots the governance paradigm, contrasting a highly proactive and data driven administrative approach against a slow, reactive, and bureaucratic system.

We cannot predict which axis will dominate, so we must prepare strategies that can navigate the entire matrix of a fracturing world and compounding technological speed. Understanding the scenario matrix: It is vital to distinguish between external realities and internal choices. These four quadrants represent potential external futures that business leaders need to be prepared to navigate. They are unpredictable environments shaped by macro forces. Your strategic options are the internal actions you take today to ensure your organization remains resilient regardless of which external future ultimately materializes.

How can organizations utilize historical data to better navigate these unpredictable future scenarios?

"Nobody knows how to do it right in the future... but if we have historical evidence of people that did the wrong things, you can kind of say, OK, well, we stay away from that."

Chief Human Resource Officer | Public Sector | USA

Scenario planning moves organizations away from attempting to predict a single future towards preparing for multiple external realities.

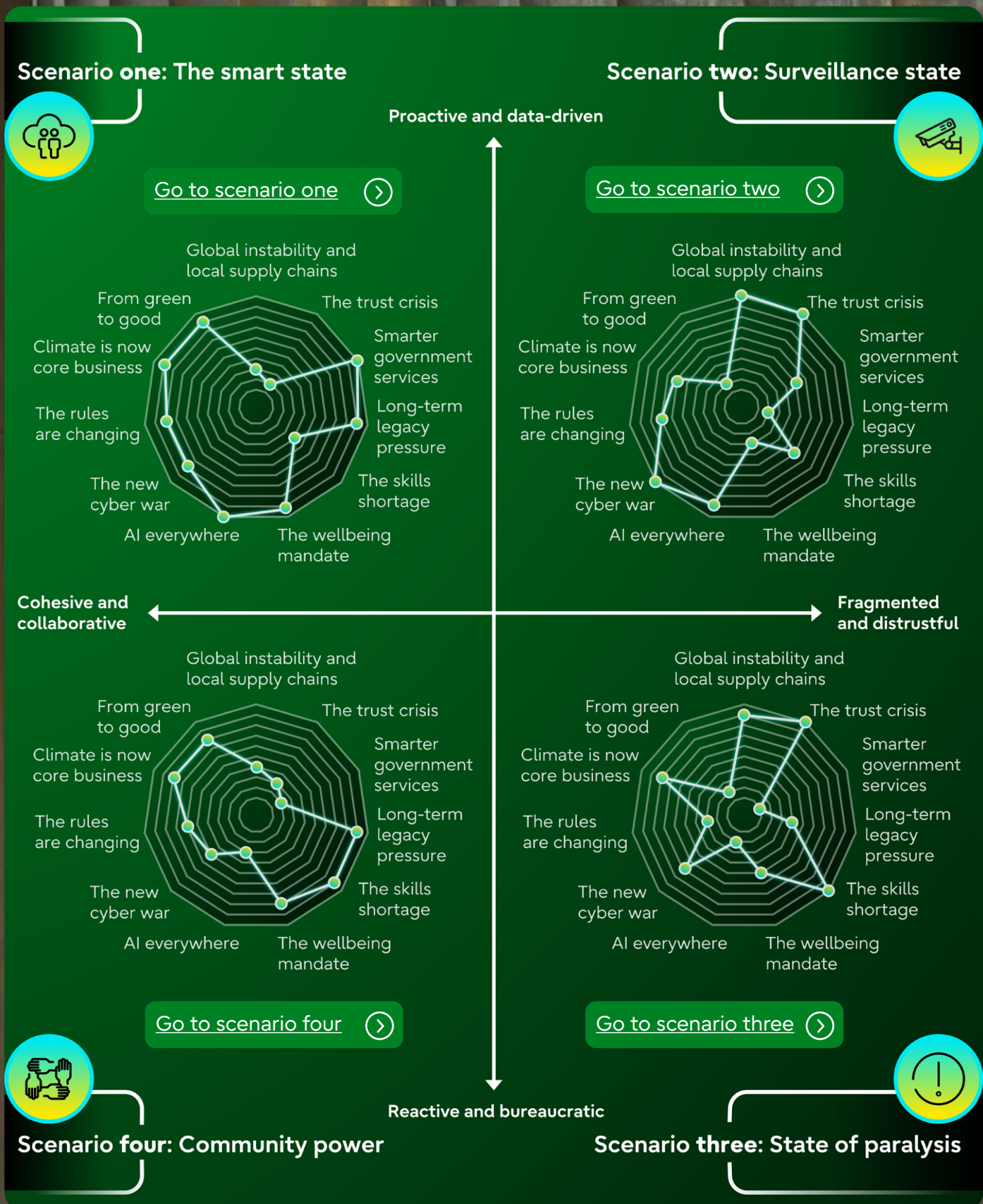


Figure 3: Comparative trend impact analysis

Scenario one: The smart state



In a world of high trust and advanced technology, government becomes a seamless, predictive partner.

This future represents the optimal alignment of technological capability and public legitimacy. Governance is proactive and data driven, with services designed around citizen life events rather than departmental silos. Artificial intelligence acts as an invisible, collaborative partner for public servants, enabling predictive models that anticipate needs and prevent crises. Because trust is high, citizens willingly share their data, creating a virtuous cycle of transparency, efficiency, and continuous improvement.

What is the most critical conceptual shift required to build a highly integrated, smart Public Sector?

"The boldest move would be to learn to look at the health system as a whole system rather than in a fragmented way."

Chief Medical Officer | Public Sector | Finland

Strategic playbook:

- **Focus on:** Integrating public digital infrastructure to create seamless, cross departmental interoperability.
- **Focus on:** Aligning all procurement and service delivery with long-term, community wide sustainability goals.
- **Move away from:** Operating in isolated corporate silos that hoard valuable civic data.
- **Move away from:** Ignoring the rising importance of green and outcome based procurement regulations.
- **Focus on:** Establishing cooperative digital sovereignty, utilizing trusted, localized cloud environments that secure citizen data while accelerating seamless, cross-departmental innovation.

What the radar diagram shows:

This radar chart visualizes the unique pressure profile of this specific scenario. It maps our primary structural trends to show exactly which forces are most dominant in shaping this world. The emergence of this scenario is signaled by a rise in smarter government services, the resolution of the skills shortage through seamless automation, and a strong, integrated adherence to the well being mandate.



Figure 4: Scenario one

Scenario two: Surveillance state



Advanced technology is wielded to manage a fractured populace, prioritizing security and compliance over liberty.

This scenario emerges when high digital integration meets low societal trust. Geopolitical instability and rampant misinformation force the government to prioritize control and resilience above all else. Governance is highly data driven but state centric, relying heavily on algorithmic enforcement, adaptive cybersecurity, and massive surveillance networks. While operational metrics for efficiency and fraud detection are high, public services are delivered through tightly controlled platforms to a highly suspicious and resistant population.

What is the most severe operational consequence of operating in a low trust environment?

"The biggest risk could come through distrust for our sector. You become paralyzed if you... lose trust."

Chief Human Resource Officer | Public Sector | USA

Strategic playbook:

- **Focus on:** Mastering digital sovereignty compliance and rigorous, automated data privacy standards.
- **Focus on:** Automating processes to ensure highly resilient, localized supply chains and Defense systems.
- **Move away from:** Relying on unsecured, globalized suppliers that introduce critical vulnerabilities.
- **Move away from:** Challenging state security mandates or treating data privacy lightly.

What the radar diagram shows:

This radar chart visualizes the unique pressure profile of this specific scenario. It maps our primary structural trends to show exactly which forces are most dominant in shaping this world. The emergence of this scenario is signaled by a rise in the new cyber war, strict global instability driving localized supply chains, and a dominance of technology regulation over open innovation.

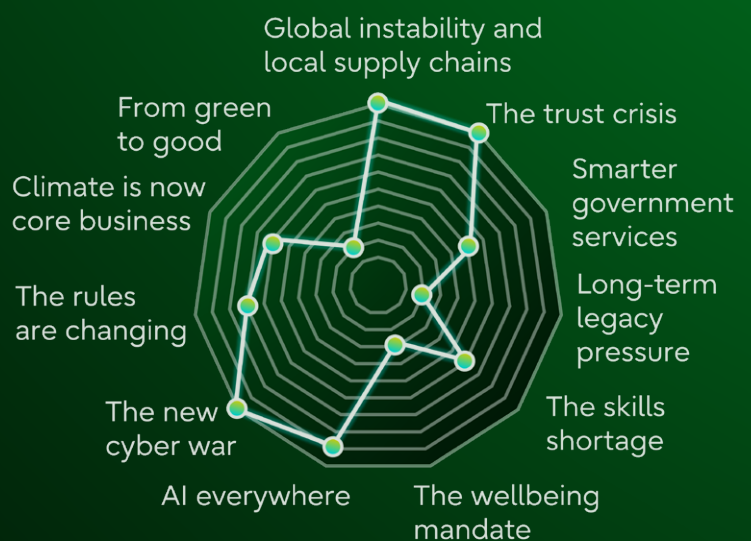


Figure 5: Scenario two

Scenario three: State of paralysis



A technologically lagging administration struggles to maintain basic services for an alienated citizenry.

This is a future of institutional decline, defined by low digital integration and collapsed public trust. The government suffers from a crippling talent crisis, unable to attract the skills needed to replace brittle legacy systems. Society is deeply fragmented, making consensus on complex policies impossible. Leadership is forced into a purely reactive stance, lurching from one crisis to the next, whether a supply chain shock or an extreme weather event, with entirely insufficient resources.

How does the rapid pace of external change affect an under-resourced Public Sector workforce?

"There just seems to be things that are changing so quickly that you are always behind the 8 ball as far as the skills."

Chief Human Resource Officer | Public Sector | USA

Strategic playbook:

- **Focus on:** Building resilient, independent infrastructure to guarantee core operational continuity during crises.
- **Focus on:** Investing heavily in internal workforce skills to offset severe external talent shortages.
- **Move away from:** Depending on guarantees from fragile or underfunded public infrastructure networks.
- **Move away from:** Expecting stable, long-term policy environments or consistent public funding.

What the radar diagram shows:

This radar chart visualizes the unique pressure profile of this specific scenario. It maps our primary structural trends to show exactly which forces are most dominant in shaping this world. The emergence of this scenario is signaled by a rise in the trust crisis, critical and compounding skills shortages, and the overwhelming, unmanageable pressure of long-term legacy debts.



Figure 6: Scenario three

Scenario four: Community power



A united society drives progress locally, bypassing a reactive and bureaucratic central government.

In this scenario, society is cohesive and united around mandates for intergenerational equity and wellbeing, but the central administration remains a frustrating bottleneck. Plagued by bureaucratic inertia and a severe digital talent deficit, the government fails to deliver modern services. Consequently, innovation shifts to the edge. Local communities, non profits, and private ecosystems step in to tackle problems directly, treating the central state as a slow moving entity that citizens must work around to achieve collective goals.

Where does true innovation originate when central hierarchies fail to deliver effectively?

"The innovation potential lives in the lower sectors of the organizations, it lives where the patients meet the professional... it does not live at the group level."

Chief Medical Officer | Public Sector | Finland

Strategic playbook:

- **Focus on:** Forging strong, direct partnerships with local community organizations and non-profits.
- **Focus on:** Decentralizing core operations and decision making to regional or neighborhood hubs.
- **Move away from:** Assuming a one size fits all national strategy will be effective at the local level.
- **Move away from:** Focusing lobbying efforts solely on national bodies while ignoring local stakeholder power.

What the radar diagram shows:

This radar chart visualizes the unique pressure profile of this specific scenario. It maps our primary structural trends to show exactly which forces are most dominant in shaping this world. The emergence of this scenario is signaled by a rise in the well being mandate, proactive citizen engagement at the grassroots level, and a shift from green to good initiatives driven by local ecosystems.



Figure 7: Scenario four

Emerging signals and early indicators of change

While not yet dominant forces, these emerging signals represent the peripheral shifts that could radically redefine the industry by 2036.

While the four scenarios provide a robust framework, true foresight requires continuous environmental scanning. We have distilled the periphery into three highly disruptive thematic clusters that leaders need to monitor:

- **Algorithmic accountability and civic power:**
Citizens and regulators will demand absolute transparency over artificial intelligence tools. We are seeing early signals of algorithmic activism and community data trusts, which will shift power away from central state monopolies and give local communities unprecedented leverage.
- **Decentralized and automated governance:**
The traditional bureaucratic machine is being challenged by venture funded state functions and liquid democracy. Furthermore, a new generation of civil servants aims to build automated, human independent public systems designed to outlive their own careers.
- **Redefining legal rights and holistic wellbeing:**
The state mandate is expanding beyond physical health to include psychosocial interventions. Simultaneously, legal frameworks are being stretched to accommodate radical concepts like algorithmic amnesty for citizens and constitutional rights for nonhuman entities.

Organizations need to build continuous environmental scanning into their executive review processes to detect disruptive signals before they become mainstream liabilities.

Emerging signals that could redefine the industry:

- **Algorithmic accountability mandates:**
A shift from voluntary ethics to mandatory, proactive public scrutiny and transparency regarding government AI tools.
- **Decentralized and liquid governance:**
The convergence of liquid democracy and blockchain DAOs (decentralized autonomous organizations) to manage local public goods through bottom up community funding and voting.
- **Algorithmic unionism and activism:**
Citizens leveraging data access rights (like GDPR) to conduct coordinated data strikes and audit algorithmic management in public services.
- **Community led data governance:**
Grassroots data trusts that reverse data extraction dynamics by bargaining collectively on behalf of citizens for the use of their data.
- **Biologically grounded political identity:**
The rise of political lobby groups uniting around shared biological traits or neurotypes to demand bespoke public policies.
- **Venture funded state functions:**
Venture capital firms funding start ups to directly develop and own core state functions like defense and public safety infrastructure.
- **Non-human entity rights:**
Legal frameworks extending rights, standing, and governance participation to ecosystems, hybrid biological organisms, and advanced AI.
- **Localized weather sovereignty:**
Municipalities adopting hyper local weather control technologies (like cloud seeding), potentially sparking regional resource conflicts.
- **Digital afterlife and grief tech:**
Public health bodies managing posthumous AI chatbots of deceased citizens as a state sanctioned mental health and record service.
- **Last generation civil service:**
A workforce ethos dedicated to building fully automated, human independent public systems designed to outlive the civil servants themselves.
- **Psychosocial state interventions:**
The state expanding its remit to actively manage subjective well being, treating loneliness or sensory overload as public health crises.
- **Public digital twins:**
The creation of highly dynamic digital replicas of entire communities or individual citizens to test policy impacts and hyper personalize services.
- **Post-quantum cryptography migration:**
An urgent, foundational race to upgrade all sensitive government infrastructure to protect data against future quantum decryption.
- **Guardian AIs as public service:**
The speculative assignment of a state managed, cradle to grave AI companion to monitor health and act as a lifelong tutor for every citizen.
- **Algorithmic amnesty and forgiveness:**
A legal framework allowing citizens to petition for a reset of their predictive risk scores, embedding the concept of redemption into digital governance.

Summary:

Designing the hybrid enterprise

Scenarios are external realities we need to prepare for, not choices we get to make.

The ultimate goal of this foresight exercise is not to select a favorite future, but to engineer an organization capable of thriving in all of them. The Public Sector must become a hybrid enterprise: structurally robust enough to withstand the shocks of the state of paralysis, yet digitally agile enough to integrate seamlessly into the smart state.

This requires dismantling rigid, authoritative hierarchies and embracing flexible, data driven operating models. Leaders need to prioritize investments that act as common denominators; technologies and cultural shifts that provide immediate value today while building the systemic resilience required to navigate whatever external reality materializes in 2036.

How should organizations transition from a long-term vision to immediate execution?

"While there is a lot of work to be done in the big picture, the organization is moving in the right direction, though it requires concrete steps and actions to fully achieve this."

Chief Medical Officer | Public Sector | Finland

To prepare for these unpredictable external scenarios, leaders need to actively address the internal structural barriers across four critical dimensions of transformation.



Section

3

Four dimensions of transformation

Navigating the structural
battlegrounds to build a
resilient and proactive
Public Sector enterprise.

The transformation battlegrounds

Identifying and dismantling the structural disablers that impede systemic modernization.

To build the hybrid enterprise capable of navigating the unpredictable 2036 scenarios, Public Sector leaders need to actively address their internal barriers. These transformation battlegrounds are defined by structural disablers: entrenched legacy systems, bureaucratic hierarchies, and fragmented data that prevent agile responses to external shocks.

Overcoming these requires a holistic approach across four critical dimensions: business models, operational infrastructure, sustainable growth, and organizational culture. By actively managing these disablers and leveraging new technological enablers, the sector can shift from a state of reactive firefighting to proactive public value creation.

What is the primary pain point causing the most disruption today for your organization?

"The primary pain point is the difficulty in making tactical and operational decisions."

Chief Medical Officer | Public Sector | Finland

Leaders need to view transformation not as a single technological upgrade, but as a multidimensional structural overhaul.

Dimension one: The systemic response

Shifting from fragmented service provision to value based, holistic system management.

How should the Public Sector translate emerging future forces into strategic priorities?

"We need to look at these trends at the health system level. There is a need for stronger control or steering mechanisms from governments to ensure uniformity and transparency between Public and Private Sectors."

Chief Medical Officer | Public Sector | Finland

Future funding models will be inextricably tied to outcome based services that demonstrate value to populations as a whole.

Transformation response:

To deliver genuine public value, the sector needs to move beyond the fragmented, volume based delivery models of the past. The strategic shift involves integrating public and private capabilities to manage the citizen journey as a cohesive whole, tying funding and procurement directly to measurable health and social outcomes

Managing the disablers:

- **Disabler (the wild west of data):** The lack of unified frameworks creates isolated silos, preventing the interoperability required for true system wide intelligence.
- **Response:** Establishing strong government steering mechanisms and corporate responsibility standards to ensure uniformity across all private and public partnerships.

Leveraging the enablers:

- **Enabler (outcome-based analytics):** Deploying data platforms that track and measure long-term citizen value rather than just transactional volume.
- **Enabler (integrated care pathways):** Utilizing shared digital infrastructure to connect divergent departments and external vendors under a single operational standard.

Dimension two: The mobility response

Transitioning towards mobile ubiquity and long-term sustainable investments.

What is the primary focus for technology investments over the next ten years?

"Technology gets outdated so quickly that you have to be on top of it... spend a little bit more capital on the best technology that will be sustained through the next 5 to 10 years versus something that is only going to last three years."

Chief Human Resource Officer | Public Sector | USA

Operational models need to pivot to make mobile accessibility a non-negotiable standard for all future public services.

Transformation response:

Infrastructure decisions made today will dictate the operational capacity of the Public Sector for decades. Leaders need to transition away from short term fixes and invest in durable, mobile first architectures that bring services directly to the citizen, ensuring no demographic is excluded by the digital divide.

Managing the disablers:

- **Disabler (rapid obsolescence):** The tendency for technological investments to become outdated quickly, leading to wasted capital and constant replacement cycles.
- **Response:** Prioritizing capital expenditure on the highest quality, adaptable technologies designed for a five to ten year lifespan.

Leveraging the enablers:

- **Enabler (mobile first software):** Ensuring every piece of citizen facing software and internal tool is fully accessible via mobile devices to guarantee ubiquitous service delivery.
- **Enabler (smart physical assets):** Embedding intelligent sensors into physical infrastructure like streetscapes and water systems to provide real time operational visibility.

Dimension three: The wellbeing response

Balancing the mandate for citizen wellbeing with the economic necessity of demographic growth.

How do emerging societal expectations positively impact your organizational priorities?

"A strong wellbeing mandate brings a greater focus on mental health and social impact, which in turn improves your workforce and just the climate in general."

Chief Human Resource Officer | Public Sector | USA

The definition of a successful region is shifting from pure economic output to the measurable holistic health and social equity of its population.

Transformation response:

Public Sector leaders face a complex sustainability paradox, balancing the need to draw in new populations and businesses with the mandate to improve the mental and social health of existing residents. The transformation requires designing urban environments and social policies that serve both economic vitality and holistic community welfare.

Managing the disablers:

- **Disabler (conflicting growth agendas):** The inherent tension where initiatives designed to attract external investment inadvertently neglect or disadvantage current local communities.
- **Response:** Implementing comprehensive urban planning that prioritizes green spaces, clean air, and mobility alongside commercial development.

Leveraging the enablers:

- **Enabler (digital therapeutics and telehealth):** Scaling remote monitoring and digital health platforms to expand access to mental health and social care services.
- **Enabler (sustainability tracking):** Utilizing environmental monitoring technologies to hold local businesses accountable to stringent non polluting and recycling standards.

Dimension four: The empowerment response

Dismantling bureaucratic hierarchies to empower front-line professionals with data driven decision making.

How does your organizational structure and culture need to change to respond to these future scenarios?

"You have to empower people... reward decisions that are proactive and thinking in the future to solve the problem that is not in front of you."

Chief Human Resource Officer | Public Sector | USA

True operational agility is achieved only when the capability to execute decisions is placed directly in the hands of frontline workers.

Transformation response:

To navigate a rapidly shifting environment, the Public Sector needs to fundamentally alter its management culture. Moving away from top down, authoritative structures, leaders should democratize data access, allowing the professionals who interact directly with citizens to innovate and make rapid, proactive decisions.

Managing the disablers:

- **Disabler (authoritative hierarchy):** Entrenched bureaucratic layers that slow down response times and stifle grassroots innovation.
- **Response:** Shifting power towards the edge of the organization, actively rewarding employees who anticipate challenges rather than just reacting to them.

Leveraging the enablers:

- **Enabler (decentralized data tools):** Providing nurses, social workers, and local administrators with the predictive analytics required to take immediate, informed action.
- **Enabler (continuous skills pipelines):** Building close partnerships with local universities and trade schools to rapidly upskill staff and close the widening digital talent gap.

Summary:

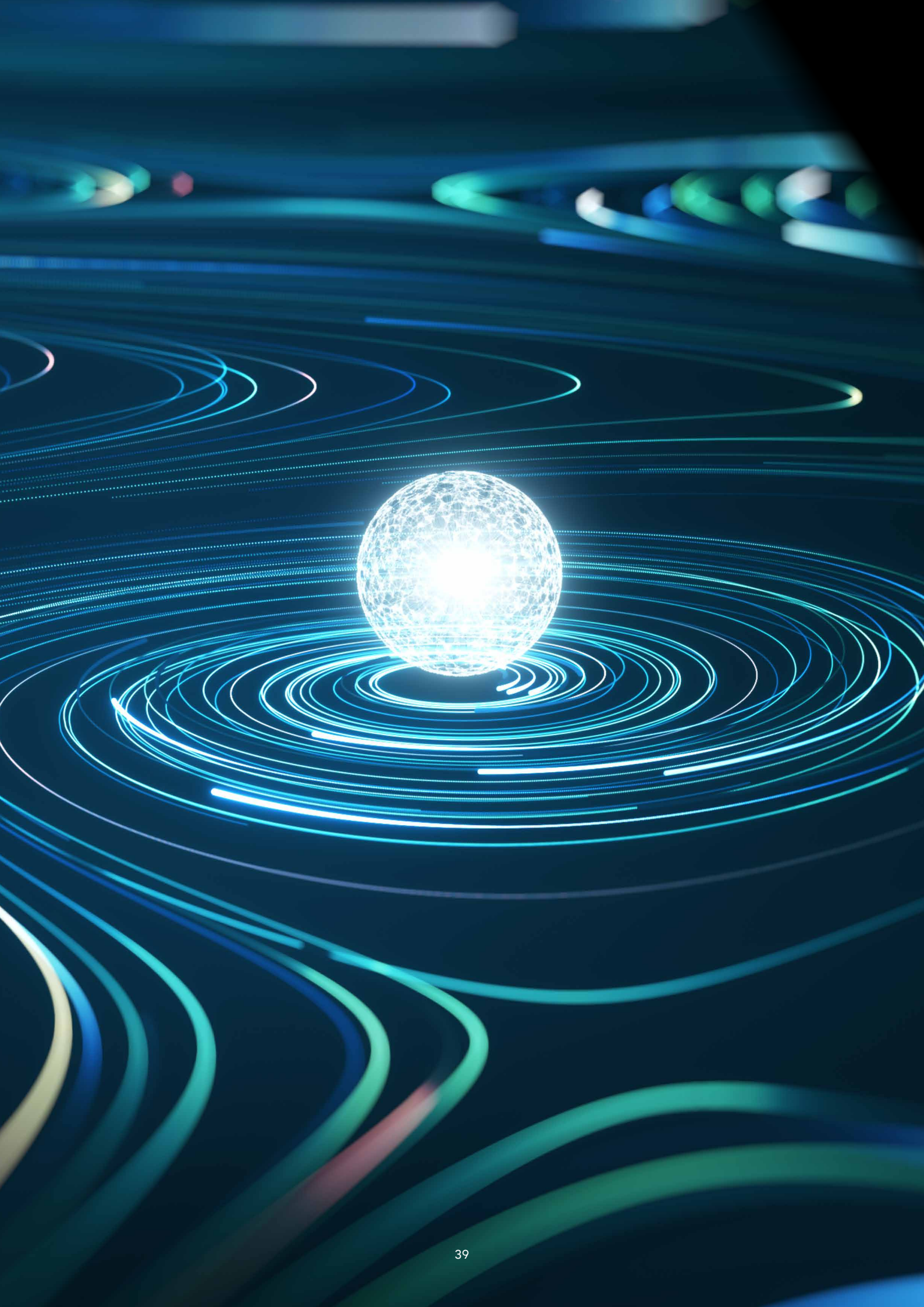
Synthesizing the hybrid transformation

Overcoming structural disablers requires a unified approach across business models, infrastructure, sustainability, and culture.

The preceding analysis demonstrates that modernizing the Public Sector is not merely a technological challenge, but a multidimensional structural transformation. Leaders face a complex battleground where legacy systems and rigid hierarchies actively disable progress. To successfully navigate the unpredictable future scenarios, organizations need to dismantle these barriers by executing unified, systemic responses. This involves shifting from fragmented service delivery to holistic, outcome based management, and replacing rapidly aging infrastructure with sustainable, mobile first architectures.

Furthermore, true transformation requires resolving the inherent tension between driving economic growth and delivering holistic citizen wellbeing. Ultimately, none of these structural shifts can occur without fundamentally altering the operational culture. Power and data need to be pushed to the edge, empowering front-line professionals to make rapid, proactive decisions. By harmonizing these four dimensions, the sector can build the resilient foundation necessary to thrive in the coming decade.

To convert this multidimensional theory into operational reality, leaders need to implement a series of concrete transformation imperatives that build immediate resilience for any future scenario.



Section

4

Transformation imperatives

Executing the strategies to
build systemic resilience for 2036.



From survival to strategic supremacy

Building proactive resilience requires addressing the root causes of systemic inefficiency rather than applying temporary technological patches.

The transition from 2026 to 2036 requires a fundamental revaluation of how public value is delivered. Leaders should consider moving beyond reactive, short term crisis management towards a strategy of systemic supremacy. This involves acknowledging that current operational structures are insufficient to handle the compounding pressures of demographic shifts and technological acceleration.

Instead of procuring isolated digital tools to fix immediate symptoms, organizations need to redesign their core operating models around data interoperability and long-term citizen outcomes. By addressing the deep seated structural disablers, such as rigid hierarchies and siloed budgets, the sector can establish a proactive governance paradigm that thrives regardless of which external future scenario materializes.

How should organizations approach the compounding challenges facing the sector today?

"We look at the entire system... instead of just the symptom of the problem."

Chief Medical Officer | Public Sector | Finland

True modernization is achieved by structurally redesigning the entire service delivery ecosystem, not by simply digitizing existing bureaucratic processes.

The common denominator action plan

A unified set of strategic imperatives designed to build robust operational resilience across all four future scenarios.

While the external environment remains unpredictable, the internal actions required to prepare for 2036 are clear. This action plan isolates the common denominator strategies: investments and operational shifts that provide immediate value today while ensuring the organization is structurally prepared for the smart state, the surveillance state, the state of paralysis, or community power.

Implementing these imperatives requires strong leadership commitment to break down internal silos and redefine success metrics. Organizations need to empower their front-line workforce, demand absolute interoperability from their technology vendors, and anchor every digital initiative to a measurable improvement in holistic community wellbeing.

What is the single boldest strategic move leaders in your sector should seriously consider today?

"The boldest move would be to learn to look at the health system as a whole system rather than in a fragmented way."

Chief Medical Officer |
Public Sector | Finland

Strategic playbook:

- **Focus on:** Integrating disparate departmental systems into a unified, holistic operational architecture.
- **Focus on:** Empowering front-line professionals with the data access required to make proactive, outcome based decisions.
- **Move away from:** Procuring isolated technology solutions that address surface symptoms without solving root systemic issues.
- **Move away from:** Maintaining rigid, top down bureaucratic hierarchies that inherently slow down operational agility.



How Fujitsu can help: Enabling the hybrid public enterprise

Uvance provides the integrated consulting, agile solutions, and advanced technology required to secure long-term systemic resilience.

Navigating the transition from the lived reality of disruption to the proactive intelligence of 2036 requires a partner capable of operating at the intersection of public policy and digital innovation. Fujitsu Uvance is designed to be that enabler, offering a comprehensive suite of services that connect high level foresight consulting with on the ground operational execution.

By leveraging our global ecosystem of partners and deep industry heritage, we help leaders dismantle structural disablers and deploy advanced, sustainable technologies. Whether designing mobile first citizen interfaces, integrating complex legacy architectures, or establishing proactive data governance frameworks and securing digital sovereignty, Fujitsu provides the strategic capability to anticipate unseen challenges and build a Public Sector that is truly future-proof.

What makes insights and solutions from a technology partner feel truly actionable and ready for implementation?

"When they can assure you that it is going to solve problems that you may not even know that you have."

Chief Human Resource Officer | Public Sector | USA

Partnering with Fujitsu allows organizations to move beyond fragmented technology procurement and embrace a holistic, system wide approach to digital transformation.



Fujitsu Technology and Service Vision (FT&SV)

The evolving story of Fujitsu insights into the future, updated annually and covering the Fujitsu approach to the main issues raised in the CxO survey.

global.fujitsu/en-global/about/vision



Profile of respondents:

Research demographics: Insights derived from C-level leaders in Public Sector healthcare and municipal government.

In depth interview (IDI) participants:

Public healthcare leader:

- **Role:** Chief Medical Officer
- **Country:** Finland
- **Company Size:** 5,000 – 19,999 employees
- **Revenue:** \$500 Million - < \$1 Billion

Municipal government leader:

- **Role:** Chief Human Resource Officer
- **Country:** USA
- **Company Size:** 5,000 – 19,999 employees
- **Revenue:** \$1 Billion - < \$5 Billion

Data sources:

- **Environmental scanning:** 62 trends analyzed
- **Weak signals:** 34 signals identified
- **Methodology:** In depth interviews, environmental scanning, weak signal analysis, scenario planning.

Contributors:

Sari Sireeni-Seirala
Head of Public Sector, Finland

Geraint Williams
Director of Mission Control

Martin Stetter
Marketing Manager Global Marketing
Portfolio Marketing Division

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behalf of Fujitsu
by The Business
Advantage
Group Limited.



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