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**PUBLIC GOVERNANCE AND TERRITORIAL DEVELOPMENT DIRECTORATE
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Human Resources Management Working Party

**TRENDS IN HUMAN RESOURCES MANAGEMENT POLICIES IN OECD COUNTRIES
AN ANALYSIS OF THE RESULTS OF THE OECD SURVEY ON STRATEGIC HUMAN RESOURCES
MANAGEMENT**

**Human Resources Management (HRM) Working Party
OECD Headquarters, Paris, 7-8 October 2004**

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RESOURCES MANAGEMENT**

DRAFT

Background

1. The OECD survey on strategic human resources management was sent to all OECD member countries in December 2002 (see PUMA/HRM(2002)3/FINAL). It aimed to analyse HRM policies and systems across OECD member countries, and to make cross-national comparisons on the governance of the civil service and civil service reforms. Twenty-nine OECD member countries responded to the questionnaire (only Turkey did not respond).
2. The survey was the first exercise of its kind and GOV will build on this exercise to improve its data collection capacity in this field within GOV's new priorities for the years 2005-2006.
3. This report does not aim to present all the results of the HRM survey. It focuses on picking out the main issues underlined by the survey and discussing them in terms of their main impact on the incentives in the HRM system as a whole. Of particular importance are developments that affect such issues as adaptivity or coherence of the public service.
4. The final report will be published after it has been reviewed by the Human Resources Working Party at its 7-8 October 2004 meeting and comments from OECD countries have been included.
5. This report builds on the work carried out by Mr. Deok-Seob Shim, who was leading the project while on secondment at the OECD and who wrote a first draft analysis. The statistical analysis was carried out by Mr. Edouard Turkisch, during his stay at GOV.

Scope of the paper: public service, civil service and the problems of definitions

6. Today, in some countries, and especially in more traditional career-based systems, the notion of civil service refers to a group of people clear set of laws and with a distinct set of privileges and obligations, different from those of elected officials and different from those of workers in the private sector. In some cases, civil servants are just a rather small category of public servants; in other cases, they represent most of them.
7. Instead of "civil service" or "civil servants", many countries now use the terms of "public service" or "public servants". In some cases, the meaning is the same. In other cases, public service covers a wider group. Some countries like the United Kingdom, Ireland, and Slovak Republic clearly differentiate civil servants from public servants, where civil servants are confined to employees working at the central government, excluding public servants who are working in local governments, public schools, health services, and social security, etc.
8. In many countries, the rules applying to staff working in various government services differ according to the functions of the government organisations.

9. The survey itself does not provide sufficient data to analyse the coverage of the different sets of rules on workers working for government entities, but there are indications in Annex 1.

10. This report mainly presents data on government employees of core government organisations under core public service rules.

Introduction

11. Civil service human resource management reforms have aimed to increase the responsiveness of the civil service. Decentralised management with mechanisms for individual accountability has been core to these reforms.

12. For those countries which have gone furthest in making such reforms, the downside has been the difficulty in maintaining collective values and government coherence. There is a tendency in contemporary reforms to look for a balance between the responsiveness of the civil service to political direction or citizens concerns, and the need for coherence across the public sector.

13. The Survey measures the degree of flexibility introduced into human resources management (HRM) systems and differentiates two types of flexibility that aim to increase responsiveness: the delegation of HR practices and the individualisation of HR arrangements.

14. The report reviews the trends affecting individualisation (Section 1) and delegation (Section 2) and the efforts made to mitigate the effects on government coherence and collective values. These trends have had consequences on the traditional classification of HR systems into career-based and position-based systems. On analysis of the data, it became clear that there is a third classification that is needed and which we have called “department-based system” (Section 3).

1. **Collectivised or individualised human resources management**

15. In order to minimise conflicts of interests of civil servants, ensure the continuity of public service, and promote government-wide coherence and collective values, civil servants have traditionally been managed following specific rules and management processes that are differentiated from general labour laws and that apply to all civil servants collectively.

16. While in most countries, civil service rules applying to all civil servants used to be detailed and left little room for manoeuvre to manage staff individually, this situation has changed in all countries, even drastically in some. The results of the Survey show a significant trend towards “individualising civil service arrangements. The results show that the trends towards individualisation affecting collectivity have mostly taken place around the selection process, the term of appointments, termination of employment and performance management and pay. Strategies of staff management have become more individualized and staff can increasingly, in principle, be treated differently according to the changing needs of organisations and depending on their performance.

17. While the individualisation of HR practices is at the heart of the reforms aiming at increasing the responsiveness of the public service, it can have deleterious effects on collective values and ethical behaviour. Some new trends are emerging which aim to increase collectivity, through, for example, the establishment of collective performance pay systems and new approaches to training and the management of senior civil servants including actions aimed at strengthening the whole of government sense of the leadership cadre.

1.1. Entry and promotion in the civil service

18. The attention we pay to the design of the civil service is based on the hypothesis that the different approaches to recruitment and promotion have different impacts on incentives and culture.

19. In **career-based** systems, civil servants are usually hired at the very beginning of their career and are expected to remain in the public service more or less throughout their working life. Initial entry is mostly based on academic credentials and/or a civil service entry examination. Promotion is based on a system of grades attached to the individual rather than to a specific position. This sort of system is characterised by limited possibilities for entering the civil service at mid-career and a strong emphasis on career development.

20. **Position-based** systems focus on selecting the best-suited candidate for each position, whether by external recruitment or internal promotion or mobility. Position-based systems allow more open access, and lateral entry is relatively common.

21. Both classic position-based and career-based systems have inherent strengths and weaknesses in maintaining ethical standards and promoting government collective values through entry mechanisms in the civil service and incentives mechanisms.

22. Career-based systems tend to promote collective values at entry in specific sub-groups of the civil service (*e.g.* the notion of “corps” in France), with relatively weaker cross-hierarchical and cross “corps” values. The downside is a more difficult emphasis on individual performance and accountability. More position-based systems tend to have weaker cross-government values at entry than career-based systems, but may create stronger links across levels of hierarchy and status.

Table 1. Recruitment in the civil service: differences of emphasis

Emphasis on competition for posts and professional experience	Emphasis on competitive examination, education
Australia	Czech Republic
Canada	France
Denmark	Greece
Finland	Hungary
Iceland	Ireland
New Zealand	Japan
Norway	Korea
Sweden	Luxemburg
Switzerland	Spain
United Kingdom	
United States	

Table 2. Openness of government posts

Policies	Countries
In principle, all levels of posts are open for competition including posts at senior and middle levels Austria, Belgium, Denmark, Finland, Hungary, New Zealand, Slovak republic, Switzerland
	... except the most top-level posts which are filled by appointment of the government Australia, Canada, Italy, Norway, Sweden
Posts both at senior and middle levels are partially open for competition	Korea, Luxembourg, UK
No posts are open for competition both at senior and middle levels Japan, Spain
	... with the exception of some posts at middle level France, Ireland

23. In Australia, Austria, Belgium, Canada, Denmark, Finland, Hungary, New Zealand, Sweden, Switzerland, the United Kingdom, all or most posts are open to anybody coming from within the organisation, another government organisation or outside of government. In France, Japan, Mexico and Spain, most posts are not open to non civil servants except for contract posts. Korea has relatively recently opened up a percentage of its top civil service positions to staff coming from outside the public service. In the United States, most positions are open to anybody, but senior executive service positions (*i.e.* senior positions that are not political appointments) are open only to staff belonging to the SES group, the appointment process taking place usually after a long career in the public service.

Table 3. Main strengths and weaknesses of civil service systems promoting collectivity and ethical behaviours

	Classic career-based system		Classic position-based system	
	Strengths	Risks	Strengths	Risks
Entry in the civil service	<ul style="list-style-type: none"> ○ Fairness ensured by competitive examination/diplomas. ○ Whole-of-government collective values ensured by similar pre-entry training for different categories of civil servants. 	<ul style="list-style-type: none"> ○ Weak cross-hierarchical levels values. ○ Weak assessment at entry of individual's drive for results. ○ Weak collective values across all staff working for public organisations (with different statuses). 	<ul style="list-style-type: none"> ○ Fairness ensured by open and competitive processes for each position. ○ More collective values across staff with different statuses. 	<ul style="list-style-type: none"> ○ Possible biases at entry, when lack of transparency in recruitment process. ○ Weak common values at entry into the core public service.
Promotion	<ul style="list-style-type: none"> ○ Limited possibilities of unfair management by separation of the grade (acquired with time in the civil service) and the specific post. 	<ul style="list-style-type: none"> ○ Lack of transparency on appointment to different posts (due to weak individual staff assessment). 	<ul style="list-style-type: none"> ○ Fairness ensured by strong individual performance assessment. 	<ul style="list-style-type: none"> ○ When processes are not transparent, possible patronage in promotion (grades and posts being mixed). ○ More difficult cross-departmental appointments.

24. The survey reveals two trends that are important in this regard:

- i. Position-based systems are tending to give an enhanced role to their central HRM bodies, and tend to have a rather more centralised system of management for senior management than before (see also GOV/PUMA(2003)17).
- ii. Traditional career-based systems are tending to increase the number of posts open to competition and delegate HRM practices to line ministries and lower hierarchical levels.

1.2. Term contract versus permanent employment within the civil service

25. Since the late 1980s, four trends have characterised employment in government, in addition to the move of some government functions to SOEs or other government-owned organisational forms and the subsequent changes in the rules applying to their employees:

- In some countries, the specific rules under which lifelong employment in government was guaranteed have been abolished and civil servants have been put under general labour laws.
- In other countries, while lifelong employment in government remains protected, term contracts for positions have been used to increase the individual's responsibility for performance: while civil servants remain in the public service, their stay in a position is not guaranteed anymore, but rather depends on their performance. The report on the senior civil service provides some data on this trend (see GOV/PUMA(2003)17).
- In other countries, civil servants have been put under short-term contracts with no guarantee of further employment in the civil service.

- Finally, although the survey does not provide data in this field, some countries have increasingly used various contractual arrangements for employees in positions that could theoretically be filled by regular public servants. In some cases, these arrangements are even less favourable than general labour laws, since government does not always have to abide by general labour laws applicable to private firms. A hypothesis that would need to be studied further would be the link between the use of staff under less favourable terms (consultants, contract staff, etc.) and the rigidity of HR systems.

26. As shown by the report on the senior management, the second and third trends are even more acute for senior managers (see GOV/PUMA(2003)17).

27. According to the survey, 13 countries have changed the status of their civil service over the past five to 10 years. In Australia, New Zealand, and Sweden, this process started in the early 1990s and in some cases continued throughout the 1990s. Recently, Switzerland has undergone the most radical reforms in the area of civil service status. All federal staff are now under employee status, except for a few small categories of personnel including members of federal appeals commissions. Table 4 gives a detailed description of civil service status development in 12 countries.

Table 4. Changing civil service status

Countries	Development of civil service status
Australia	The ratio between "ongoing" and "non-ongoing" employees is more or less the same since 1996. Neither ongoing nor non-ongoing employees are guaranteed life-long employment. Ongoing employees may be retrenched if they are not needed following a change in workplace needs.
Belgium	Six-year "mandate" system for managers (Director General, and two levels below).
Canada	The ratio of term/casual employees is increasing against employees on indeterminate terms.
Denmark	Significant reductions are to be expected in the number of civil servants. Civil service employment is being replaced by collective agreement employment. Temporary employment is becoming more popular in hiring at the managerial level. In 2001, about 19% of all heads of division had fixed-term employment contracts.
Finland	In jobs of a permanent nature, permanent contracts/employment relationships are used. But there is no tenure <i>i.e.</i> there is always a possibility to give notice if there are legal grounds. There is also a possibility to use fixed-term contracts if needed on operational grounds.
Hungary	In 2001, 18 930 administrators and blue collar workers were placed under the scope of the Labour Code. Following a 2003 new amendment to the Civil Service Act, administrators have been placed back under the rules of the civil service act, but lower ranking officials remain under the scope of the general labour code.
Ireland	Contractualisation has taken place on an <i>ad hoc</i> basis and applies to a minor proportion of civil or indeed public service staff and affects only lower grade staff.
Korea	Since 1998, 20% of senior posts in central government have been open for competition. Those recruited from non-government sectors are appointed under a fixed-term contract.
New Zealand	In the public service, 93% of staff are on open-term contracts, 7% are on fixed-term contracts.
Sweden	With the exception of very few positions (such as judges), all lifelong employment in the Swedish Government administration has been replaced by employment on a permanent contract basis. This means that government employees are under the same legislation for employment protection as any employee in Sweden. Today, more than 95% of government staff are employed under a permanent contract basis.
Switzerland	As from 1 January 2002, there are no more civil servants. All federal staff have employee status except only a small category of personnel such as members of federal appeals commissions.
United Kingdom	The civil service makes use of both fixed-term and casual appointments alongside its permanent staff in order to give managers flexibility to meet genuine short-term needs sensibly and economically.

28. In some countries including Austria and Spain, although lifelong employment has not been replaced by temporary (or contract) employment in general, this trend has occurred partially or in some specific sectors. In Austria, unlimited employment for senior civil servants was replaced by limited appointment in 1995. New employees tend to be employed under contracts rather than under civil service status. In Spain, there have been transformations of the legal framework of public employment in specific sectors like national airports and ports, where statutory employment was replaced by contract employment.

1.3. The emphasis on individual performance

29. The survey shows that all countries now have a performance management or performance appraisal systems, except Greece, Iceland, Japan, Luxemburg, and Spain. Over the last five years, a small majority of countries have reformed their performance management systems and performance appraisal systems based on target-setting and objectives, and another six countries had done so previously. Attempts to measure the extent to which HRM systems are performance-oriented across OECD countries have not been successful, due to the difficulty of assessing the reality of the performance orientation compared to the formal existing systems, and to differences in the definition and emphasis of the notion of performance. The forthcoming OECD/GOV report on “Performance-related Pay of Government Employees: Main Trends Across OECD Countries” gives a more detailed description based on country reports and some data from this survey.

30. The incentives for good performance and sanctions/measures taken in case of low performance vary, but differentiated pay according to performance achievements is increasingly an important matter. While the individualisation of pay at entry remains limited, it seems that governments have chosen performance-related pay as a ways of enhancing the individualisation of their HRM practices.

31. A detailed analysis of the emphasis of different HRM systems shows that in spite of the fact that most countries are developing performance related-pay schemes, and despite a few exceptions, the emphasis on monetary incentives for good performance is relatively stronger in position-based systems, while the emphasis on career or promotion is stronger in career-based systems. This is not surprising considering that career-based systems emphasise the idea of a career in the public service and it can be assumed that staff entering the public service in those countries value their career prospects a lot. However, the report on PRP suggests that this difference in the implementation of PRP between career-based and position-based systems might not last.

32. In career-based public services whose staff management is more collective than individual, the resulting accountability structure is more collective than in position-based systems. In this context, it is possible that more collective pay rewards might be more appropriate.

Table 5. Differences of emphasis in incentives

Relatively more emphasis put on monetary incentives	Relatively more emphasis put on promotion/career opportunities
Australia	Austria
Canada	France
Denmark	Poland
Finland	Portugal
Italy	
Korea	
New Zealand	
Sweden	
Switzerland	
United Kingdom	
United States	

NB: There are not enough data to analyse the other countries on this specific issue.

33. Responses on sanctions for low performance are more difficult to interpret. While career-based and department-based systems seem to emphasise sanctions linked to the absence of promotion (Czech Republic, France and Hungary, for example), position-based systems seem to focus relatively more on monetary sanctions (no bonuses paid or decrease in base salary). Throughout the public services, it is obvious that the increased use of term contracts (for either specific positions or employment in the civil service) has an influence on possible sanctions, although the non-renewal of a contract is rarely mentioned as a possible sanction for non-performance.

34. Finally, it is important to note the growing number of collective performance-pay systems as an incentive for collectivity (see forthcoming report on performance related pay of government employees). In the future, this may become a significant way of re-balancing the effects of performance based human resources management in favour of collectivity.

1.4. Training and mobility

35. In recent years, training and mobility have been viewed as crucial management tools to respond to the increasing need for knowledge acquisition in a knowledge economy (see GOV/PUMA(2003)1). In some highly individualised position-based systems, training is also increasingly used as a way to provide a common culture and an opportunity to meet and discuss professional issues across the civil service.

Training

36. In 13 countries, civil servants spend between five and 10 days in training each year; in four countries they spend between 11 and 15 days in training per year; and in seven countries, they spend less than five days in training per year.

37. Countries with position-based systems tend to provide more training to their staff (in particular, Nordic European countries and countries of the Commonwealth) than countries with department-based or career-based systems. Canada and the United States are notable cases of relatively little training for staff in position-based systems. However, these two countries also show a relatively lower level of delegation in human resources management practices.

38. In most career-based systems, entry into the civil service requires passing competitive exams and/or pre-entry training provided by government training institutes. Promotion to a higher grade is dependent on the acquisition of new qualifications, often sanctioned through either new academic degrees or competitive examinations. This pre-entry required training probably provides for an environment where staff build a common language and culture in addition to learning new qualifications. At the same time, it is unclear if it provides for the necessary adaptivity of knowledge and qualifications in the new knowledge economy.

39. Training policy is designed at the level of central HRM bodies in 20 OECD countries, and its implementation is left to line departments or even lower management levels in all countries but eight. A number of position-based countries tend to use private sector companies and universities more than the other countries, while most countries still insist on the use of a specific training institute for civil servants.

40. It is unclear if life-long training has really become a reality in most OECD countries. A few countries including Germany, Iceland, Japan, Mexico, Sweden, and the United States seem to have developed coherent life-long learning strategies. In the most advanced cases, life-long learning has been developed within the staff performance management system, like in Australia, or as a part of the establishment of business plans and reflections on needed competencies and skills, like in Sweden or the United Kingdom. There does not seem to be an overall life-long learning scheme defined centrally. It is

probably sensible that life-long learning which intends to increase staff adaptivity should be implemented within a larger reflection on organisational goals and competencies that need to be acquired.

Mobility

41. The survey shows that in general, internal mobility in position-based systems is relatively more important than external mobility in career-based systems and department-based systems. Although there are not enough data to draw this conclusion, it can be assumed that internal mobility in department-based systems mostly happens within the same ministry and that whole-of-government mobility is relatively weaker.

1.5. *The specific case of senior civil servants*

42. Results of the survey confirm the findings of GOV's project on managing senior management (see GOV-PUMA(2003)17).

43. The survey reveals that although only a minority of countries responded they have a clear definitions and delimitation of the senior civil service (for example, a Senior Executive Service); many countries surveyed are able to delineate more or less clearly their senior management group. Several countries have created or re-structured the senior civil service group, in an effort to manage their top managers in a different manner from the rest of the civil service. Countries that reported not to have a formal SCS system include Austria, Czech Republic, Denmark, Germany, Greece, Iceland, Ireland, Japan, Korea, Mexico, Portugal, the Slovak Republic, Spain, Sweden, and Switzerland. While some of these countries clearly do not have a specific SCS system, it is clear that some of them like Japan and Korea do have differentiated management rules for senior civil servants, and that others like Spain there are specific regulations for top positions.

44. Most countries with a position-based system which have an SCS with differentiated management rules have established this differentiated group in order to induce a performance-oriented culture in government while, at the same time, enhancing the coherence of its elite. As a consequence, many have a differentiated performance management system for senior managers, with a specific emphasis on performance-related pay. In parallel, many have re-centralised to a certain extent the management of their senior civil services by designing whole-of-government profiles, and whole-of-government management schemes for senior civil servants.

45. It is clear that the management of senior civil servants for those countries that do have a specific system aims to add more collectivity at senior management levels. Most of the countries operating an SCS system have unique recruitment and selection procedures, which differ from those for other civil servants. Recruitment and selection of SCS is more collectively managed in most cases. And many countries have a pre-defined competency framework for selecting SCS candidates.

46. By nature, career-based systems tend to have differentiated management practices for their senior civil services, because of differentiated recruitment and the emphasis on careers at different levels.

Table 6. SCS groups in some OECD countries

Countries	Coverage	Numbers	Management difference from the rest of civil servants							
			1	2	3	4	5	6	7	8
Australia	Senior Executive Service Band 1,2,3	1850	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Belgium	Top managers Directors of Management functions	450	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Canada	Assistant Deputy Minister Executive Group	3600	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
France	Off the Scale (<i>hors échelle</i>)	2580	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Hungary	No distinct group	270	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Italy	Top managers Middle level managers	4400	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Luxemburg	Salary Grade 16, 17, 18	200	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
The Netherlands	Echelons 15 to 19	740	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Norway	Director General, Secretary General D-G in Directorates, County Governor, Chief Constable	300	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Poland	Director General Department Directors and their Deputies	1500	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Sweden	Senior civil servants	300	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
United Kingdom	Senior Civil Service	3550	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
United States	Senior Executive Service	7509	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

1. Recruitment and selection

3. Performance management

5. Disciplinary actions and/or dismissal

7. Restriction of employment after leaving the public service

2. Managerial flexibility or freedom

4. Pay determination

6. Job security

8. Standards of professional ethics required

1.6. Individualisation, collective decision making, and the roles of unions

47. The survey reveals that in general, unions continue to play an important role in determining working conditions of public servants, pay levels, and in the introduction of new civil service systems. Comparatively, unions play a rather minor role in the areas of employee performance, recruitment policies and the determination of the number of employees. Though not surprising, this result helps understand the rigidities of some civil service systems, when unions exert their influence on pay levels and overall systems at the expense of recruitment in some cases.

48. The decreased rates of union enrolment in some countries could have made the situation more flexible. However, there does not seem to be any specific correlation between the self-assessed level of the unions decision making process on pay and the enrolment rates of union enrolment.

49. This survey did not help identify long term trends in the role of unions nor the impact of unions on the tendency towards individualising HRM practices and vice versa.

Table 7. Participation of unions in decision making on pay

Weak	Relatively strong	Very strong
Australia	Canada (86%)	Austria
Hungary (40%)	Czech Republic	Belgium
Poland	France (18%)	Denmark
Slovak Republic	Germany	Finland (80%)
Spain	Greece	Italy (45%)
Switzerland	Iceland (99%)	Netherlands (53%)
United States (70%)	Ireland	Norway (90%)
	Japan (55%)	Sweden (84%)
	Korea (82%)	United Kingdom
	New Zealand (54%)	
	Portugal	

Note: numbers between parenthesis correspond to the reported percentage of unionisation in the public service

Table 8. Institutional frameworks for pay setting – Collective bargaining types

No pay bargaining		Single collective bargaining			Two tiers of collective bargaining	
Pay decided on the basis of recommendations by an independent review body.	Pay decided on the basis of recommendations by the president.	Bargaining for the entire public service.	Bargaining by functional sub-sectors.	Bargaining at the workplace level.	Central level + negotiations by professional groups.	Central level + negotiations at the work place.
Ireland Japan Korea	Czech Republic Mexico United States	Belgium Canada France Germany Ireland Luxembourg Poland Portugal Spain Switzerland	Germany Netherlands	Australia Netherlands New Zealand	Austria Denmark Greece Slovak Republic	Belgium Finland Hungary Iceland Italy Norway Sweden

2. Delegated or centralised human resources management

50. In addition to the tendency to individualise the management of civil servants, the survey shows that there is a clear tendency to delegate the design and implementation of government HRM policies. The main challenge for governments is to find ways of maintaining government coherence while delegating HRM responsibilities. In some more advanced cases of delegation, this has meant a relative recentralisation of human resources practices, notably in the case of the enhanced importance given to the notion of leadership, and a reflection on the role of the central HRM body.

2.1. *Delegation of HR practices and the new role of the central HRM body*

51. While the scope and pace of delegation has varied from one country to another, most OECD countries have moved towards some degree of decentralisation of HRM responsibilities from central HRM bodies to line departments. There appear to be three strategies, which have been used separately or jointly:

- Transfer of HRM responsibility from central HRM bodies (CHrmBs) to line ministries/departments/agencies. This is mainly used in position-based systems.
- Simplification of rules and procedures, where devolution has concerned the operational aspects of HRM, with responsibility for determining less detailed policy remaining at the centre.
- Developing more flexible HRM policies. Even where devolution of authority is very limited in some countries, CHrmBs have developed different types of flexible policies and less cumbersome procedures. Although pay determination has remained centralised in most countries, various types of pay flexibilities are given to the line MDAs.

Box 1. HRM bodies in central government

Involved bodies	Belong to ...	Countries
No CHrmB		Belgium, Sweden
Single ministry/agency	Finance ministry	Denmark, Finland, Portugal, Spain
	Management ministry(Agency)	Australia, Austria, France, Germany, New Zealand, Norway, United States
	Prime Minister or Cabinet	Czech Republic, Mexico, Poland, Slovak Republic, United Kingdom
Two agencies	Commission + management ministry	Japan, Korea
	Commission + Finance Ministry	Canada, Ireland

52. The survey reveals that CHrmBs still generally play a significant role in HR management and changing civil service systems. In a few countries the CHrmB has been abolished, while in others, the operating roles have been drastically devolved to line ministries. In many countries, the emphasis is shifting from detailed controls to providing guidelines and defining basic standards – implying a more strategic role for central management bodies. As the civil service becomes more fragmented, the role of the centre will be primarily concerned with ensuring that public expenditure and performance targets are met, and identifying and disseminating advice and best practice. Nowadays in many countries, the involvement of the CHrmBs is limited to the following areas:

- appointment, pay, classification of top civil service positions;
- management of top officials;
- oversight responsibility in equal employment opportunities, health and safety, and “good employer” requirements;
- code of conduct, disciplinary procedures, redundancy arrangements, basic terms and conditions of employment.

53. The delegation of discretion amongst operating costs is a good indicator of the level of devolution. Devolved budgetary frameworks that provide single running-cost appropriations for salary

costs and other administrative expenditures have provided an essential underpinning for the relaxation of central controls over key HRM aspects such as staff numbers, classification, grading and pay. Such frameworks generally contain some provision for the carry-over of funds, which can provide important flexibility in managing staffing levels. In many countries where the most extensive devolution has been most extensive, bulk funding of operating costs was used to initiate devolution. Those countries include Canada (1993), Denmark (1988), Finland (1990), the Netherlands (1994), New Zealand (1989), Sweden (1992), and the United Kingdom (1986). The introduction of bulk funded operating cost appears to be a necessary condition for the devolution of HRM authority – but not a sufficient condition.

54. The devolution of HRM responsibility has many aspects. The following is a list of the areas where HRM authority has been most commonly devolved across OECD countries:

- Employment: more flexible working-time arrangements, increased mobility, easier deployment, simplified/flexible recruitment arrangements, open recruitment, flexible terms of employment (contract/casual/part-time), simplified employee termination/laying off.
- Classification and grading: more flexible and less complex classification.
- Pay: still control, but with various flexible pay arrangements.
- Staff numbers: introducing operating costs.
- Central HRM bodies: transition from central control to a more strategic/broad concerns

Table 9. Level of delegation of the pay determination process

Pay bill set centrally	Limited number of departments free to manage their pay bill	Pay bill for personnel decentralised to the departmental or agency levels
<ul style="list-style-type: none"> ▪ France ▪ Greece ▪ Hungary ▪ Italy ▪ Japan ▪ Korea ▪ Netherlands ▪ Portugal ▪ Slovak Republic ▪ Spain 	<ul style="list-style-type: none"> ▪ Belgium ▪ Canada ▪ Czech Republic ▪ Denmark ▪ Ireland ▪ Mexico ▪ Poland ▪ Switzerland ▪ United Kingdom 	<ul style="list-style-type: none"> ▪ Australia ▪ Austria ▪ Canada ▪ Finland ▪ Germany ▪ Iceland ▪ Luxembourg ▪ New Zealand ▪ Norway ▪ Sweden ▪ United States

2.2. *Implementing whole-of-government policies in HRM*

55. One could think that the delegation of HR responsibilities undermines the implementation of whole-of-government HRM priorities. Two examples of such recent priorities show that delegation actually depends on the nature of the new priority. In some cases, delegation is actually necessary to implement policies that require a flexible implementation or when there is a significant need for staff involvement. In other cases, the change of values involved in the new government priority requires a certain degree of re-centralisation of policies, and when concerns for whole-of-government issues are central to the new policy.

56. The type of policy matters, but also the country’s own situation as regards delegation. If countries have a high degree of delegation, it is likely that their policies will aim, among other things, to improve government coherence. In the opposite case, they may find the need to increase bottom-up processes and give some additional flexibility to their systems. Finally, in some centralised systems, it is possible also

that when a new priority emerges, no other means exists to implement it than in a top-down and centralised way.

2.2.1. *Performance management of staff*

57. As developed in the report on performance-related pay, the implementation of PRP is very much linked to the level of delegation in human resources management. In addition, centralised and “scientific” methods of determination of performance have been slowly replaced by more relaxed performance management tools designed at the more delegated level. While staff performance management is often a government-wide priority, performance management processes are often partially set at the department or manager levels, and performance-related pay schemes also.

2.2.2. *Leadership*

58. In the same way that the management of senior civil servants has tended to become less individualised, it has also become less delegated.

59. In recent years, many governments have placed a high priority on leadership development, in particular in position-based systems. Behind this leadership development priority, and in addition to the need to enhance the accountability of senior management, lies the need to have a senior civil service with a whole-of-government perspective, that can ensure coherence and co-ordination between government policies in increasingly delegated environments. In addition, senior civil service reforms tend to emphasise the need for a renewed “*esprit de corps*”.

60. A certain level of re-centralisation has taken place in position-based systems as to the definition at the central level of a competency profile for future leaders, the formal or informal early identification of pools of future candidates, the participation of the central HRM body in the recruitment of individual senior civil servants, the performance monitoring processes and the determination of pay levels.

3. What about the use of non public servants for government positions?

61. In many countries such as France and the United States, career employees work under specific civil service rules while fixed term employees hired under more general labour laws sometimes carry out the same duties as career employees who have been hired under civil service (or public service) status. In response to the OECD survey of knowledge management in central government organisations, one-third of government organisations said that the percentage of their temporary staff with flexible status has increased over the last five years.

62. Unfortunately, the lack of comparative data in this field does not allow further conclusions on this topic. It is likely that many countries with little individualisation of human resources practices have increasingly used fixed-term contracts to hire employees under less favourable terms, with few career prospects and an unclear governance framework applying to them. In career-based systems, the use of fixed term contracts is likely to be motivated by the need for more flexibility, and maybe, the need for more individual accountability (provided by the threat of non renewal in case of low performance).

63. Other countries with relatively low levels of delegation have also probably met the need to bypass central management, a situation made even easier with a high level of individualisation.

64. More classic position-based systems probably find the necessary flexibility within their own systems.

65. In addition to important equity issues among staff, the likely increased use of those staff probably creates some serious problems of government coherence, knowledge management, and continuity of the public service.

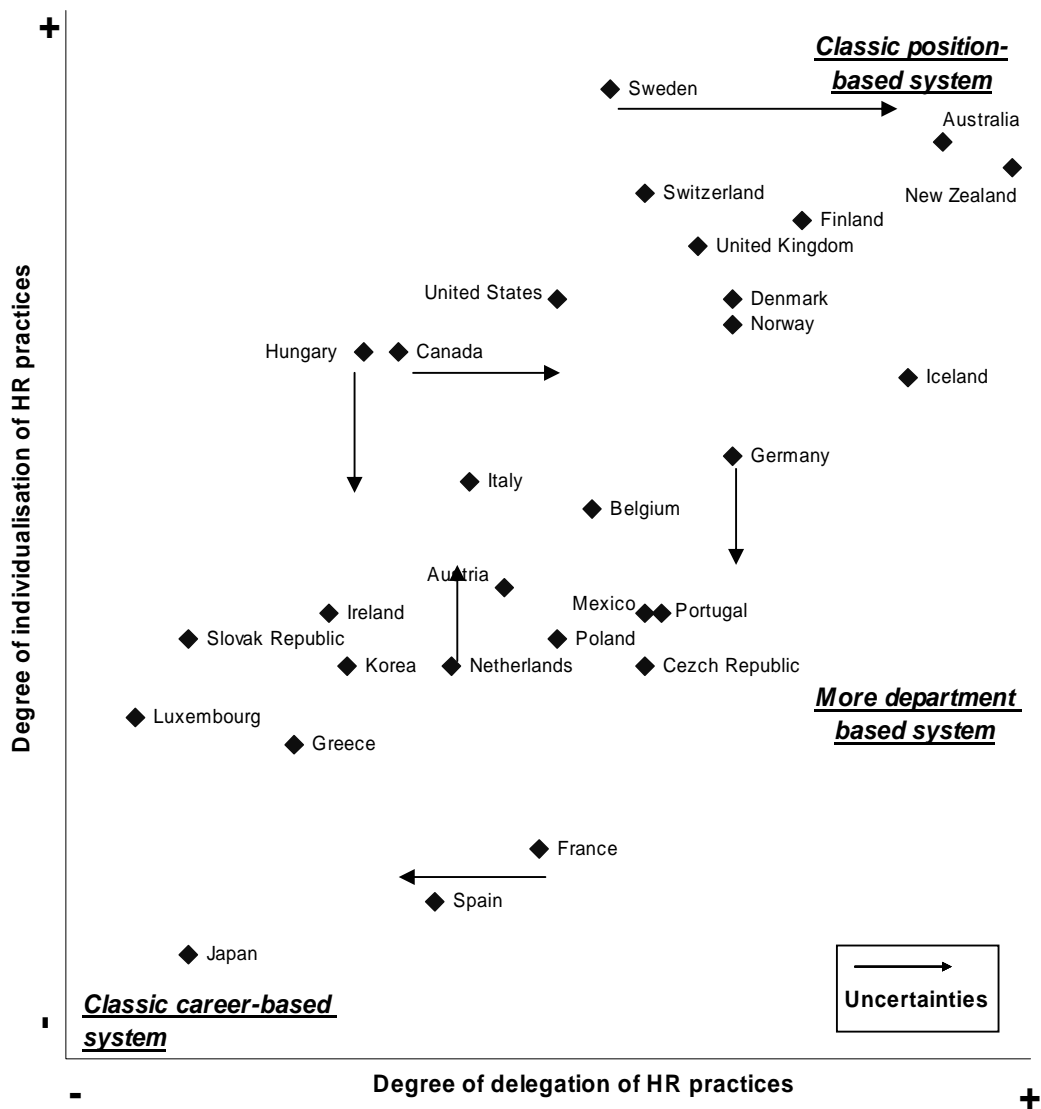
4. Career-based, position-based and now department-based systems

66. Traditionally, the specific rules and management systems applying to the public service have been divided into two different systems, the career-based system and the position-based system.¹

67. In the international community and general public management debates, position-based systems have been said to give more flexibility and allow an individualised approach to human resources management and to be more decentralised vis-à-vis career-based systems. As a result, countries with a relatively decentralised system have been classified under position-based systems and vice-versa. The GOV survey indicates that there is a further classification needed.

1. See GOV/PUMA(2003)18.

Figure 1. Delegation and Individualised approaches to HR practices in central government of OECD countries



NB: the data above should be interpreted with caution and only give an approximate estimate of where countries stand on each axis.

68. Figure 1 presents the levels of individualisation of HRM policies and the levels of delegation of HRM practices in central government of OECD countries. Individualisation is measured by the degree to which the management rules and practices vary according to the individuals and less according to the group. Delegation levels are measured by where decision making power is located, from the central HRM bodies to line departments and lower administrative levels.

69. While we continue to have a group of countries with traditional career-based systems and a group with position-based systems, there are now many countries which fall in between. There are countries with a relatively high level of delegation and a relatively low level of individualisation. These countries HRM systems tend to emphasize lifelong career in the civil service with minimum lateral entry (career-based). However, there is a high level of delegation to line ministries and to lower administrative levels in terms of hiring numbers and policies, promotion, and pay to a certain extent (position-based). We have coined the

term “**department-based systems**” to characterize these hybrid systems, which give a lot of HRM responsibilities to line ministries in the definition and practices of HRM policies, but where civil servants make a career mostly in a single ministry (Table 10). The main institutional characteristics of these systems are provided in Table 11 below.

70. It is notable, although not surprising, that among department-based systems, only Belgium, Italy (which have only recently changed their overall HR system) and Poland, have a clear senior executive service with clearly differentiated management rules. It is likely that the system is not individualised enough to make the need for coherence among civil servants crucial and that the system is too departmental to allow for natural overall management of senior civil servants.

71. The other group of countries that does not fit in to the traditional classification are those with a relatively high level of management individualisation of policies and practices but a lower level of delegation than what would be expected for position-based systems. These countries tend to have a relatively strong central HRM body (in terms of hiring numbers and pay levels) and in some cases and to a certain extent have recentralised the management of senior civil servants.

Table 10. Classification of HRM systems

More career-focused systems	More department-focused systems	More position-focused systems
France	Austria	<i>High delegation</i>
Greece	Belgium	Australia
Hungary	Czech Republic	Finland
Ireland	Germany	Iceland
Japan	Italy	New Zealand
Korea	Mexico	
Luxemburg	Netherlands	<i>Average delegation</i>
Slovak Republic	Poland	Denmark
Spain	Portugal	Norway
		Switzerland
		United Kingdom
		<i>Low delegation</i>
		Canada
		Sweden
		United States

Table 11. Summary of the main characteristics of career-based, department-based and position-based public services

	Career-based public services	Department-based public services	Position-based public services
1. Tendencies of status	Civil service status ¹	Civil service status or general labour code ²	Contract governed by public law ³
2. Trend towards term contracts within the civil service	No ⁴	No ⁵	Yes ⁶
3. Recruitment	Competitive examination ⁷ Mix of individual and pool recruitment early in career Few lateral entries	Mix of recruitment of pools and individuals depending on country, but early in career Few lateral entries	Recruitment of individuals Very open systems to lateral entries
4. Emphasis on entry training versus life-long training	Emphasis on training at entry in the civil service	Mix	Life-long training ⁸
5. Existence of a senior civil service with differentiated management rules	Yes ⁹	No ¹⁰	Mix – yes ¹¹ and no ¹²
6. Existence of central HRM body and line ministries autonomy vis-à-vis central HRM body	Limited or very limited autonomy vis-à-vis central HRM body	Large autonomy or absence of central HRM body	Large autonomy or absence of central HRM body
7. Career development, promotion, incentives	Performance incentives/sanctions on promotion. Few pay based incentives ¹³	Emphasis on promotion incentive/sanction. Some pay incentive	Emphasis on pay and promotion as incentive/sanction
8. Decentralization of pay	Centralization of pay systems ¹⁴ Little individualisation	Partial delegation of pay Little individualisation of pay	Partial or extensive delegation of pay Extensive individualisation of pay

Notes:

- ¹ Except, Luxemburg (status + specific system governed by private law), Ireland (contract governed by public law), and Slovak Republic (contract governed by public law),—no response for Greece.
- ² Except Austria (CS status or specific system governed by private law), Netherlands (contract governed by public law) – no response for Mexico.
- ³ Except Finland and Denmark (civil service status), United Kingdom (no specific law) – no response for Sweden and New Zealand.
- ⁴ Except Ireland and Hungary.
- ⁵ Except Belgium.
- ⁶ Except Norway.
- ⁷ Except Slovak Republic.
- ⁸ Except the United Kingdom with a more mixed system.
- ⁹ Exceptions include Greece, Ireland, Slovak Republic, Spain.
- ¹⁰ Except Poland.
- ¹¹ For Australia, Finland, Norway, the United Kingdom, the United States, Canada (but relatively few SES).
- ¹² For Sweden, New Zealand (except Chief executives system), Iceland, Denmark, and Switzerland.
- ¹³ Except Korea, Slovak republic, Hungary (important monetary incentives).
- ¹⁴ Except Ireland (some delegation of pay).

Conclusion

72. Results of the survey have provided data allowing for a broad overview of changes affecting the different HRM systems and promoting more adaptivity in the public service.

73. In particular, results of the survey show a trend towards the individualization of HRM policies, which is significantly more pronounced in position-based systems. Career-based systems tend to increase their delegation levels, and many are moving towards the civil service system category that we have coined “department-based systems.”

74. Overall, the three categories of civil service systems remain and only few countries have made drastic moves from one category to another. The bulk of countries are trying to reform and adapt their systems taking into account the inherent strengths and weaknesses of their civil service systems. The table below attempts to summarise the main lessons learnt regarding the challenges for each type of the three types of civil service system. It is likely that no country situation fits perfectly those categories. The table aims just at giving a broad overview of the systemic challenges. As department-based systems are a relatively new category, it is still difficult to grasp their inherent strengths and weaknesses fully, and even better to understand the reform strategies to counterbalance their inherent weaknesses. There is little doubt, however, that these systems will require attention in the future.

75. It seems that the underlying issue is really how to provide flexibility—both through the individualisation and delegation of practices-- to the HRM systems in order to improve responsiveness to changing needs and focus on local and sectoral demands, while maintaining a sense of collectivity and providing for coherence.

76. This question has significant consequences on the capacity to implement reforms: having a coherent, collective and centralised HRM system allows to think broadly about HR challenges and allows to implement reforms globally, while a more flexible system might help create the incentive for reform and adapt to local and sectoral specific needs.

77. A more complete analysis and understanding of issues at stake will require GOV to have a closer look at two specific issues: the evolution of industrial relations and the evaluation of the structure of the public service (how many staff under what types of contracts and what types of accountability structure work in government organisations)

SUMMARY OF CHARACTERISTICS AND RELATIVE STRENGTHS AND WEAKNESSES OF THE DIFFERENT TYPES OF CIVIL SERVICE SYSTEMS AND POSSIBLE REFORMS

Career-based systems	Institutional characteristics	Relative strengths	Relative weaknesses	Reforms and adaptations	Problems posed by reforms and adaptations
<ul style="list-style-type: none"> o Entry through competitive examination/diplomas o Many entry processes for whole of government dispatch-pools 	<ul style="list-style-type: none"> o Equity o No patronage o Strong academic background and common culture at entry in the different pools 	<ul style="list-style-type: none"> o Weak professional experience at entry o Lack of experience and competence variety o Lack of openness o Weak assessment of individuals drive for results at entry o Lack of mobility across pools 	<ul style="list-style-type: none"> o Increased hiring of non civil service employees under unclear contracts and weaker governance structure 	<ul style="list-style-type: none"> o Equity and coherence issues o Individual accountability issues o Issues of union representation 	
<ul style="list-style-type: none"> o Guaranteed lifelong employment 	<ul style="list-style-type: none"> o Independence vis-à-vis political sphere o Continuity of the civil service o Sense of collectivity 	<ul style="list-style-type: none"> o Unflexible wagebill o Weak pressure on individual performance o Weak external mobility o Difficult management of demographics 	<ul style="list-style-type: none"> o Id as before o Programs aiming to slowly decrease the number of employees (at retirement age) or through decreased number of opening o Willingness to establish lifelong training programs 	<ul style="list-style-type: none"> o Difficult management of demographics 	
<ul style="list-style-type: none"> o Emphasis on initial training rather than lifelong learning o Emphasis on government wide careers o Incentives relatively stronger on careers o Separation of grade levels and types of jobs 	<ul style="list-style-type: none"> o Strong common culture at entry o Strong internal mobility o Collective incentives o Strong collective values at the different hierarchical levels (“esprit de corps”) o Strong internal knowledge management 	<ul style="list-style-type: none"> o More difficult adaptivity to new values and tools o Weaker cross hierarchical values o Weak recognition of individual performance o Tendency to promote conformity rather than innovation o Lack of transparency of criteria for promotion and promotion procedures 	<ul style="list-style-type: none"> o Attempts at implementing individual performance management and PRP more particularly at SCS level o Establishment of fixed term contracts for specific jobs and positions (without calling into question the lifelong employment in the civil service)—especially for the senior civil service 	<ul style="list-style-type: none"> o Difficult implementation of individual performance management and PRP due to a stronger culture of collective accountability 	
<ul style="list-style-type: none"> o Few lateral entries 	<ul style="list-style-type: none"> o Fewer risks of conflicts of interest o Sense of collectivity o Good public management skills 	<ul style="list-style-type: none"> o Weak competition for posts o Difficulty in bringing in knowledge from the outside o Weak external mobility 	<ul style="list-style-type: none"> o Opening of senior management posts to staff coming from the outside 	<ul style="list-style-type: none"> o Possible risk of patronage and political appointments in a system unused to hire externally through competitive and transparent mechanisms 	
<ul style="list-style-type: none"> o Strong HRM central body o Centralised management of civil servants 	<ul style="list-style-type: none"> o Coherence and long term focus of policies o Easy implementation of government wide HRM policies 	<ul style="list-style-type: none"> o Heavy central processes in the HRM area o Weak adaptivity 	<ul style="list-style-type: none"> o Attempts at delegating some HRM practices—becoming department-based systems (see below) 	<ul style="list-style-type: none"> o Risk of loss of government coherence and weak HRM management in countries where managers are not trained to decide on HR strategies 	
<ul style="list-style-type: none"> o Clearly defined and separately managed senior civil service 	<ul style="list-style-type: none"> o Great sense of collectivity among senior civil servants o Easier implementation of new government priorities o Possibility for more informality management 	<ul style="list-style-type: none"> o Weak adaptivity to emerging challenges o Lack of competition for posts o Weak individual accountability for performance 	<ul style="list-style-type: none"> o Performance management o Opening of senior management posts o Lifelong training 	<ul style="list-style-type: none"> o Risk of patronage o Risk of loss of collective accountability without the establishment of individual accountability 	

Department-based systems	Institutional characteristics	Relative strengths	Relative weaknesses	Reforms and adaptations	Problems posed by reforms and adaptations
	<ul style="list-style-type: none"> o Initial entry through competitive examination/diplomas often at department level o Employment guarantees, but in some cases, possible negotiations within branches o Mixed of emphasis between initial training and lifelong training o Little training policy designed for the whole of government at central level o Emphasis of incentives on lifelong career in the civil service but mostly within the same ministry/ department o With increasing monetary incentives 	<ul style="list-style-type: none"> o Equity o No patronage o Strong academic background o Some flexibility within branches o Independence vis-à-vis political sphere o Continuity of the civil service o Sense of collectivity at department level o Emphasis on initial training might help build common values o Emphasis on lifelong training helps adapting the civil service to new needs o Strong departmental culture o Strong specialisation 	<ul style="list-style-type: none"> o Weak professional experience at entry o Lack of experience and competence variety o Lack of openness o Weak assessment of individuals drive for results at entry o Unflexible wagebill o Weak pressure on individual performance o Weak external mobility o Difficult management of demographics o Weak cross departmental values o Risk that initial training might be too light or inadapted o Weak emphasis on strengthening common values at whole of government level o Fewer opportunities to have a career in different government departments o Weak recognition of individual performance o Tendency to promote conformity rather than innovation o Lack of transparency of criteria for promotion and promotion procedures o Weaker whole of government values and coherence o Weak whole of government knowledge management o Specific risk of a mix between traditional career incentive and financial incentive: loss of sense of collectivity while no building of individual responsibility 	<ul style="list-style-type: none"> o Attempts to establish PRP, more particularly at senior management level o Establishment of fixed term contracts for specific jobs and positions (without calling into question the lifelong employment in the civil service) o Opening of some posts to external competition 	<ul style="list-style-type: none"> o Difficult implementation of PRP due to a stronger culture of collective accountability o Possible risk of patronage and political appointments in a system unused to hire externally through competitive and transparent mechanisms
	<ul style="list-style-type: none"> o Few lateral entries o Very weak central HRM body or in-existent central HRM body o Undifferentiated senior civil service 	<ul style="list-style-type: none"> o Strong mobility within departments o Good public management skills o Department-wide sense of collectivity o Strong flexibility of adapting HR policies to specific requirements of specific departments 	<ul style="list-style-type: none"> o Weak external mobility o Weak competition for posts o Difficulty in bringing in knowledge from the outside o Difficult implementation of whole of government HRM policies o Lack of coherence of the civil service o Difficulty in promoting a common civil service culture o Limited possibility to emphasise the establishment of a leadership capacity in government 	<ul style="list-style-type: none"> o Possible risk of patronage and political appointments in a system unused to hire externally through competitive and transparent mechanisms 	

Position-based systems	Institutional characteristics	Relative strengths	Relative weaknesses	Reforms and adaptations	Problems posed by reforms and adaptations																													
<ul style="list-style-type: none"> o Entry through recruitment for a specific post with a list of emphasis on professional experience 	<ul style="list-style-type: none"> o Wider pool of competencies o Easier import of new competencies—better knowledge management with the external world 	<ul style="list-style-type: none"> o Possible bias at entry—less objective/quantifiable criteria at entry o Weaker cross disciplinary knowledge of new recruits o Weaker public management specific skills at entry o Weaker common values at entry 	<ul style="list-style-type: none"> o Emphasis on lifelong training o Training for managers aiming at strengthening the glue of management and building their public management skills o Selection of pools of future leaders early in their careers 	<ul style="list-style-type: none"> o Risk of closed recruitment within pools and too little competition among managers 	<ul style="list-style-type: none"> o Weaker guarantees of lifelong career in the civil service o More fixed term contracts for specific positions 	<ul style="list-style-type: none"> o Emphasis on individual accountability for results o Easier implementation of staff performance management o Easier management of wage bill and demographics o External mobility 	<ul style="list-style-type: none"> o Weaker internal knowledge management o Weak internal mobility o More incentives to pursue individual interests rather than collective interest o Possible patronage and undue sanctions if processes are not in place 	<ul style="list-style-type: none"> o Emphasis on recruitment processes (fairness and transparency), performance measurement and firing processes o Internal knowledge management strategies o Selection of pools of future leaders early on in career 	<ul style="list-style-type: none"> o Procedural and heavy human resources management practices o Risk of closed recruitment within pools and too little competition among managers 	<ul style="list-style-type: none"> o Emphasis on lifelong training rather than training at entry o Delegated training policies 	<ul style="list-style-type: none"> o Possibilities to train throughout the career of civil servants and import new skills 	<ul style="list-style-type: none"> o Weak common culture at entry and public management skills o Difficult design of cross government training policies o Little long term strategic training to build government capacity 	<ul style="list-style-type: none"> o Life long training o Training at entry for managers 		<ul style="list-style-type: none"> o Promotion and career linked to positions and jobs rather than length of service 	<ul style="list-style-type: none"> o Emphasis on individual performance o More interaction between management and staff o Job description emphasizing measurable competences 	<ul style="list-style-type: none"> o Risk of individualist behaviors o Technicization of selection criteria o Weaker common values o Heavy processes 	<ul style="list-style-type: none"> o Selection of pools of future leaders o Softer performance management criteria 		<ul style="list-style-type: none"> o More emphasis on monetary incentives 	<ul style="list-style-type: none"> o Easier staff performance management o Visibility of objectives makes implementation of other reforms easier 	<ul style="list-style-type: none"> o Risks of difficult team building o Weak collective accountability o Accountability resting on senior managers and less on all staff o Success depends on strength of performance management in general and HRM system 	<ul style="list-style-type: none"> o Collective PRP 		<ul style="list-style-type: none"> o Common lateral entries 	<ul style="list-style-type: none"> o Higher competition for posts o External mobility o Easier knowledge management with organizations outside of government 	<ul style="list-style-type: none"> o Weaker mobility within government o Weaker internal knowledge management o Higher risks of conflicts of interest 	<ul style="list-style-type: none"> o Selection of pools of future leaders early on in career o Internal knowledge management strategies 	<ul style="list-style-type: none"> o Risk of closed recruitment within pools and too little competition among managers 	<ul style="list-style-type: none"> o Weaker HRM central body 	<ul style="list-style-type: none"> o Flexibility in the management of civil servants 		<ul style="list-style-type: none"> o Tendency to recentralise the management of senior civil servants 	
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<ul style="list-style-type: none"> o Emphasis on lifelong training rather than training at entry o Delegated training policies 	<ul style="list-style-type: none"> o Possibilities to train throughout the career of civil servants and import new skills 	<ul style="list-style-type: none"> o Weak common culture at entry and public management skills o Difficult design of cross government training policies o Little long term strategic training to build government capacity 	<ul style="list-style-type: none"> o Life long training o Training at entry for managers 		<ul style="list-style-type: none"> o Promotion and career linked to positions and jobs rather than length of service 	<ul style="list-style-type: none"> o Emphasis on individual performance o More interaction between management and staff o Job description emphasizing measurable competences 	<ul style="list-style-type: none"> o Risk of individualist behaviors o Technicization of selection criteria o Weaker common values o Heavy processes 	<ul style="list-style-type: none"> o Selection of pools of future leaders o Softer performance management criteria 		<ul style="list-style-type: none"> o More emphasis on monetary incentives 	<ul style="list-style-type: none"> o Easier staff performance management o Visibility of objectives makes implementation of other reforms easier 	<ul style="list-style-type: none"> o Risks of difficult team building o Weak collective accountability o Accountability resting on senior managers and less on all staff o Success depends on strength of performance management in general and HRM system 	<ul style="list-style-type: none"> o Collective PRP 		<ul style="list-style-type: none"> o Common lateral entries 	<ul style="list-style-type: none"> o Higher competition for posts o External mobility o Easier knowledge management with organizations outside of government 	<ul style="list-style-type: none"> o Weaker mobility within government o Weaker internal knowledge management o Higher risks of conflicts of interest 	<ul style="list-style-type: none"> o Selection of pools of future leaders early on in career o Internal knowledge management strategies 	<ul style="list-style-type: none"> o Risk of closed recruitment within pools and too little competition among managers 	<ul style="list-style-type: none"> o Weaker HRM central body 	<ul style="list-style-type: none"> o Flexibility in the management of civil servants 		<ul style="list-style-type: none"> o Tendency to recentralise the management of senior civil servants 											
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Position-based systems	Institutional characteristics	Relative strengths	Relative weaknesses	Reforms and adaptations	Problems posed by reforms and adaptations
	<ul style="list-style-type: none"> ○ Traditionally, no senior civil service system, but increasingly emphasis on a differentiated management of senior civil servants 	<ul style="list-style-type: none"> ○ When no senior civil service: ○ Stronger competition for jobs ○ More open possibilities for career in the civil service 	<ul style="list-style-type: none"> ○ When no senior civil service: problems of ○ Whole of government coherence ○ Knowledge of government affairs at top levels ○ Lack of a common culture and language at top levels 	<ul style="list-style-type: none"> ○ Emphasis on leadership ○ Whole of government training at entry in senior civil service ○ Selection of pools of future leaders early on in their career 	<ul style="list-style-type: none"> ○ Risk of closed recruitment within pools and too little competition among managers ○ Risk of disconnect in values and culture between senior civil servants and the rest of civil service

ANNEX1
RULES APPLYING TO THE DIFFERENT PUBLIC SERVANTS ACCORDING TO FUNCTION

Activity performed	Under civil service status	Under a contract governed by public law	Under a specific system governed by private law	Under the system governed by the labour code
Core functions of the state	24	4	3	6
Regional, local and municipal government	19	10	4	5
Public health services	12	11	5	5
Education	17	12	3	4
Research	15	5	4	6
Police	19	4	1	3
Military staff	19	2	1	2
Commercial public services	6	6	6	7
Social security	13	7	4	5
Other (specify)	5	1	0	3

NB: numbers refer to the number of countries.