

Unclassified

GOV/PUMA(2003)17



Organisation de Coopération et de Développement Economiques
Organisation for Economic Co-operation and Development

English - Or. English

**PUBLIC GOVERNANCE AND TERRITORIAL DEVELOPMENT DIRECTORATE
PUBLIC MANAGEMENT COMMITTEE**

GOV/PUMA(2003)17
Unclassified

**MANAGING SENIOR MANAGEMENT:
SENIOR CIVIL SERVICE REFORM IN OECD MEMBER COUNTRIES**

Background Note

**28th Session of the Public Management Committee
13-14 November 2003
Château de la Muette, Paris**

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EXECUTIVE SUMMARY

1. This paper provides a brief overview of reforms of the senior civil service across 12 OECD member countries¹. It takes the classical distinction between two main types of civil service system as its point of departure these are:

2. First a “career-based” civil service system recruits from a wide ranging group of top civil servants. Recruitment takes place after university or early on in the career and often uses competitive examinations and thereafter progression is managed by the organisation. In this system, a lot of resources are invested in the development and the careers of the selected civil servants to prepare them for top executive positions.

3. Second, a “position-based” civil service system where candidates for particular top executive positions are recruited from the wider civil service and the private sector, resulting in a large pool of possible candidates. A subcategory of the “position-based” system is the “department-based” civil service system where there is no well-developed whole of government career system. Appointments tend to be made on the basis of seniority and merit within the confines of the department involved.

4. This typology implies different degrees of centralisation in recruitment and appointment processes. Although very few countries perfectly match any one of the above systems, it is possible to establish the system any given country resembles the most. This is of practical value when comparing management reforms of the senior civil service in different countries, as the significance and understanding of reforms often depend on the point of departure as defined by the types. Each of the two systems sets up distinctively different incentives for individuals, and therefore tends to foster different cultural characteristics.

5. To compare the 12 OECD countries this paper focuses on 6 key issues concerning senior civil service systems and reforms hereof:

- Scope of the senior civil services
- Recruitment
- Appointments mandates and contracts
- Performance assessment and pay
- Promotion and mobility
- Training and learning

6. There is a general tendency across the examined countries to focus on developing management capacities. While performance management is already a focus of reforms in all countries, this is

¹ The 12 countries are Belgium, Canada, Finland, France, Italy, Korea, Mexico, Netherlands, New Zealand, Spain, United Kingdom, and United States. Furthermore, a short description of German reforms is included.

increasingly being supplemented by a focus on leadership and change management as well as human resources management². To a varying degree, all 12 countries have decentralised management responsibilities accompanied by mechanisms to ensure individual accountability of senior executives.

7. In conjunction with these similar tendencies, the country examinations show that the significance and understanding of reforms in the 12 countries depend to a large degree on their original civil service system type.

8. “Career-based” systems with a tradition of centralised recruitment, promotion, and training are introducing reforms like external competition for open positions, ministerial management by objectives and life-long training programmes.

9. “Position-based” systems with a great extent of decentralised management of appointment, promotion, and training are increasingly introducing central guidance of appointments, talent pools and inter-ministerial databases of present and potential senior civil servants.

10. The examination of reforms of the senior civil services in the 12 countries reveals that the two main civil service system types are evolving, highlighting the need to refine this classic typology. This does not mean that the systems themselves are converging rather that countries are adopting some features of the other models and adapt these features within the integrity of their own system.

² Understood as management of staff relations.

THE NEW PUBLIC EXECUTIVE: REFORMING THE SENIOR CIVIL SERVICE IN 12 OECD MEMBER COUNTRIES

I Introduction

11. This paper gives a brief overview of structural and management changes in senior civil services across 12 member countries. First it set outs the classic typology of senior civil service systems. This typology provides a lens through which to compare these reforms. Second, it provides a general overview of the reforms in these countries. The remainder of the paper focuses in more detail on the following six main topics of senior management reforms: scope of senior civil service, recruitment, appointments and contacts, performance assessment and pay, promotion on mobility and training and learning.

II. Typology of senior civil service systems

12. A classic typology of civil service systems distinguishes between “career based” civil service systems and “position based” civil service systems. In the paper this typology is applied to senior civil service systems.

13. The defining characteristics of the two senior civil service systems mainly concern the management recruitment and appointment processes:

14. “Career based” civil service systems recruit potential leaders straight out of university or early on in their career often through competitive examinations. In these systems a lot of resources are investing in the development and careers of senior civil servants to make them suited for top executive positions. Management of senior civil servants tends to be rather centralised with clear career paths.

15. “Position based” civil service systems have a more open recruitment process requiring vacant senior positions to be open to applications from the wider civil service and in some cases the open market. The result is a wider pool of possible candidates. In these systems the management of senior executives tends to be more decentralised.

16. A subcategory of this type is a system, which make no special intervention into the appointment and management processes. Appointments tend to be made on the basis of seniority and merit within the confines of the department involved.

17. Empirical experiences show that these two types each have their advantages and drawbacks.

18. The “career based” civil service system aims to build a coherent civil service with top executives who share the same culture, which makes working together and communications across government organisations easier and favours internal mobility.

19. The main weaknesses of this system lie in the lack of competition for top positions, the bias towards “generalist” skills, and the danger that senior civil servants, on a secure career path being part of a somewhat closed “club”, may eventually become too remote from what is going on in the wider society and the interests they are meant to serve.

20. The “position-based” civil service system aims to provide a wider choice of candidates including those with specialist skills, which promotes competition, cultural renewal, and adaptivity in the civil service.

21. Such a system does, however, open up risks of appointments and promotions being made on grounds other than merit. Though relatively heavy procedural mechanisms are sometimes necessary to prevent this, once good processes for transparent appointments on merit are established, this system's main weakness lies in the lack of a common culture among top executives, weak mobility of these executives across organisations and possibility for a high turnover rate.

22. If the system is "departmentally based" it furthermore has the advantage of drawing on an internal pool of people who know the area of the departments work very well. The disadvantage of such a system is that departments tend to be quite unequal in their capacity to attract and retain top talent - which may mean that the senior internal appointees for some departments may be of mediocre quality compared with their peers in other departments. Such a system may also produce senior managers who are not well equipped for dealing with whole-of-government policies issues because they have spent their entire careers in a particular departmental specialization.

23. Below, the characteristics and focus of the reforms in the 12 countries will be examined and the typology will be used to compare the effects of the different reforms. Then 6 main topics of senior management reforms mention in the introduction will be studied to make more specific comparisons.

III. Reforming senior civil services

24. Reforms of the management of the senior civil service remain an important public management goal in all countries covered in this note. Though there are great variations in reform characteristics, there are some general tendencies in the focus of the reforms.

25. Table 1 provides an overview of the phase, time period and basis of the reforms in the 12 countries examined.

Table 1: Characteristics of reforms of senior civil service systems*

Countries	Reform characteristics					
	Phase		Time period		Basis	
	Implemented	Planned	Radical	Gradual	Specific reform(s) of senior civil service	Part of general public sector reform(s)
Belgium	X		Since 2000		X	X
Canada	X	X	Since 1990	Until 1990	X	X
Finland	X	X		X	X	X
France	X			X	X	
Italy	X		X		X	
Korea	X		X		X	
Mexico	X	X		Since 1995	X	X
Netherlands	X		X			X
New Zealand	X			X	X	
Spain	X	X		Since late 1990s		X
United Kingdom	X			X		X
United States	X	X (in process)		X	X	X

Source: Country descriptions below.

* To be confirmed by member countries

26. Table 1 illustrates that while all countries have implemented reforms of their senior civil service, many are still in the process of planning further reforms. Some of the implemented reforms have been radical, often the result of a specific public sector crisis, while others have been gradual, often taking place over a considerable period of time.

27. One of the early findings is that the focus on the implementation of performance-oriented management has led to a convergence in the systems of senior civil services.

28. Most countries examined are trying to make their civil services more responsive to both policy decisions and the needs of citizens through more emphasis on “performance” rather than process compliance. This has meant some decentralisation of managerial decision-making and more emphasis on the individual responsibility and performance of top managers. This move to “individualise” public responsibility is being pursued through the introduction of mechanisms of objective setting and accountability, and individually based rewards and sanctions. However, the extent of the implementation of “performance-based” management for top executives varies very significantly among the countries in this study and is to some degree related to whether they resemble a “career-based” or “position-based” civil service type. While performance management reforms are general for all countries, the focus is increasingly turning towards leadership and change management as well as human resource management as illustrated in table 2.

Table 2: Focus of management reforms

<i>Countries</i>	<i>Focus of management reforms</i>		
	<i>Performance management</i>	<i>Human resource management</i>	<i>Leadership and change management</i>
<i>Belgium</i>	<i>Implemented</i>	<i>Implemented</i>	<i>Implemented</i>
<i>Canada</i>	<i>Implemented</i>	<i>Implemented</i>	<i>Implemented</i>
<i>Finland</i>	<i>Implemented</i>	<i>Planned</i>	<i>Planned</i>
<i>France</i>	<i>Implemented</i>	<i>Implemented, but further reforms planned</i>	<i>Implemented, but further reforms planned</i>
<i>Italy</i>	<i>Implemented</i>	*	<i>Planned</i>
<i>Korea</i>	<i>Implemented</i>	*	*
<i>Mexico</i>	<i>Implemented</i>	<i>Planned</i>	<i>Planned</i>
<i>Netherlands</i>		*	*
<i>New Zealand</i>	<i>Implemented</i>	<i>Public service HR Framework under development</i>	<i>In the process of being implemented</i>
<i>Spain</i>	<i>Planned</i>	<i>Planned</i>	<i>Planned</i>
<i>United Kingdom</i>	<i>Implemented</i>	<i>In process</i>	<i>Planned</i>
<i>United States</i>	<i>Implemented</i>	<i>Implemented</i>	<i>Implemented</i>

Source: Country descriptions below.

* Additional information required.

29. Alongside these convergence tendencies, the country examinations show that the significance and understanding of reforms related to the six key issues depend to a large degree on the point of departure as defined by the senior civil service type of the 12 countries.

Table 3: Suggested application of typology of senior civil service systems*

<i>Countries</i>	<i>Types of senior civil service systems</i>	
	<i>“Career-based” civil service system</i>	<i>“Position-based” civil service system</i>
<i>Belgium</i>		X
<i>Canada</i>		X (Some tendencies towards department-based system *)
<i>Finland</i>		X (Strong tendencies towards department-based system)
<i>France</i>	X	
<i>Italy</i>	X	
<i>Korea</i>	X Supplemented with Open Position System in 1998 (20%)	
<i>Mexico</i>	X (Objective since 1995 to establish federal professional career senior civil service)	
<i>Netherlands</i>		X
<i>New Zealand</i>		X
<i>Spain</i>	X	
<i>United Kingdom</i>		X
<i>United States</i>		X (Some tendencies towards department-based system *)

Source: Country descriptions below.

* To be confirmed by member countries

30. Few of the countries examined match one of these two types perfectly, but it is possible to establish which type any given country resembles the most and clarify how the types are evolving.

31. Countries with a position-based system are tending to establish competitive processes ensuring transparent appointment procedures based on merit³. At the same time, officially or non-officially, many countries are also developing pools of future leaders to be nurtured.

32. To a certain extent, these countries are also re-centralising the management of their senior executives, by defining mandatory government-wide appointment criteria, overseeing appointment processes, keeping government-wide databases of present and potential executives, defining service-wide standards, etc. Some are reviewing the promotion and mobility systems to provide clearer and improved career paths for senior executives who would like to remain in government. The aim is to reduce the turnover rate, promote mobility across organisations, and promote socialisation into a common culture.

33. Finally, the recruitment profiles in these systems are all evolving. Executives are now indeed expected to lead and to change and revamp their organisation. As a consequence, the delimitation of the group of senior managers has also evolved towards a more functional definition, including those with large organisational and staff responsibilities only. This elite is also increasingly expected to be mobile across ministries and agencies to encourage a common dialogue on performance, indicators and results.

34. Most countries with a traditional centrally managed career system are trying to open up their recruitment processes to increase competition for top executive positions, improve the performance of future executives, and introduce cultural changes and adaptability to their civil service systems.

35. While countries resembling a “career-based” system have a clearly defined and centrally managed senior civil service based on open and equal competitive examinations, they have experienced difficulties in relating performance to promotion and pay, because of early recruitment, training and grading. Only a few of these countries have related the variable pay of senior civil servants to performance assessment, but some are seeking to introduce management by objectives.

36. It seems that there are different centralisation and decentralisation tendencies of the reforms, leading to a form of convergence between the two main senior civil service types. These tendencies are summarised in table 4.

Table 4: Centralisation and decentralisation tendencies of reforms according to senior civil service types

<i>Reform tendencies</i>	<i>Career-based types</i>	<i>Position-based types</i>
<i>Decentralisation</i>	<i>Introduction of management by objectives.</i>	<i>Appointment, promotion and training</i>
<i>Centralisation</i>	<i>Recruitment, promotion and training</i>	<i>Introduction of central guidance of appointments, talent pools and inter-ministerial databases of present and potential senior civil servants</i>

Source: Appendix I

37. All in all, the variety of reforms are not necessarily entirely compatible, and countries are striving to find the right balance between introducing new management values while, at the same time, not undermining the traditional public service values of integrity, neutrality and impartiality.

³ However, in most countries, some clearly defined positions are recognised as being at the interface between the political and administrative world and there are few if any criteria applying to the appointments to these positions.

III. Scope of the senior civil services

38. In an increasing number of countries, the appointment to posts with important management responsibilities determines whether somebody is a senior executive and not the original grade, the salary, the length of service, or the qualifications. Some countries (for example, Belgium and the United States) even go as far as distinguishing between senior executives with large management responsibilities on the one hand, and experts or advisors on the other, who might reach the same salary and hierarchical grades without belonging to the same “executive” group. Increasingly, belonging to a group of senior executives thus implies that one has large management responsibilities. However, some countries resembling a “career-based” system including France and Korea still use educational background or hierarchical level to define the scope of their senior civil service.

39. All countries except Finland and Mexico have a differentiated group of senior executives (see table 5). There are two main ways of differentiating groups depending on the senior civil service type. Countries resembling a “position-based” system include top managers and an identified pool of potential top managers who are given special attention. Countries resembling a “career-based” system include a broader senior management echelon ranging down to the lower management level as in France, Italy, and Korea.

40. The size of the group varies between a few hundred to a few thousand depending on the country (see table 5). Of course, the size of a country’s public service should be taken into consideration, but at the same time, the size of the group reflects a strategic choice about who eventually is accountable. Some countries have chosen to rely on a very small elite (like Spain) while others are building a larger pool of senior civil servants (like the United Kingdom).

41. Countries which do not have a differentiated group of senior management, like Finland, apply more or less the same management systems to their senior executives as to their other civil servants. However, although in these countries there is no official definition of a senior executive, there is a general understanding of the post.

Table 5: Scope of the senior civil service

<i>Countries</i>	<i>Scope of senior civil service</i>		
	<i>Defining senior civil service by</i>	<i>Levels within senior civil service</i>	<i>Size of senior civil service</i>
<i>Belgium</i>	<i>Management responsibilities</i>	4	450
<i>Canada</i>	<i>Management responsibilities</i>	9 (according to Public Service of Canada's own executive classification system)	3600
<i>Finland</i>	<i>Not defined</i>	*	200
<i>France</i>	<i>Educational background or salary</i>	*	5360 (salary: 25.000)
<i>Italy</i>	<i>Management responsibilities</i>	2	4800
<i>Korea</i>	<i>No precise definition, but hierarchical level used as indicator</i>	2	1325
<i>Mexico</i>	<i>Management responsibilities by government decree 1999, but not yet in use.</i>	2-3	381 (1533 including level 3)
<i>Netherlands</i>	<i>Management responsibilities</i>	3	739
<i>New Zealand</i>	<i>First level by management responsibilities, second to fourth levels by management responsibilities or based on expertise.</i>	2-4	250-300
<i>Spain</i>	<i>Management responsibilities</i>	5	276 (excluding politically oriented posts of 36)
<i>United Kingdom</i>	<i>Management responsibilities</i>	3	3500
<i>United States</i>	<i>Management responsibilities</i>	*	5940 (excluding 660 top government positions with same pay scale, but not belonging to Senior Executive Service).

Source: Appendix 1.

* Additional information required

IV. Recruitment

42. Recruitment criteria vary across the countries studied, but the fundamental variations are related to the scope of the senior civil service. Countries which have a functional definition of senior management emphasising the management responsibilities of the posts have an appointment process which increasingly aims at recruiting executives with management and leadership capacities. This means new recruitment criteria focusing on former management experience, a different recruitment process, and an opening of the posts to candidates coming from outside the public service (see table 6). The search is thus directed to executives with proven capabilities in the civil service or elsewhere. Usually, they are recruited in the second half of their career. In all countries, however, the number of outside recruits (particularly executives from the private sector) remains a minority. This minority, however, can still be important, and outside recruitment is not merely a symbolic policy. Senior executives with proven leadership skills outside the public service are expected to encourage a change in mentality and open a window on societal changes.

Table 6: Degree of openness for external recruitment

<i>Degree of openness for external recruitment</i>		
<i>No restrictions</i>	<i>Restrictions</i>	<i>Closed</i>
<i>Belgium, Canada*, Finland, The Netherlands, New Zealand, The United Kingdom, The United States</i>	<i>Italy, Korea</i>	<i>France, Spain*</i>

Source: Appendix 1.

* To be confirmed by member country

43. The absence of specific academic requirements (in many cases a university degree is sufficient) also encourages open and diversified recruitment. In nearly all countries, the diversity resulting from open recruitment is further boosted by active efforts to recruit women and/or minorities.

44. Countries without a differentiated group of senior executives or with a grade-type of definition of the senior civil service have not placed enough emphasis on the notion of leadership and management in their recruitment process. These countries apply centralised recruitment based on competitive examinations and centralised training right after university or early in the careers of potential executives (see table 7). Some of the countries in this group have started to encourage external recruitment and international, private or research experience of their own senior civil servants as a way of increasing competition, cultural renewal and adaptability (see table 6).

Table 7: Centralisation and decentralisation of recruitment processes and the guidance and criteria of these processes

	<i>Centralised recruitment processes</i>	<i>Decentralised recruitment processes</i>
<i>Central guidance and criteria for recruitment</i>	<i>France, Italy, Korea, Mexico, Spain*</i>	<i>Canada*, The Netherlands*, The United Kingdom, The United States</i>
<i>Decentralised guidance and criteria for recruitment</i>		<i>Belgium, Finland, New Zealand</i>

Source: Appendix 1.

* To be confirmed by member country

45. Some countries have just recently established criteria and a procedure guaranteeing the recruitment to senior posts on merit and guaranteeing equality in the recruitment process. These processes

remain extremely important in all countries and most countries recognise that the search for better “soft” skills should not undermine equality in the recruitment process. As a consequence, for most countries which do not have competitive examinations guaranteeing equality, or which recruit from outside the civil service, more sophisticated recruitment procedures have been put in place:

- i) There is a tendency in countries with a decentralised management system towards a certain degree of “re-centralisation” of the management of senior executives (with a definition of mandatory recruitment criteria at the centre, recruitment procedures defined at the centre, and sometimes even an oversight of the recruitment process by the centre). In other cases, the centre has created an inter-ministerial database of senior executives ensuring better competition (see table 7).
- ii) Increasingly, transparency has become a keyword of open recruitment processes. Vacancies are widely published and panel recruitment has become the rule.
- iii) Recruitment processes per se have become increasingly complex in their effort to ensure a good level of competition among candidates, as well as fairness in the recruitment, which has to be based on merit. Processes include:
 - the use of pre-selection or selection committees whose membership includes non-government representatives in order to ensure transparent and objective recruitment;
 - the use of assessment centres, which combine tests with hands-on problems to bring out personal competencies;
 - the use of entrance competitions in order to remove the civil service from the sphere of politics.

46. Although in most countries, some clearly defined positions are recognised as being at the interface between the political and administrative world, there are few if any criteria applying to the appointments to these positions.

V. Appointments and contracts

47. Whether countries have a “career-based” or “position-based” civil service, it is clear that everywhere a large number of senior executives have made their career in the public service and will continue their career in the public service.

48. In most of the 12 OECD member countries examined, appointments are made for fixed terms. Increasingly, these countries work out detailed individual performance contracts, and some countries (notably Finland and the United Kingdom) are linking these individual contracts to organisational objectives and long-term strategies.

49. In countries resembling “career-based” system, contracts are related to a specific position, while appointment to the senior civil service is permanent.

50. There is an increasing disparity between term assignments linked to the definition of performance objectives and lifelong employment within the public service (in most cases, even within the senior executive group). This lifelong employment might be formalized in an indefinite employment contract or might be what happens in reality for most staff (allowing for poor performers within the senior executive group, even if sometimes they might remain within the civil service in other positions).

51. Two countries (Canada and the United States) report that appointment of senior civil servants is based exclusively on performance assessments. Thus, contracts are not made for any fixed term. Two countries (the Netherlands and Spain) have not developed performance assessment systems as an integrated part of their senior civil service system.

Table 8: Permanent and fixed mandates as well as use of contracts

<i>Countries</i>	<i>Mandates</i>	<i>Contracts</i>
<i>Belgium</i>	<i>6 years – renewable</i>	<i>Yes</i>
<i>Canada</i>	<i>Permanent, but performance assessment might result in dismissal.</i>	<i>No</i>
<i>Finland</i>	<i>Some permanent, some appointed for 5 years. Proposal to separate fixed term duties and permanent employment contract</i>	<i>Yes</i>
<i>France</i>	<i>3 years – renewable one term.*</i>	<i>No</i>
<i>Italy</i>	<i>Maximum 3 years.*</i>	<i>Yes*</i>
<i>Korea</i>	<i>Permanent, apart from Open Position System: 2-5 years – renewable.</i>	<i>Yes for Open Position System (20%)</i>
<i>Netherlands</i>	<i>Top Management Group: maximum 7 years. Senior Public Service: 3-7 years – renewable*.</i>	<i>No</i>
<i>New Zealand</i>	<i>5 years – renewable for Chief Executives tenure or fixed term contract for other senior managers</i>	<i>Yes</i>
<i>United Kingdom</i>	<i>5 years renewable for certain senior appointments.</i>	<i>Yes</i>
<i>United States</i>	<i>Permanent, but performance assessment might result in dismissal.</i>	<i>Permanent, but performance assessment might result in dismissal.</i>

Source: Appendix 1.

*Temporary appointments/contracts only for specific positions; permanent appointment to senior civil service

VI. Performance assessment and pay

52. All countries are striving first to attract the best people—and pay is one of the elements of the attractiveness of an employer—and second, to assess managers’ performance in relation to the organisational objectives and give them incentives to perform better. These objectives are not necessarily contradictory, as a lack of performance incentives can also deter the best candidates from applying for positions at the top executive level.

53. More and more countries are using increasingly complex performance assessment systems which aim at establishing a dialogue on objectives and results. To promote this new culture, countries realise that it is necessary to establish transparent procedures to avoid undermining staff confidence.

54. Assessment procedures begin at the critical point when objectives are assigned. They are regularly adjusted and are directly tied to organisational objectives. Line supervisors assess their executive staff once or twice a year. More extensive assessment on termination of contracts or mandates determines whether an executive is kept in the service or even promoted. Certain countries provide appeal procedures in the case of disagreement.

55. Most countries have tried to better formalise the link between the assessment of executives’ performance and their promotion and careers. In addition, in most countries one part of the executives’ total remuneration is variable pay clearly linked to the achievement of objectives, but there are some variations related to the type of senior civil service system. While countries resembling a “career-based” system have all implemented variable pay systems for their senior civil servants, not all of these systems are clearly related to performance assessment. Countries resembling a “position-based” system have implemented performance-related pay, though Belgium and the Netherlands seem to be exceptions⁴.

Table 9: Degree of performance-related pay

<i>Countries</i>	<i>Performance-related pay</i>
<i>Belgium</i>	<i>No</i>
<i>Canada</i>	<i>Yes (variable bonuses)</i>
<i>Italy</i>	<i>Yes (20 % of pay)</i>
<i>Finland</i>	<i>Yes</i>
<i>France</i>	<i>No</i>
<i>Korea</i>	<i>No (variable according to grade)</i>
<i>Mexico</i>	<i>No</i>
<i>Netherlands</i>	<i>No performance assessment system</i>
<i>New Zealand</i>	<i>Yes (Chief executives: up to 15% of pay Senior executive servants: variable bonuses)</i>
<i>Spain</i>	<i>No</i>
<i>United Kingdom</i>	<i>Yes (variable bonuses)</i>
<i>United States</i>	<i>Yes (variable team and individual bonuses)</i>

Source: Appendix I.

56. Finally, many countries have to some degree decentralised the decisions on the level of pay of senior executives. In some countries, negotiations on the level of pay may be individual.

⁴ The Netherlands instead focuses on personal competency development criteria, but it is unclear how this is related to pay.

VII. Promotion and mobility

57. In all countries, the promotion system is based on assessment of performance and personal competencies. There seem to be three major groups of promotion system, mainly depending on the type of senior civil service system

58. Countries resembling a career-based system tend to have a relatively good degree of mobility and sophisticated promotion mechanisms. As a consequence, they also usually have a definition of senior civil servants which includes a large number and goes relatively low in the hierarchy. However, one of the main drawbacks of those systems lies in the difficulty of maintaining a good degree of competition between candidates to senior positions over time, resulting, to various degree, in weaker performance criteria for promotion.

59. Countries with a more position-based system emphasise their difficulty in encouraging mobility of senior managers mobile across departments and in keeping senior managers over time, creating whole-of-government coherence problems. Many of those countries have felt the need to establish:

- Central databases of senior civil servants and potential future civil servants with full information on their career (the Netherlands). These databases are often public.
- Pools of future candidate either formal and centralised (United Kingdom) or more informal and decentralised (United States). These candidates are identified early on in their career and given special attention in terms of their career development, while at the same time remaining in competition with potential future staff coming from outside their group.

Table 10: Internal and external mobility according to senior civil service system

	<i>“Career-based” system</i>	<i>“Position-based” system</i>
<i>Internal mobility</i>	<i>Generally high (e.g. France and Italy)</i>	<i>Variable (Can be high due to mobility-related incentives like in the United Kingdom, or marginal in countries with more department-based system like Finland.)</i>
<i>External mobility</i>	<i>Generally marginal (but Italy and Korea are trying to open up for external recruitment)</i>	<i>Generally low (All these countries have no restrictions on external recruitment, but mobility still seems to be marginal especially in more department-based systems.)</i>

Source: Appendix I

VIII. Training and learning

60. Training has different purposes, including beefing up technical skills, improving management skills, giving a sense of what is expected from leadership, and creating a common culture and a group spirit among staff and especially among senior management.

61. While all countries seem to have put an emphasis on lifelong learning, two groups of countries can again be differentiated. Countries with an open position-based system tend to put more emphasis on specific training. This is not surprising in the sense that more open recruitment systems provide for a more diverse set of candidates with a weaker common culture and who sometimes need training in government affairs and procedures. Countries that select potential future leaders soon after university or early in their careers tend to put a lot of emphasis on early training and less emphasis on lifelong training.

62. However, a general trend is the increase in training courses that focus primarily on the development of leadership and management qualities. They help broaden the mind and increasingly focus on the capacity to negotiate and work within an international and political environment.

63. Training programmes are arranged centrally in most countries, but training may be delegated to universities or more autonomous training centres. Moreover, special training is available in all the countries where particular attention is paid to the pool of future senior executives.

Table 11: Main emphasis of training*

<i>Emphasis on training according to specific needs</i>	<i>Emphasis on early training</i>	<i>Emphasis on special training of the talent pool</i>
<i>Canada, Finland, The Netherlands, New Zealand, The United Kingdom, The United States,</i>	<i>France, Italy, Korea, Spain</i>	<i>Belgium, Canada, Korea, The Netherlands, New Zealand, Spain, The United Kingdom, The United States</i>

Source: Appendix 1

*To be confirmed by member countries

IX. Conclusion

64. The examination of management reforms of the senior civil services of the 12 OECD member countries reveals that the two main civil service types are evolving – and why in current circumstances the classical typology seems limited and needs to be refined.

65. The new attention to leadership among countries which have been the most ambitious reformers to date seems to be in pursuit of two somewhat conflicting goals—the use of the individual leader to be a spear-head of better performance, and the desire to replace the collective civil service cultural glue that has been weakened by the strong individualising tendencies of other management changes. Research shows that the main focus of those who design leadership development programmes is on their individual capacity to stimulate public sector performance. The collective glue objective, which is more likely to be achieved by socialisation rather than training per se is a lower priority. This might present some danger in the future.

66. But of course cultural cohesion is not a value in itself – it is useful only if it supports better government. In a few countries with a strongly coherent and tightly-bound leadership framework, there is currently a focus on leadership which is designed not only to stimulate performance, but also to open up the senior management positions to new people and new ideas.

Appendix 1: Country descriptions

Background of country systems and scope of the reforms

Belgium

Background of reforms: In the 90s, the Belgian institutions were rocked by a series of scandals, triggering widespread civic unrest and the election of a new coalition in 1999.

Reform initiatives and results: The new government immediately embarked on a radical reform of the federal government using reports by consultants and academics. Christened “Copernic”, the new plan was launched on 16 February 2000. It has four objectives: a new organisational structure, a new management culture, a new vision of human resources and a new working method.

In addition to in-depth reform of ministry structures - now known as Services Publics Fédéraux (SPF - Federal Public Services) – the focus has clearly been put on reforming public sector management and senior management, which have been entirely overhauled. A new programme has been launched to recruit senior executives from both inside and outside the service, and incumbent directors have had to re-apply for the newly created management positions.

Objectives and new competencies: One of the main reform objectives is to appoint proven managers who have increased freedom in the management of their departments. They are now required to show the qualities defined in their job profile, such as knowledge, a multidisciplinary background, contextual understanding, leadership, planning and coordination, the capability to lead change, flexible and fast response and human resource management.

Another important theme of the reform regards the relations between management and staff which are now expected to foster a more open culture. Unit managers should be trained to communicate with staff better, to pay attention to staff training and to build a genuine team spirit.

Canada

Background of reforms: While Canada has witnessed rather gradual reforms of its public sector, Canada implemented a series of radical reforms in the 1990s, aimed at reducing the size of the public sector, improving quality (citizen-centred service delivery), using incentives and measurement in the management of people, contracting out and further decentralising authority. On 6 February 2003, the Canadian government presented Parliament with a law with regard to the modernisation of the civil service. Paradoxically, this in-depth overhaul of a legislation which has seen very few modifications since [1967] is primarily intended to round off a series of uninterrupted developments and reforms for nearly forty years.

Growing awareness of demographic trends prompted the creation of the La Relève initiative to renew the public service. La Relève produced a re-examination of public service policies on compensation, rotation, classification, and human resources management of the EX level. From 1985 to 1994, numbers employed in the Executive Group were cut by 11.8%.

Reform initiatives and results: This crisis prompted the creation of the "La Relève" working group in 1997 to look into the renewal of human resource management and to launch an action plan in such areas as recruitment, loyalty incentives, equal opportunity and pay and a training programme for the most effective managers and executives.

In 1998, a new cross-functional organisation was set up, the leadership network, to forward the reforms launched by La Relève. This network is inter alia responsible for the joint management of the position of assistant deputy ministers. It also advises managers at all public service levels on how to renew their workforce.

In general, the missions of Canada's senior management (the Executive Group) have been considered as increasingly vital with the decentralisation of the decision-making process. The political changes in the beginning of the 90s and the traditional pressures on the administration (financial limits, emergence of a leaner government, failing credibility for the federal government, etc.) have significantly changed and affected the senior management structure.

Objectives and new competencies: Today, fourteen competencies are considered essential for senior executives and assistant deputy ministers. These competencies are used as guidelines for the selection, development and assessment of senior executives. These fourteen competencies are split in five categories:

- intellectual competencies - cognitive capacity, creativity;
- capacity to build the future - vision;
- management competencies - action-based management, organisational understanding, team work, partnering;
- competencies in human relations - interpersonal relations, communication;
- personal suitability - vitality/stress resistance, ethics and values, personality, behavioural flexibility, self-confidence.

The Leadership network promotes leadership throughout the public service. It also has specific responsibility for collective management of the Assistant deputy Minister (ADM) community. This includes resourcing, career development support, and community building initiatives, but does not include responsibility for hiring ADM

Finland

Background of reforms: Finland remains in the process of rethinking the management of senior civil servants. Increasing management's capacity at all levels of public organisation has been one major goal of public administration reform in Finland in recent years.

Reform initiatives and results: In the spring of 2000, the State Employer's Office in the Ministry of Finance launched a project which aims at assessing the effectiveness of the development of management in the state administration on the following criteria: strategic management, management by results, personnel management, financial management and management of international affairs.

On 21 January, 2002 the Ministry of Finance launched a project to create a strategy to improve the development of management within central government. The project was based on a strategic evaluation of the effectiveness of the management development and the Government Decision in Principle on State personnel Policy Line. The overall objectives are to make managers more professional, to help a new generation of managers grow into their jobs, and to adopt a systematic, professional approach to development of management in central government. The working group established by the Ministry of Finance has made the following strategic proposals:

- Top management duties should be for a fixed term; the time spent in one job should not exceed eight years.

- All managers in central government should have personal management contracts established for a fixed term, reviewed in connection with performance appraisals and evaluated in their entirety six months before they expire.
- Management should be developed on the basis of a common model.
- The efficiency and leadership of managers should be assessed on the basis of a common framework.
- The development, use and mobility of managers should be improved.
- Management in central government should be enhanced with joint development services.

At the same time, one of the priorities of Finland's government is to improve horizontal coordination, and top managers are expected to meet growing expectations in terms of knowledge management, the establishment of partnerships, networks, and the creation of the right conditions for joint decision making and boosting innovations.

Managers have been given increased competencies and decision making authority in the everyday management of their organisations, and are thus expected to be fully accountable for their achievements. Finland has put some clear emphasis in developing a performance management system for managers of the public sector. On the other hand, the mobility of managerial personnel has remained low. Little progress has also been made in management's own capacity in people management.

Objectives and new competencies: In general, the government's aim is to change the management climate towards a clear emphasis on innovation, trust-based interaction, cooperation and improved skills in human relations. It aims to encourage civil service managers to become visionary leaders and become examples for implementing change. The government also expects its senior managers to be personally accountable for the results of their organisation.

France

Background of reforms: The management of senior executives was thought through systematically in 1945 with the creation of ENA, aiming for the implementation of modern management principles: centralised recruitment, internal promotion through competitive examination, focus on initial training and practical internships, mobility across ministries, performance-based careers.

Reform initiatives and results: Since 1945, there have been three main reforms: i) in 1989, lifelong training was recognised as a priority; ii) focus on mobility: since 2002, lower level executives cannot remain in the main job for more than twice 3 years; iii) mandatory re-training in human resources management before an appointment to an executive position (2002). Although the system has been successful in creating a professional, loyal and politically neutral senior civil service, it has been called into question in a number of reports, and more recently major reports have been published on the topic. However, no decision to dramatically change the system has been taken yet.

Germany

Background of reforms: After the reunification, numbers employed in the civil service soared from less than two million to more than six million. The government reforms have therefore focused on stripping back the workforce in order to reduce the payroll by at least 1.5% a year and to slash public spending. The civil service employs people with three different statuses: workers and administrative staff (governed by private law) and civil servants (one-third of the workforce). The corps of civil servants breaks down into four categories: junior staff, middle managers, upper middle managers and senior managers. There is no group of senior executives or senior civil service with specific management rules that apply to them.

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A select group of political officials (secretaries of state, directors general at the ministries, senior diplomats, senior intelligence officials, etc.) enjoys special federal status due to the need to make sure they are fully in agreement with fundamental policy objectives. The government may automatically suspend them. This group consists of fewer than 500 federal employees (1997 figures).

Italy

Background of reforms: In February 1993, a founding legislative decree introduced contracts for officials who are now employed under general labour laws.

- a new agency, ARAN, which represents the public employer in negotiations with unions and is responsible for drafting collective bargaining agreements;
- separation between political responsibilities (indirizzo politico) and administrative responsibilities (responsabilità dirigenziale);
- a new senior management profile: new values, new responsibilities, new management methods;
- the development of an inter-ministerial pool of executives responsible "for the results of the activity managed by their offices and the execution of programmes and projects entrusted to them in the light of productivity objectives and for financial, technical and administrative management results, including organisational and personnel management decisions."

Reform initiatives and results: While the decree of 1993 remains the basis for every senior management reform, three periods can be distinguished, each of which raised contractualisation to a new level:

- a) 1993 to 1998: the "privatisation" recommended in the working paper did not yet apply to senior executives. Their appointments and performance obligations remained the minister's responsibility. Their pay reflected standard scales. Other managers were governed by collective bargaining agreements.
- b) 1998 to 2002: collective bargaining agreements became applicable to senior executives. They signed fixed-term contracts under private law specifying objectives and pay. The reform created an inter-ministerial management structure. In principle , all executives should have been lumped in this pool, which the ministries could have sourced for needed profiles. In fact, the ministries remained in control, trying to keep their best executives. Mobility was boosted by the development of an inter-ministerial database with the resumes of all senior executives and a list of available positions updated in real time. The years ahead can be expected to lead gradually to the creation of a genuine labour market.
- c) Since October 2002: the appointment and objectives of senior executives are fixed by decree (unilateral public act). Their pay is negotiated bilaterally and laid down in a private contract signed for the term of their appointment (3 years or less). The "ruolo unico dei dirigenti" has made way for ministerial pools but the inter-ministerial database continues to be used. The objective remains to promote mobility.

Objectives and new competencies: The newly organised "dirigenza" became the launch pad for the modernisation of public management. The new management of senior management has made the civil

service more politically neutral and, as such, has clarified the respective roles of politics and the civil service.

The main purpose of the newly created *dirigenza* was to remedy the lack of professionalism and the political bias of the hallowed senior public service by fostering a culture of excellence within the government and promoting close relations based on shared principles combining the founding values of the civil service - integrity, neutrality and impartiality - with the more pragmatic qualities demanded from managers. This ethics of accountability remains the cornerstone of all texts adopted since 1993.

Korea

Background of reforms: In recent years, one of the major changes regarding the management of senior civil servants in Korea has been the introduction of the Open Position System (OPS) to the Korean senior civil service in 1998. It aimed to increase competition within the civil service and to enhance transparency. Under this new system, about 20% senior positions of central agencies are now open to outside candidates, excluding those related to public security and public prosecutors. It is expected that experts from the private sector imbue new perspective and raise professionalism and competitiveness in senior managers.

Korean government views that the OPS has successfully achieved its goals of creating better performing and more competitive civil service so far. Recently, the Korean President emphasized that there is a need to expand the number of special recruits in the public sector in 2003.

Reform initiatives and results: At the beginning, this reform attracted some resistance from public officials who were concerned about the decreased number of their promotion opportunities. Also, measures had to be undertaken to encourage the application of high level managers from the private sector. In general, the reform is now considered as very successful in bringing fresh blood and a competitive spirit in what used to be a formerly rigid procedure.

Objectives and new competencies: With the introduction of this new system, new values have been identified and introduced into the system of management of senior management. According to the principles of the Civil service commission, and in addition to former experience and performance, there are five specific qualifications required for the recruitment of open positions: expertise, strategic leadership, problem solving capacity, management skills, and communication and negotiation skills. Other qualifications such as capacity in IT, foreign languages, or specific job-related technical expertise may be added to these mandatory criteria.

Mexico

Background of reforms: At the beginning of the 1980s, public sector reform aimed at more openness, privatisation and deregulation.

Until 1995, government's senior civil service was not managed under a specific set of rules impeding the establishment of a federal professional career senior civil service per se. Building a professional career senior civil service has since then been a government priority. The objective is to better distinguish between politicians and civil service, to guarantee lifelong employment in order to fight against corruption.

Reform initiatives and results: The establishment of a professional career civil service has been one of the main themes of the presidential elections in 2000. New laws have been designed under the new government which aim at improving civil servants accountability (March 2002), ensuring the right to access government information, (June 2002), and establishing a career professional civil service (April 2003). The latter establishes the conditions required to become a civil servant, to remain in the civil service and to be promoted.

The overall system will be managed in a decentralised and flexible manner. Each government organisation will have a “Technical committee for a professional civil service and for selection” in charge of the implementation and the evaluation of the career system within the organisation.

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Netherlands

Background of reforms: Prompted by a budgetary crisis, a weakening belief in the welfare state and the growing complexity and international dimension of government action, the Dutch government has introduced a number of radical public management changes.

Reform initiatives and results: The three major changes were: i) the alignment of labour relations and conditions in the public sector with private sector standards; ii) the creation of agencies; and, iii) the creation of an inter-ministerial group of senior executives: the Senior Public Service in 1995.

Objectives and new competencies: The creation of this group served two objectives:

- promoting better coordination and cooperation between senior officials at different ministries
- improving professionalism and bolstering the integrity of senior executives by fostering the emergence of common values and common benchmarks (team spirit).

Senior management is charged with bearing public service values and playing an important role in forwarding and achieving the objectives of a more modern, more effective and more efficient government. The traditional service values of integrity and commitment have therefore been complemented with the need for management and relationship building competencies.

The general government service charged with managing the SPS has drawn up a list of competencies covering the entire pallet of senior management functions: leadership values, vision, communication skills, initiative, the capacity to analyse problems, set objectives and come up with solutions, and flexible, fast response. These values and competencies determine the identification, recruitment and development of this group of senior executives.

New Zealand

Background of reforms: After a period of slow economic growth accompanied by high unemployment and inflation, the labour government embarked in 1984 on an economic liberalisation, deregulation and public sector restructuring programme. During that time, the number of public servants decreased from 90,000 in 1984 to 30,600 today (this said, many civil servants have been transferred to semi-public entities).

Reform initiatives and results: The State Sector Act of 1988 radically changed the administrative culture by increasing the autonomy of arm’s length bodies and transferring certain State functions to state enterprises. It also transformed senior executives into genuine managers with autonomous management powers to recruit staff, set wages and organise the structures of their career. The Employment Contracts Act of 1991, which deregulated labour market generally, decentralised the industrial relations and allowed

decentralise the management of civil servants to individual ministries (which are enabled to determine their pay scales and classification tables for their executives), and individualized the management of civil servants who have been given the choice to enrol in collective agreements or opt for an individual contract.

At the same time, the State Sector Act separated the management of two groups of senior officials:

- The chief executives at the ministries ("CEs"), recruited for their leadership and management qualities, capable of managing highly autonomous structures and subject to performance assessments;
- The Senior Executive Service has been disestablished recently and replaced by the Senior Leadership and Management Development Strategy and the Executive Leadership Program

Objectives and new competencies: The criteria for chief executives have been clearly thought. They include:

- personal qualities: commitment to achievement, honesty and integrity, intellectual capability;
- management competencies: on resource management, management expertise and effective communication skills;
- leadership qualities: internal and external communication, formulation and development of clear strategic objectives and management of the political and cultural environment of the organisations concerned while maintaining the neutrality of the public service.

The qualities required for SES members sought after in the Public Service are encapsulated in the Leadership Capability profile which has been developed as part of the SMLD Strategy and focuses on personal attributes, experiences and pathways, leadership abilities etc...

Spain

Background of reforms: After the large scale reforms of devolution of authority to regions, the next phase of important government reforms have taken place at the end of the 1990s, with the new Law of Organisation of 1997 (Ley de Organización y Funcionamiento de la Administración General del Estado), the new Government Law of November 1997 which regulates the functioning of government, and the new basic statute of the civil service, which has not been approved yet.

Reform initiatives and results: In the law of 1997 on the organisation and operation of the State General Administration posts of a political nature and of an administrative nature were distinguished, and as a consequence, requirements for their appointment and training. The distinction existed before but was not regulated so clearly and did not affect posts of and above the level of director generals (even if in fact, the great majority of top level senior positions were occupied by professional civil servants of the group A).

In February 2000, a Government White paper underlined the need to establish a unified senior civil service with new selection and training methods based on competencies and to establish a performance management system for senior civil servants. In addition, the November 2002 agreement between government and unions regarding the modernisation and improvement of government underlines the need to promote professionalism and better qualifications of the civil service.

Objectives and new competencies: The new project of civil service statute aims at establishing new management methods for the civil service, such as the management by objectives, the focus on performance, individual accountability for results, and senior managers accountability for their management. The new statute has not been passed yet.

Within this framework, a research study of present and future competencies of senior civil servants is being developed, with the aim to identify and define the executive competencies upon which a model of a senior civil service based on competencies could be defined in the State General Administration.

The Government White paper insists on the need to develop and rely on leadership to conduct change. The Paper defines leadership as the capacity to motivate staff and build their confidence, to manage knowledge and information, to assign responsibilities, and to get the expected results.

There is a project for the establishment of a senior civil service that aims to create a senior civil service as a unified group and introduce a new style of management. To implement this objective several measures are foreseen:

- To elaborate a Statute of the senior civil service.
- To design the set of executive's competencies that public sector professionals should meet.
- To implement new selection and training methods bases on competencies.
- To establish a competencies assessment system for senior civil servants.

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United Kingdom

Background of reforms: The British government has been through a series of public management reforms over the last three decades aiming at deregulating the economy, decreasing public service exceptionalism, and focusing on results and on performance.

Reform initiatives and results: In 1988, the British government launched the Next Steps initiative in order to improve management within the government and to separate the implementation of public policies from the decision making process. This reform involved the creation of agencies headed by a Chief Executive with considerable discretion in organising and running his/her agency (financial, management and organisational autonomy). The recruitment of private sector leaders is encouraged to foster a performance-based management culture at these agencies, which currently employ most civil servants.

In 1996, the government established the Senior Civil Service to encourage professionalism and an overall vision within the government and to promote stronger cooperation and cohesion between ministerial departments. The purpose of this Service is to extend management changes to senior central government executive and to build a culture of organisational efficiency and the concept of results.

Objectives and new competencies: The competencies demanded from high officials are set out in the SCS Competency Framework. This entirely behavioural new framework is based on 6 key competencies:

- giving purpose and direction;
- making a personal impact;
- thinking strategically;
- getting the best from people;
- learning and improving;
- focusing on delivery.

A precise document for each criterion determines which behaviours to adopt and which types of behaviour are inappropriate. Traditional senior management values remain valid, such as neutrality and

impartiality. These have been complemented by such newer values as fairness, quality of user relations regulatory quality.

A large programme of work was commissioned in early 2003 by the Civil Service Management Board with the aim of strengthening the leadership capacity of the UK civil service. CSMB agreed that the description of leadership the Service is seeking to develop is: "Visible leaders who...inspire trust, taking personal responsibility for delivering results effectively and swiftly, working in teams which are more than the sum of their parts and across traditional boundaries, focus on strategic outcomes, matching resources to business priorities, and who are honest, courageous and realistic with staff, constantly learning". Work is ongoing in 3 main areas:

- Improved organisational and personal performance management through a change in emphasis from a paper-based performance management process to performance discussions, an increased number of perspectives on performance (360 degree feedback), strengthened training and guidance, and identification of lower performers
- More active career management through brokered moves to extend personal and organisational knowledge, options to move from policy/management roles to support organisational/corporate initiatives, options for more flexible working, active exit management, and time-limited postings
- More investment in development with a strengthened suite of training and development for SCS and feeder grades, new training for people responsible for ensuring the delivery of services, and a high potential development scheme open to SCS in pay bands 1 and 2 with potential to go higher.

The details of the implementation of the leadership vision are being consulted on in the autumn of 2003.

United States

Background of reforms: The concepts of government performance and results have been at the core of government reforms for more than 3 decades. The civil service act of 1978 is one of the most important reforms which has transformed the method of recruiting and managing federal officials by fostering a system based on decentralization and delegation of power. In 1979, this initiative gave birth to the Senior Executive Service. The system of political appointments for top level managers was then complemented with the establishment of the SES in order to:

- establish a general system for managing senior executives in order to remove the operation of central government services from the sphere of politics;
- maintain the managerial competency of its members;
- improve the management rotation and mobility system;
- improve recognition of individual results in pay, promotions and transfers;
- hold senior officials accountable for individual results and the performance of their units.

Reform initiatives and results: In contrast with past selection criteria for SES members, based on skills in line management and procedures, the reforms of 1994 and 1997 radically changed the competencies required to join the SES.

Objectives and new competencies: Today, the government promotes qualities such as leadership, and the ability to produce results, to lead change, to lead staff, to influence and negotiate and to communicate. Clear assessment criteria and methods have been established.

The final selection of a new SESer must be validated by the Qualifications Review Board, which inter alia makes sure that a candidate's technical qualifications do not outweigh his leadership qualities.

Scope of the senior civil service

Belgium: The Copernic reform has clearly put an emphasis on what are now called “top managers”. This group of 450 staff has replaced the former “management” group of grades 13-17 who used to be 2,000.

Management functions now cover four levels:

- Chairman of the Steering Committee;
- Director General or General Manager;
- Director;
- Regional Director (only for the tax administration).

Canada: The scope of senior management reflects the functions carried on within the ministries at federal (or central) level. Currently, the public service senior management team consists of about 3,600 senior executives.

Each ministry is headed by a deputy minister, who is at the top of the pyramid. The "executive group" is formed by senior executives at lower levels in all ministries. These hold any of the following functions: assistant (delegated) deputy minister, director general, director or deputy. They form the "pool" in which future deputy ministers are spotted and recruited.

Finland: There is no distinct group of senior civil service in Finland. However, there are some special regulations on a Civil Service Act targeted at the group of most senior civil servants. They are on establishing and abolishing public offices and the termination of the public employmentship.

There are also different rules on recruitment and selection, disciplinary actions/dismissal, pay determination, job security and on standards of professional ethics required for SCSs than for the rest of the civil service. The number of senior civil servants is approximately 200.

There are special regulations on the State Civil Servant's Act on the dismissal of SPSs, which means that legally it is easier to give a notice to top most civil servants than other employees.

The proposed development strategy includes an idea of giving the group common management resources. Joint development, exploitation and mobility of common central government management resources will be enhanced systematically. One way of doing this is to convert the senior civil service posts at ministries, i.e. permanent secretaries, under-secretaries and managers in various separately defined operating units, into joint Government posts

France: The notion of senior management is not clearly defined in France and implies a multiplicity of definitions. The most common delimitation is commonly called “senior civil service” and usually implies members of the generalist “corps” recruited mostly from the competitive examination at Ecole Nationale d'Administration (ENA) and other more specific competitive examinations, and members of the superior technical corps (Ecole Polytechnique mostly). One belongs to these corps mostly after graduating from one of the above-mentioned schools. Members of these corps are recruited eventually to become senior managers. Only some few appointments to specific top management positions can be made outside of these original groups. Although when junior they may not be in a position of senior executive, they are considered part of the senior civil service. There are approximately 5360 members of these corps. Another

possible but less usual definition would be to use the salary scale and include in the definition all civil servants at the top salary scale. After excluding some obvious categories, the numbers would be around 25000 senior civil servants.

Italy: Senior management or "la dirigenza" in the central government consists of two echelons:

- lower level: executives (about 4,400 people)
- upper level: senior executives (about 400 people).

Executive and senior executive positions are identified in each ministry. Management responsibilities (supervision of one or more bureaux) determine whether or not someone is an executive, not qualifications. This objective approach shows the exact number of senior executives and permits the development of a database with up-to-date information about age, seniority, gender, level and ministry.

Korea: There is no precise and explicit definition on senior civil service in laws or regulations. But there is a general agreement about the distinction between senior civil servants and the rest of civil servants. Although the criteria are not formally set up in relevant regulations, the hierarchical level of specific government posts is widely used in as an indicator for the distinction. Since the introduction of the Open Position System, all candidate posts for OPS can be regarded as the posts for senior civil service.

Senior management includes two levels of posts in a typical organisation: Head of Office (Grade 1) and Director-General (Grade 2 and 3), excluding Minister and Vice Minister, who are Political appointees. In affiliated organisations, senior management includes Head of the Agency, and Director-General (Grade 2 and 3).

As of 2000, 1,325 people belong to senior management level in central governments.

Mexico: A 1999 government decree describes how the posts for senior executives should be defined in terms of their responsibilities in terms of decision-making, program definition, design of general government programmes, and management responsibilities with a high degree of authority. But it seems that senior civil servants have not been defined as a differentiated group. In 1994, there were 381 high level civil servants (excluding level 3, or 1533 including level 3). The proportion of women in the high level civil service was 9% (against 5,4% in 1985).

Netherlands: The "Senior Public Service" consists of officials with supervisory or management functions - echelons 15 to 19 of the civil service - i.e. 739 employees in 2001.

Although this group was initially made up of incumbent officials, management responsibilities determine whether someone belongs to the SPS. The SPS is divided into three levels:

- echelon 19 or "top management", a group made up of chief executives, directors general
- and agency directors;
- echelons 17 and 18, whose members have supervisory functions;
- echelons 15 and 16, which are used as talent pools and given special attention.

The average age of SPS members (50.7 years in 2001) shows that promotion to these positions tends to fall in the latter half of one's career.

New Zealand: Senior management consists of two differently managed levels:

- chief executives at the ministries, whose positions are clearly defined by their functions

Spain : The civil service is divided in five groups depending on the level of qualification required for gaining access to the civil service (Groups A, B, C, D and E). The Group A requires having a doctorate, bachelor's, engineering, architectural or equivalent degree. Top management includes posts of State secretaries, vice state-secretaries, Director General, Director, President, vice-President and Directors or large government firms, among others.

The LOFAGE has introduced the distinction between politically oriented posts (ministers, State secretaries) and « professional » executives (under secretaries, secretary generals, technical secretary generals, and director general, and vice director generals) . All “professional” executives now have to be nominated on merit and professional grounds unless the ministry states otherwise (before the law, only vice-director generals had to be appointed on professional grounds). The law (Act 6/1997, of April 14, on the organisation and the operation of the State General Administration, called LOFAGE) distinguishes between “higher or superior authorities” (politically designated authorities) and “directive or management authorities” (professional senior civil servants or professional executives).

Superior authorities are the Ministers and the Secretaries of State, and Directive authorities are Under-secretaries, Secretaries General, Technical Secretaries General, Directors General and Deputy Directors General. All of them, except for Deputy Directors General, are considered as “Top level senior positions”. All of the other authorities in the State General Administration depend on a higher or directive authority.

All directive positions must be appointed on the basis of their professional competency and experience among tenure civil servants belonging to Group A (where entrance to the civil service requires having a doctorate, bachelor's, engineering, architectural or equivalent degree). An exception is that of the Secretaries General who will be appointed out of persons being experienced and qualified in the exercise of responsibility positions in both public and private managing jobs. For the Directors General, they may not be a civil servant only if the Royal Decree governing the structure of the Department, in view of specific characteristics of the Directorate General, allows it.

(Therefore only in these two cases there is the possibility to state otherwise and not by the Ministry but by the Government by means of a Royal Decree)

According to the ministry of public administration, top level civil servants were 303 in 1999 (12 ministers, 24 secretaries of state, 61 under secretaries and secretary generals, and 205 director generals).

United Kingdom: The Senior Civil Service (SCS) consists of almost 3,200 senior officials, mainly grades 1 to 5 in the former structure. It includes senior directors (directors general, directors, etc.), political advisors and agency directors.

Every ministry or agency determines which jobs are part of the SCS.

Senior management in the United Kingdom also draws from a talent pool created as part of the Fast Stream programme, which recruits general university graduates (Oxford and Cambridge) and incumbent executives with high potential whose career is shunted onto a fast track.

United States: The following criteria determine which senior executive positions belong to the Senior Executive Service (SES):

- management of an organisational unit;
- responsibility for one or more programmes or projects;
- supervision, evaluation and adjustment of the work done by a unit to achieve the purposes of the organisation;
- appointment to functions with significant influence on policies or political decisions.

In practice, these are top-level positions and only a tiny percentage of managers recruited into the public service from the best universities can be part of the SES. This group currently comprises about 6,600 managers in top government positions, including 90% senior executives (the other 10% are not examined in this paper). Management responsibilities determine whether or not a position belongs to the SES. The same pay scale applies to about 800 positions not belonging to the SES, such as the positions held by senior advisors, scientists and professional specialists. The creation of pools with high-potential candidates selected from lower levels is encouraged but their management remains entirely decentralised.

Recruitment

Belgium: Recruitment involves assessment of the candidates to spot whether they have the necessary competencies for the vacancy. Managers not belonging to the civil service may also apply for the position of SPF president and director general.

Candidates are screened by means of an assessment procedure organised by an independent head hunting firm at an assessment centre. The assessment procedure looks at indirect information (standard tests and interviews) as well as behavioural observation (simulated situations). The candidates next have an individual interview with a selection committee chaired by a representative from the recruiting department. Finally the selection committee and a manager from the head hunting firm compare notes and rank the candidates.

The results of the assessment and the interview with the selection committee are normally given equal weighting. Depending upon the position applied for, candidates with top scores may be invited for a final interview with the Minister or the SPF President, who takes the final decision.

Canada: There are two distinct selection procedures:

- one for deputy ministers, who are selected from the Assistant deputy minister community. They are appointed by the Prime Minister on the recommendation of the Clerk of the Privy Council. The latter is the senior deputy minister and head of the public service.
- the other for the executive group. The selection standards for the executive group are set and monitored by the Public Service Commission, an independent agency of the federal government responsible for safeguarding the values of a professional public service: merit, competence, non-partisanship and representativeness. Internal candidates may compete to participate in one of the Public Service Commission's development programmes. At the same time, internal and external candidates may apply for a particular competition. Competitions usually involve an initial screening for qualifications, a written exam, a panel interview and reference checks.

The wish to ensure equal access to public service jobs (Act of 1995) is reflected in the application of active policies to recruit women, aboriginal peoples, persons with disabilities and persons in a visible minority.

Finland : Finland does not have a career civil service (except for the Foreign office). All vacancies have to be made public, anyone may apply, and the list of candidates is publicly available. In practice, in a lot of cases, senior executives have been promoted from inside the organisation in some cases step by step from lower positions. The management skills and experience are assessed during the hiring process. It has become common that the organization uses external recruiting services in the process to assess candidates. In addition to experience and proven management skills, the capacity to manage in political-administrative environment, and to collaborate with political leaders and other civil servants are increasingly taken into account. Within senior executives, only the secretary of state of Prime Ministers Office is nominated on political grounds.

The Ministry of Finance set up a project 2002 for the promotion of women in managerial positions. Today, women account for only some 13 % of top management posts

It is estimated that 85 % top managers and 55 % of middle managers will leave the civil service within the next ten years. This creates a major recruitment challenge for the Government whose objective is to become a model employer.

France:

i) Initial recruitment into the group of senior civil servants:

A little more than 100 generalist candidates are recruited each year after the very competitive examination to enter the Ecole Nationale d'Administration (ENA). 50% are recruited more or less right after university (average age: 24 years old), 40% from civil service (who have to account for more than 5 years of work experience as a civil servant—average age: 34 years old), and 10% from elsewhere (average age: 38 years old). The competitive examination comprises extensive written and oral tests assessing candidates' required technical skills (in public law, economics, public finance, general education level, foreign languages etc.) and personality. Today, more than 30% of women pass this competitive exam.

After two years of training and internships, students are ranked at graduation and can choose their future assignment groups to which they belong until the end of their career: 3 "corps" recruiting only 10 to 15 students each year have the best reputations and provide for a large number of future top executives. This assignment process has been called into questions for years, but no reform has yet been implemented.

More than 400 candidates are recruited into the civil service through Ecole Polytechnique (which is a military school originally). The competitive examination is reputed to be as difficult as ENA's. However, a large proportion of graduates leave the public sector right after graduation.

ii) Recruitment in top management positions:

For top executive positions (around 600 including director generals and directors at central level, prefects representing the central state at local level, ambassadors, local chief education officers), the government of the day has a full freedom regarding their appointments. There are no specific criteria and only for some positions is there a usual way of doing things. While most of these positions are filled in by civil servants, not all are. And appointments follow the government of the day's priority.

For the rest of the executive positions, there are some strict appointment rules. First of all, appointments have to take place within civil servants members of the "corps" "assignment groups" formed after ENA or Ecole Polytechnique and its implementation schools. In some cases, candidates even have to come from specific "corps", whether this be a legal rule or just a result of history for some government positions which have been kept by some members of certain corps for other members of the same corps. Second, candidates must have worked a number of years as a member of their corps (8 years for example for deputy director positions). Finally, some conditions such as preliminary mobility for example must also be fulfilled.

In 2001, the share of women at director level was 12-13%.

Italy: The Italian government encourages the recruitment of young executives, mostly fresh from university. This reflects the need to overhaul and rejuvenate the entire senior management echelon. Note that the executive group is increasingly targeting talent from the private sector, universities and regional entities, which currently account for 10% of senior executives and 8% of executives. External candidates can only be hired for a fixed term.

Other executives are recruited through competitions designed to eliminate politics from the general government. There are two types of competition:

- the first type of competition (corso concorso) is for people who want to join the public administration school. The curriculum of this school covers 15 months of alternating theoretical training - mostly in organisational sociology - and practical training - with many hands-on problems - and internships. On completion, students have to pass another examination. Depending on their results, graduates select their future ministry. The level required for every applicant is a master's. Applicants may be students, Italian or foreign government executives or private sector managers;
- the second type is a competition organised by the ministries. The prerequisites and training standards are roughly the same as for the first type. Students who pass this competition follow a programme of at most one year at the public administration school.

The public administration school actively encourages the emergence of a team spirit in all basic training programmes. Graduates from the first classes have set up an association whose aim is to disseminate innovation in the public administration. Moreover, courses are not only taught by government executives but also by academic researchers, which leads to training partnerships with the universities.

Until October 2002, management of senior executives was an inter-ministerial matter with the help of a pool known as the *ruolo unico dei dirigenti*. The creation of this structure was the backbone of the reform conducted from 1993 till 2001. It was underpinned by a database of jobs and profiles. This tool allowed the government to publish available positions in real time and to establish a labour market for managers.

The new text adopted in 2002 has replaced inter-ministerial management of senior executives with ministerial management. However, the inter-ministerial database and the labour market for senior executives have been kept.

Korea: The Korean civil service system is a career system. Within the general service (GR9—staff to GR1—senior management: the general service excludes clerical staff and lower levels), there are three levels of entry: GR9 (staff), GR7 (staff) and GR5 (middle management), to which correspond competitive exams. All exams are conducted centrally by MOGAHA.

Legally, there is no impediment for someone who has passed the GR9 or 7 exams to reach senior management level one day. In reality, and except for Open Positions (see part I), all senior managers come from staff who have passed GR5 exam (there are three sub-categories of GR5 exams: Higher executive Exam for General Service, Higher Executive Exam for Diplomatic Service, HEE for specialized service). Most GR5 exam passers are young graduates and GR5 exam passers are usually coming from the best universities.

All exams are conducted in a centralised manner by MOGAHA, and approximately 300 people are recruited each year at GR5 level. They are then trained for a year in a national training institute (called COTI), during which they have to attend a series of training courses on leadership, basic public laws, English, and so on. At the latter part of this training, they are to be on-the-job training both at a central govt ministry and at a local govt.

In this context, the opening of 20% of senior civil service posts to private sector staff constitutes a major reform of the Korean senior executive system which is bound to gain more importance as more posts might be open to outside recruitment in the short run. Since 1999, 138 positions at director general level in 40 government organizations have been open to outside candidates. As of May 2003, the recruitment rate from outside is 36.4% for these open positions.

The recruiting system is highly centralized but two central organizations for HRM are in charged:

- the CSC, independent body, is held responsible for setting the standards and procedures concerning employment and promotion of civil servants to Grades 3 or higher and reviewing employment and promotion civil servants to Grades 3 or higher.
- the MOGAHA in the cabinet recruits civil servants of Grades 5 or higher ranking and those of Grades 6 or lower ranking. In addition, the CSC before the request to the MOGAHA should review the appointment of senior civil servants. Civil servants below Grade 5 are appointed by the Minister.

There are two affirmative action plans: one for women and one for the disabled, both set up by the CSC and the MOGAHA and implemented by central and local governments. CSC and MOGAHA have set a "5-Year Promotion Plan for Female Managers Appointment" to increase the number female civil servants at grade 5 and higher by the year 2006. It was shown through a recent investigation that the goal of increasing the ratio of female civil servants to 5.5% by the year 2002 had succeeded.

Senior managers above grade 1 are politically appointed. Their appointment follows an election and requires approval by the National Assembly. These are the civil servants who are in charge of government policy making of great significance, or who assist those engaged in the policy making process.

Mexico: Mexico has just revised the legal basis of its civil service in order to better build a professional civil service including top civil servants. Top civil servants should now be appointed on professional grounds and careers within the civil service will be professionalised.

Netherlands: the General Government Service, an independent structure of the Home Office set up in 1995 is charged with recruiting and managing the SPS. The SPS is managed centrally. All vacant positions from echelon 17 upwards must be reported to this service which, together with the other ministries concerned, draws up job specifications and competency profiles and helps identify candidates.

The Top Management Group is recruited differently. A preselection committee chaired by a personality from outside the central government is appointed and charged with drawing up a first list of candidates. Non-government personalities may apply without restriction for vacant positions. In 2001, 10% of all executive appointees came from outside the government. The Dutch government is moreover actively engaged in a drive to recruit women and minorities. In 2001, the SPS included 11% women and 2% from minorities.

New Zealand: The chief executives by Cabinet on the recommendation of the State Services Commissioner. Positions are widely advertised, including internationally in many cases. Consultants sometimes assist in identifying candidates. The Commissioner or his deputy chairs the selection panel which includes non public servants. When it is not, this must be gazetted in Parliament and the State Services Commissioner is then obliged to convene a new selection process.

The appointment of senior managers depends entirely on the selection by the departmental chief executive.

Candidates from public and private organisations may apply to vacancies.

Spain : Appointments to the now larger group of « professional » senior executives now have to be made within the civil service. De facto, most staff who reach senior executive posts are from Grade A of the civil service. Appointments to the now larger group of professional senior executives now have to be made within the civil service among tenure civil servants belonging to Group A and on the basis

of professional competency and experience (all of them not most of them. The only exceptions have been explained). The new appointment mechanism is thus no different from the promotion systems for the grades below the senior executive positions.

As professional executives have to be appointed among Group A Civil Servants, recruitment is made at the moment of gaining access to the corresponding Corp. The hiring process for Grade A staff is rather decentralized. A university diploma is required by law to be able to take the exam, and exams are organized by ministries after they have published their yearly number of vacancies at grade A level.

A specific group of civil servants provides for a large number of senior executives and their hiring process is rather centralised. They are the Superior Corp of State Civil Administrators.

Selection for gaining access to the civil service is very much structured and regulated as a way to guarantee the constitutional principles of equality and merit and capacity. This feature applies also to selection to Group A, among which professional executives are appointed. The usual procedure for gaining access to this group is to sit a competitive examination that consists in several exams to determine candidates' knowledge and aptitudes and establish an order of preference between them. As a general rule, knowledge exams to Group A have a very strong weight in selection although there is always a practical exam. There may also be a competition to examine and value merits and experience of candidates, but with a much lesser weight. It is completely exceptional for selection to be based only in a competition procedure (it happens, for instance, in the research field, but few senior executives are appointed from this field). One third of the posts are reserved for staff of group B for internal promotion.

United Kingdom: Traditionally targeted at young graduates from major universities, executive recruitment has now become more widely available to other applicants. There are no more qualification barriers (such as diplomas or seniority) for top management positions.

Candidates are evaluated and interviewed during talks at assessment centres with members of the ministry concerned (every ministry is responsible for its own recruitment). Positions are graded according to the "Job Evaluation for Senior Posts" (JESP), which offers 3 levels of employment and the corresponding pay scales. The government encourages recruitment of people from outside the civil service for positions requiring competencies and experience found more often in the private sector, such as agency directors.

New executives are also drawn from the pool created within the framework of the Fast Stream programme, under which the government recruits general university graduates from Oxford and Cambridge and officials with high potential whose career is accelerated.

Since 1999, British policy has been to diversify its recruitment sources. By 2004-2005, women and minorities will respectively account for 35% and 3.2% of the group of senior officials.

United States: Each federal institution uses its own methods to select and recruit senior executives, based on a process designed to promote competition between internal and external candidates. Most federal institutions have established their informal SES "pool" (future potential SES) and invest in training and career management of their members.

Each institution appoints a recruitment advisor to oversee the process. The final choice made by the federal institution is validated by the Qualifications Review Board, whose main duty is to check that technical qualifications do not outweigh leadership qualities in selected candidates. This Board is made up of senior executives from outside the recruiting entity. A fast-track procedure is used for new appointments of incumbent SES members.

Currently, 25% of the SES members are women and 14.6% are minorities.

Appointment mandates and contracts

Belgium: Managers receive a temporary mandate of six years, which is granted by either the minister or the president of the SPF. Only the president of the "Chancellery and Support Services" SPF receives a mandate which expires automatically at the end of the legislature.

The internal audit director is given a mandate by the National Audit Committee in order to ensure his independence from the SPF president.

Within three months from appointment, each SPF president and his consultants must present the minister with a management plan. This plan is prepared in collaboration with the directors general and comprises:

- a precise definition of his duties,
- his strategic objectives,
- the operational objectives,
- the budgetary resources.

Based on this plan, lower level managers work out operational plans for their own departments, including:

- a three-year plan giving a line-up of concrete services resulting in the achievement of strategic and operational objectives within the framework of budgetary resources;
- the annual budget necessary to perform the services.

Canada: a manager is considered to have carried out or failed the duties of his job in the light of his performance and results. No particular contract is signed when a new position is assigned.

Finland: The Ministry of Finance has started implementing the plan according to which personal management contracts are made between senior managers and supervisors for operations, resources and their development. The contract model is developed primarily for managers under ministers, such as heads of operating units (director-generals), under-secretaries and department heads at ministries. It is the ministers' responsibility to monitor the achievement of the targets set in the management contracts of administrative operating unit managers and to draw the necessary conclusions and take necessary action in order to boost managerial efficiency and leadership.

One starting point is to distinguish between civil service posts or service relationships and managerial assignments. The goal is to make senior management assignments fixed term, while civil service relationships remain in force indefinitely.

The Finnish civil service does not have a career system. An individual civil servant is able to advance in his/her career by applying to vacant posts.

France: Once members of the corps, high level civil servants stay in those corps for the rest of their career while moving across jobs and being promoted. Mobility is promoted by a maximum limit set at 2 * 3 years for top management positions within central ministries/departments.

Top level civil servants nominated by the government of the day without any specific criteria receive a "mission letter" in the six months following their appointment.

Italy: The status of senior executives has been governed by private law since 1998. It is tied to a collective bargaining agreement (drafted by ARAN, the agency representing the public employer), which stipulates the management conditions required in individual contracts. In other words, a senior executive signs two contracts:

- a permanent contract with the ministry where he is employed;
- a fixed-term contract with his or her supervisor (secretary-general of the ministry for senior executives and senior executives for executives).

Fixed-term contracts may not exceed three years for senior executives and five years for executives. These contracts set out the remuneration terms. In 2002, the minister was given the job of setting objectives, which must be very precise, reducing the role of the contract. Achievement of the objectives is nevertheless verified every year based on management control and strategic-planning results.

Korea: Korean government officials are expected to make a life-long commitment to the service once recruited in government. However, the Open Position System has recently introduced the notion of contract in top executive positions. In OPS positions, while appointees with previous civil service experience retain their current civil service status (and are appointed through promotion, transfer, change of occupational series or special employment), others from the private sector are appointed as non-career contracted service. In the latter case, the contracts including the salary without ceiling are negotiated individually according to their experience and expertise. The term for open positions, which runs between two to five years, is determined by the head of relevant Ministers. It can be prolonged within the limit of five years without further open recruitment procedures. Research in 2001 shows a tendency of high turnover rate. According to the research, the average life is 1.1 year in grade 3 and above in central governments.

For non OPS positions, promotions to higher grades require that candidates must be qualified civil servants of the immediate lower grade.

MBO (Management by Objectives) was introduced within the Korean government in 1999, and applies to Civil Service of Grades 1 to 4 in every ministry. Each department makes its own goals and submits them to the Minister. Each goal is classified as one of three types of goals:

- strategic goals that are assigned on the level of the director-generals
- main goals that are assigned on the level of the division-director
- basic goals that are assigned on the level of the assistant director.

Netherlands: The July 2000 reform of the "general status of civil servants" changed the entire profile of the SPS, inter alia by reinforcing the distinction between the Top Management Group at echelon 19 and other SPS members. While all members are given a permanent appointment, assignment to a particular function is for a fixed term:

- members of the Top Management Group are appointed by the cabinet for a term of no more than 7 years, after which they must be transferred;
- the general government service appoints other SPS members to positions for a period from 3 to 7 years without mandatory transfer.

New Zealand: The Chief Executives of the ministries are appointed by the "State Services Commissioner", often using the help of outside consultants after publication of the vacancies. CE are given a renewable contract of 5 years or less up to a maximum of eight years. The career of the chief executives is not guaranteed when they leave their job or their contract is not renewed or is terminated.

Senior public servants' contracts are negotiated between chief executives and individuals.

United Kingdom: British senior executives sign two contracts: a permanent contract and a fixed-term contract which stipulates the terms of employment and the expected performance ("Performance Agreement"). An executive signs the second contract with his direct supervisor. It includes career objectives and competency and knowledge objectives and is tied to performance measurement indicators. This Performance Agreement fits into the broader framework of the business plan and the objectives assigned to the organisation.

Agency directors are recruited for a fixed term of 5 years.

Their contracts are negotiated individually and stipulate their performance bonus, which goes up to 25% of their annual pay.

United States: SES members are appointed under permanent contracts but within the framework of very stringent management and performance assessment procedures, which may result in dismissal, and in a context of traditional high mobility.

Performance assessment and pay

Belgium: Managers are subjected to biennial assessment based on the objectives set in the management plan and the operational plan: no later than six months before expiration of his mandate, an executive is given a final all-in assessment. The minister is responsible for assessing the president of the management committee, who in turn is responsible for assessing the other management functions. They are assisted by independent experts. Appeal procedures are available in the case of disputes. Only executives whose final assessment note is "highly satisfactory" can reapply for a position without another assessment procedure.

Pay depends on the weighting coefficient, which is tied to the function and has been aligned with private sector remunerations. Every position is evaluated according to 12 criteria or "function requirements", each of which is assigned a number of points whose total gives the remuneration. The concepts of personal merit and performance have no influence on pay.

Canada: The assessment, rating and promotion processes for senior management are closely linked to the implementation of the "Performance Management Program", the operational side of government action programmes. This goes for every echelon and every sector.

Each year, the head of the Public Service publishes strategic priorities. These provide the government action programme with a consistent framework. He also makes sure these priorities are reflected in the objectives of senior executives at every ministry. These priorities guide the performance agreements negotiated with the deputy ministers and are subsequently announced to managers in lower positions at all ministries and reflected in the performance agreements of senior executives. During assessment, performance measurement criteria are used to determine whether commitments have been achieved. These criteria are also used to check whether the incumbent has shown leadership qualities, values and a sense of ethics. The performance rating assigned on completion of assessment is used to determine the size of bonuses. This system allows deputy ministers inter alia to identify the leadership strengths and weaknesses of senior executives.

Italy: Executives are subjected to an annual assessment based on achievement of objectives, the adequacy of actions implemented in compliance with ministerial directives and the information supplied by the management-control and strategic-assessment service. Executives whose contract expires are assessed to determine whether to keep and/or to promote them.

Assessment disputes are reviewed by an appeal committee.

Pay is based on:

- a fixed wage (60% of the remuneration);
- a portion (20%) linked to the respon responsibility attached to the position, corresponding to the classification adopted by the ministry (three levels at the Civil Service Ministry - A-B-C - and five at the Finance Ministry - A-B-C-D-E). This classification is transparent and published by every ministry;
- a portion (20%) linked to the responsibility attached to the position, corresponding to the classification adopted by the ministry (three levels at the Civil Service Ministry - A-B-C - and five at the Finance Ministry - A-B-C-D-E). This classification is transparent and published by every ministry;
- a percentage (20%) tied to the achievement of objectives.

When an executive cannot immediately find a new position on termination of a fixed-term contract, he /she keeps part of his fixed wage (60% of the remuneration).

Finland: The following procedure takes place in principle: annual talks at an organisational level: i) the assessment of previous year; ii) organisation specific goals and resources; iii) agreement on objectives between a civil servants and his/her superior; iv) the assessment of development needs.

However, the performance management procedure varies a lot among different ministries and government agencies. The only formal, centrally coordinated process is the budget process which is linked to performance steering process at organisational level.

According to the proposed management development strategy, new personal management contracts for senior public servants are linked with organization-specific performance agreements so that long-term development targets are taken into account in annual targets. Personal management contracts agree on and specify the following:

- the values guiding operations
- a manager's job description and critical personal performance
- the available resources, including partnerships and networks
- targets for developing operations (e.g. productivity targets, pay system reform, feasibility of the adopted pay system and drawing up a development strategy for the operating unit's management)
- a manager's personal development targets
- commitment to common central government goals
- principles, methods and indicators for evaluating implementation of the contract

A management contract is also drawn up for permanent secretaries at the ministries. Implementation of the contracts is followed up and contracts are reviewed in annual performance appraisals. Contracts can also be renewed before the end of a period if circumstances change significantly.

Six months before the end of the fixed period, achievement of the performance and development targets set and the prerequisites for continuing in managerial duties are evaluated. Continuation in managerial duties always requires a new fixed-term management contract.”

The new salary system for civil servants establishes a new system where remuneration is divided in three parts: i) basic salary based on the job requirements; ii) individual performance and professional skills;

iii) results and performance. However, top managers are not part of this system as the level of their remuneration is decided by the Council of the State.

France: All civil servants are assessed yearly and their performance is important for the appointment of top executives. An April 2002 decree has also generalised and confirmed the individual assessment interview which existed already in a number of central government organisations. This will require starting a dialogue on the definition of organisational individual objectives.

All civil servants have part of their remuneration as variable pay. This part which averages 17% for all civil servants is much higher for high level civil servant (between 40% and 100% of base pay). It is allocated on criteria going from the specifics of the job to performance. Some government organisations have a high degree of variability and others not. It is unclear, that in this case variable pay really qualifies as performance related pay. Presently, reflections are going on in this area that would aim at establishing a three level pay: i) base pay; ii) specifics of the job; iii) performance.

Korea: Senior management's pay is composed of three different payments: the basic annual salary, the performance-based annual salary, and the other type of pay.

- The basic annual salary including Seasonal Allowance, Diligence Allowance, Family Support Allowance, and Managerial Allowance, Commutation Payments, and Traditional Holidays Payment, is fixed but varies according to the number of years of work experience in public sector.
- For civil servants of grade 3 and higher, the variable performance-based annual salary varies according to the appraisal grade, which is determined on the basis of the appraisal result of the MBO.

Civil servants annual salary is established within a range of maximal and minimal amounts for each grade (the difference between the maximum and minimum amounts is approximately 30%). Performance is assessed at the end of each year by Minister according to MBO system. There is no appeal procedure.

Besides remuneration, evaluation affects promotion for common senior managers and contract renewal for open position

Netherlands: the Netherlands does not have a clearly established performance-based remuneration system or performance assessment system. This said, the agreement reached by the coalition government of 1998 provides for the creation of a closer tie between performance and remuneration, including the possibility of contractualising objectives. The agreement provides for assessment talks with a closer focus on performance objectives and bilateral agreements between ministers and general secretaries and between general secretaries and directors general.

This focus was approved by the cabinet in October 2000 and has so far been piloted at two ministries. Pay remains largely determined by the echelon and therefore the function concerned. It is possible to earn complementary remunerations, particularly bonuses not tied to results. Basic pay remains the biggest portion of the remuneration.

New Zealand: the State Services Commissioner determines the pay of the chief executives, including performance bonuses, which can account for up to 15% of the annual pay. The State Services Commissioner reviews their performance on behalf of the minister, based on the minister's objectives.

Spain : An action plan will be designed aiming at incorporating new management techniques into the management of senior managers through the establishment of more significant performance assessment

systems. At present variable pay represents 20% to 30% of all professional civil servants' pay but unfortunately, this variable pay is only marginally linked to real performance assessment and most civil servants know how much they will get as variable pay before they even start.

The Spanish government is looking at ways to improve this system and make variable pay better linked to an objective performance assessment. Presently there is no specific variable pay mechanism for top civil servants. There is a project for the establishment of a senior civil service that comprises the establishment of a competencies assessment system for senior civil servants in the medium term.

United Kingdom: British senior executives are managed according to a particular performance assessment system. Senior executives are subjected to the so-called "360- degrees assessment" or "feedback", which involves the direct superior, colleagues with the same level of responsibility, subordinates and sometimes public service users. The year-end assessment determines promotion and the bonus. This genuine performance-driven bonus varies from 0 to 11% of gross pay, depending on results.

United States: The pay system is set at federal level. Wage levels depend on the level of the positions concerned. Wage levels must reflect missing qualifications in any relevant area, be similar to private sector salaries in the same sector, factor in the geographical location and, lastly, permit adjustment to performance. An executive's aggregate remunerations and bonuses may not exceed \$161,200 (in 2001).

Like all federal officials, SES members must have a performance plan which sets out the objectives to be achieved during the planning period (which is variable). The supervisor's assessment is sent upline and submitted to the Performance Review Board (staffed by representatives from the entity concerned and independent personalities), which gives an opinion about the assessment and any bonuses. Based on these recommendations, the director of the federal organisation alone decides whether to award bonuses and how much:

- team bonus or general bonus (award pool);
- individual bonuses.

Lastly, two types of exceptional recognition by the President of the United States are awarded for exceptional performances. These include a large bonus of up to 35% of basic pay:

- the rank of "distinguished executive", awarded every year to 1% of the senior executives;
- the rank of "meritorious executive", awarded to at most 5% of the senior executives.

In 2001, SES members received more than 3,000 bonuses with an average value of over \$ 12,000.

When the overall assessment of an SES agent is "unsatisfactory", the federal body has two options: dismissal and transfer to a non-SES job or transfer to another SES position.

Moreover, every three years, SES members undergo a "recertification" procedure.

Promotion and mobility

Belgium: The system of mandates is not compatible with traditional career management rules. A manager whose mandate expires must re-apply and redo the entire recruitment procedure except if his/her final assessment note has been "highly satisfactory".

Canada: The concept of "career" is important since it combines reference to potential, performance and itinerary. There are two mechanisms, both of which are supervised by a committee of deputy ministers:

- Accelerated Executive Development Program: Executives compete to participate in this process. This programme is designed to identify a representative group of EX1-EX3 who demonstrate the potential to become assistant deputy ministers (EX4 and EX5) and to accelerate their development and career advancement.
- Assistant deputy ministers. The Career Assignment Programme (CAP) identifies individuals with executive potential and accelerates their development and advancement to EX 1 (Director). It should be noted that all the programmes described in this section are offered only to internal candidates. They supplement other competitive processes for executive positions which may be open to internal and external candidates.

Finland: To enhance career management, the Ministry of finance launched a project in 2001. the purpose is to get the state operating units to form networks, within which career paths could be developed and thus to increase mobility.

Until now, applicants who have experience in the same organization or in the same field of administration have had a clear upper hand in the recruitment process. Mobility has been rather marginal between fields of administration and even more so between private and public sectors. In practice, therefore, the Finnish civil service has been rather “closed”, too. It was partly due to the desire to get applicants also from the other sectors of the society, that the selection criteria of senior civil servants were reformed in 1997. It is still too early to evaluate the impact of the reform. The mobility did increase slightly immediately after the reform but has slackened lately.

The most serious initiative to increase mobility among the senior civil service is the proposed management development strategy for the next ten years. According to the strategy, top management duties should be for a fixed term and the time spent in one job should not exceed eight years.

France: There are two promotions systems: one is within the “corps” based on the length of service. The other regards the appointment for top executive positions based on an assessment of the suitability of candidates.

In reality, staff most staff make their own career within the high level civil service once they are part of it.

Mobility within the public service has been promoted and is now mandatory for all executive positions. The new government has indicated its willingness to increase the possibility for civil servants to acquire experience at the international level. On average, top executive staff based in central government organisations rotates every five years.

Italy: An executive's career does not follow a straight line. On completion of a fixed-term contract, he or she can move from a grade C position to a grade A position if assessment results are highly satisfactory. In order to encourage both internal promotion and competition, 40% of the positions of director generals may be filled by senior executives and 10% by non-government personalities.

Mobility is an important concept. It is the backbone of the Italian reform. When the "rotation" obligation was formally withdrawn in the decree of October 2002 (probably because of shorter contracts), the principle of mobility was preserved. It is supported by an inter-ministerial database with real-time vacancies at every ministry.

As explained in the chapter on training, five-year stints in the private sector and international organisations are also encouraged. These do not affect the executive's career.

Korea: Promotion or appointment to the position in the immediate higher grade is made following performance, career and other criteria. In general, to be eligible for promotion, there is minimal length of service required (for example, 3 years for grade 3 or higher). In general, candidate for senior management positions must be of the immediate lower grade in the same occupational group. However, the Minister should designate 20 percent of senior civil service positions within a given agency as open positions, and fill them with the most qualified experts, even from the private sector. But it is not open to foreigners yet. The open positions are designated among the ones demanding high expertise, highly related with citizen living, or requiring the innovative perspective.

It is the minister who selects 2 or 3 candidates for the vacancy in accordance with the standards and procedures established by the CSC. The CSC reviews the qualifications of the selected candidates and ranks them. The Minister proposes the promotion of the most qualified candidate set by the CSC to the President. Recently, the Public Human Resource Database (PHRDB) was introduced by central agency, the CSC. The PHRDB contains an individual's personal career history and background information relevant in appointment and other personnel management.

Concerning mobility, the CSC and the MOGAHA introduced the 'Personnel Exchange System (PES)' as an attempt to promote the substantial private sector experience to civil servants. Allowing for a three-year leave by civil servants Grade 4 or 5 for the private sector experience, PES is expected to further open the exchange of talents between the private sector and the government. Mobility is organized by the CSC and the MOGAHA.

Netherlands: the Netherlands bases promotion on personal competency development criteria, reflecting the same policy as for performance assessment. Here, too, the General Government Service plays a key role. It is responsible for:

- organising the mobility of senior executives and developing their competencies (also known as mental mobility). These two aspects are indispensable for career planning purposes (competency management) and for breaking down barriers between ministries;
- organising competitions for applicants (role as a head hunter);
- providing executives with support throughout their career, as manifested in personal talks to evaluate their development and promotion prospects and in advisory and coaching activities.

New Zealand: For CE posts, promotion is not an issue. SES careers reflect merit and promotions are determined by means of assessments. Mobility is nevertheless encouraged.

Spain: The appointment of professional civil servants is based on professional competency and experience.

United Kingdom: The United Kingdom attaches great importance to the mobility of its senior executives. Executives are frequently assigned to functions at several ministries during their career. Mobility is considered a source of continuing education and improvement for senior executives. The average stint in a given position is three to four years, after which a senior executive may either apply for another job or remain in the same position, provided he/she has shown the necessary qualities for a new contract or a higher responsibility.

United States: SES positions offer few opportunities for promotion, as most of the incumbent executives are already at the peak of their career. Traditionally, few SES executives have moved between federal organisations. The introduction of bonuses and other mobility-related incentives has not had the expected effect. One of the difficulties lies in the geographical diversity of the federal institutions. Several federal organisations have made internal mobility of staff mandatory.

Training and learning

Belgium: Belgium does not have a specific training plan. This said, the government has launched a training programme without direct access to management positions but designed to help candidates during selection. Dubbed "Pump", the programme enrolls about forty people selected after a written language test and a personal talk. Training takes several months. It covers both theory (personnel and project management, etc.) and hands-on experience, including a one-month internship in a foreign country. Trainees must also work for three months as consultants on modernisation projects and propose reform targets.

Directors are advised by a coach, who is normally a consultant. Presidents and directors general are free to request assistance from a coach.

Canada: continuing education is considered an integral part of the Canadian public service. Assessment allows the deputy ministers to determine the development and training required for each executive. Training combines several factors:

- a school: the Canadian Management Centre (CMC) (to be renamed "school" in the near future) supports incumbent and future executives with apprenticeship programmes, courses and strategic research.
- strategic mobility management of incumbent and future executives: encouragement to take positions requiring executives to surpass their existing capabilities and knowledge, to assume new duties, etc.
- support and services for executives at all levels of the public service, supplied by the "Leadership Network", a committee of executives (the same that appoints deputy ministers) set up to help manage appointments, personnel development and integration in executive networks.

Finland: In principle, ministries and other organisations are responsible for the training of senior civil servants. There is no centralised or common career element build in the training system. The government is in the process of defining a new strategy for professional management development of top civil servants, which is a priority for the management of top civil servants. The aim is to enhance the common management culture.

Joint implementation of training programmes for senior management will be continued and developed in central government. Offering a common forum for senior management is a central goal.

Training and career planning for potential managers must be supported with regular leadership evaluations.

France: The French system puts half of its emphasis on training after the initial recruitment of top civil servants during their years in ENA or other recruitment schools. The overall coordination responsibility of training sessions is the responsibility of the Direction Generale de la Fonction Publique et de l'Administration Territoriale. Recently, more trainings for senior civil servants have taken place in the fields of human resources management, quality, leading projects, etc. Despite these initiatives, lifelong training remains insufficient and important measures should be taken soon in this field (maybe through mandatory training).

Italy: Continuing education is covered by a directive from 2001 whose purpose was to galvanise training plans, considered a primary tool for leading change at government services. Today, training must be mentioned in resumes published in the interministerial database. The purpose of this requirement is to give

executives a strong incentive to get trained. Traditional training has been enriched with an important component. In order to promote the use of management methodologies and recognition of international concerns in executive actions, executives are now entitled to work for up to five years in the private sector or in international organisations with the right to return to the executive group without loss of prerogatives.

Lastly, line managers can become researchers. A plan launched by the Public Administration School allows interested executives to research useful government modernisation themes under research teachers.

Korea: The Central Officials Training Institute (COTI), a sub-organization of the MOGAHA, has central training courses and provides various development opportunities to officials. For example, the program, called the Government Fellowship Program for Overseas Study, sends promising young officials to universities and research institutes in advanced countries for post-graduate study as well as on-the-job training. For senior managers, there are 10 month programs including policy research and overseas study with other foreign government institutes as well as with private training institutes.

The COTI has the program tailored to upgrade the capabilities of Grade 4 public officials. The program mainly involves research and discussion of policy making tasks in the face of changing socio-economic conditions. And for the Grade 2 or 3, the program is designed to enhance the strategic ability of policy managers and broaden their perspective of national policies to manage state affairs more effectively. In addition, there are plenty of special programs such as leadership development programs.

Netherlands: The Netherlands pursues a firmly proactive continuing education policy, particularly by means of management development programmes.

The government regularly organises seminars and “peer” meetings in order to encourage the exchange of experience and best practices.

- A special programme for the talent pool was launched in the autumn of 2002. This programme prepares about thirty candidates to take over from older senior executives. It includes seminars and workshops and focuses on leadership and management strategies;
- More personal training programmes allow executives to develop the competencies and experience needed for a given job profile.

New Zealand: Continuing education has always been a key ingredient of the SES system but considered off on the wrong track. The ongoing SES reform aims to boost the organisation of a talent pool. Training would include the creation of personal development plans, coaching and individual training monitoring. Chief executives are now accountable for the development of their staff members.

Spain: The government has established special programme to develop future leaders within the civil service. Every year, special training devices are proposed to high-level civil servants in management, public management, public organisation management etc. Training of professional senior civil servants is an important priority of the human resources policy. There are indeed special training programmes for senior civil servants with decision taking responsibilities and to Group A civil servants with high potential of becoming senior civil servants. There is also a special unit in charge of training for the high civil service (The Higher Civil Service Centre, within the training institute INAP, Instituto Nacional de Administración Pública).

United Kingdom: In 1996, the British government set up the Centre for Management and Policy Studies (CMPS), which took over from the former Civil Service College. Designed to support executives, the CMPS develops and offers incumbent and potential members of the Senior Civil Service research and apprenticeship programmes to assist reforms and to improve management. These standard or personalised

training programmes cover the entire range of competencies and knowledge required for senior executives, particularly in the area of leadership.

United States: The Office of Personnel Management offers orientation programmes for new members of the Senior Executive Service and personal development opportunities at joint training centres for federal organisations. Training courses focus on improvement of leadership and management skills and the capacity to lead change. They often include individual performance assessments.