AUSTRIA

Central human resources management body:
DG III: Civil Service and Public Administrative Reform

Government production costs (2010)††
0% 100%

Benefits, to which employees are entitled to, are:

- Full funding of social security
- Partial funding of social security
- Some funding of pensions

Firing rules provide:
Different guarantees about job protection / dismissal
Guarantees in favour of life-long employment

Type of recruitment system (2010)
Career based
Position based

Legal Framework

Austrian civil service staff are employed either on a statutory basis (typically employment for life) or on a contractual basis (comparable to salaried employees in the private sector). The Service Code for Civil Servants 1979 (BGBl. Nr. 333) and the Remuneration Act 1956 (BGBl. Nr. 54) govern the employment of statutory civil servants, while the Contract Staff Act 1948 (BGBl. Nr. 86) governs that of contract staff. There are provisions for employment of casual staff; however, they are not currently covered under the GEF.

Government centralisation (2008)††
Data unavailable

Composition of Employment

The vast majority of part-time employees in the Austrian civil service work 50-79% of full time hours. Part-time employment accounted for 17.4% of the central government workforce in 2009, which is roughly average for OECD countries. The percentage of employees aged 50 years or older, 32.5% in 2009, is very close to the OECD average of 34.3% and is increasing in line with the trend for the total Austrian labour force, although at a higher level. In addition, there is a large proportion of 40-49 year olds in the Austrian civil service, 41.2% in 2009, compared to the OECD average of 30.0%. Female representation in overall central government and management positions is quite close to the OECD averages of 49.5% and 34.7%, respectively.
Public Sector Restructuring

Austria is one of 27 OECD countries that report an anticipated decrease in public employment levels as a result of planned reforms. Notably, there is a 50% replacement rate in place for retiring staff in central government and a hiring freeze has been adopted for the years 2012-14. Additionally, reduction of recruitment and moderate wage increases were part of the government’s consolidation plan. General government sector employment (excluding public corporations) as a percentage of GDP, 10.9% in 2010, is reasonably low compared to the OECD average of 15.1%. In addition, compensation of government employees as a percentage of GDP, 9.7% in 2010, is slightly lower than the OECD average of 11.3%.

Organisation of HR Management

<table>
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<tr>
<th>Decentralisation of HR Management (2010)</th>
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<tr>
<td><strong>Central HRM unit:</strong></td>
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<td><strong>Role:</strong></td>
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<td><strong>Location:</strong></td>
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| **Responsibilities:** | • Provide leadership and guidance  
• Provide advice on legal framework  
• Design the pay system  
• Transmit public service values  
• Define and control the payroll  
• Standardise recruitment and skills profiles  
• Define salary levels and benefits  
• Provide training  
• Promote diversity  
• Manage retirement and pension plans |
| Personnel, budget and pay delegation: | • The central HRM body sets and monitors the pay system and the number and type of posts  
• Budget allocation, bonuses and performance pay are delegated to ministries. |
| Classification, recruitment and dismissal delegation: | • The central HRM body sets and monitors the post classification system and contract durations for individual posts.  
• Recruitment, employee contract duration, career management and dismissal decisions are delegated to ministries. |
| Employment conditions delegation: | • The central HRM body sets and monitors the flexibility of working conditions, the performance appraisal system, the code of conduct and equal opportunity issues.  
• Adjustments to working conditions are delegated to ministries, who also manage the code of conduct. |

Austria makes more use of strategic HRM practices than most OECD countries. Central to this is an accountability framework that requires management to report on a wide range of issues and legally-binding HR planning which is intended to determine the maximum number of staff in each agency over the following four years.
RECRUITMENT: The Act on the Advertisement of Vacancies 1989 governs the recruitment process and stipulates different procedures depending on the post. This could be an examination or direct application and interviews, with entry into specific groups delegated to the organisation level. All posts are open for direct application by internal and external applicants. There are a few diversity policies regarding recruitment of under-represented groups. In particular, there is a federal policy which mandates preferential treatment of female applicants (when they possess the same qualifications as male applicants) if the percentage of female employees in the respective field is under 50%. In addition, there is an obligation for private and public sectors to employ one disabled person for every 25 non-disabled employees.

PAY SETTING: Base salary and bonuses are negotiated in a comprehensive collective bargaining arrangement for the entire civil service, with the possibility of adjustments to bonuses at the decentralised level. Salary and bonus negotiations are held annually and neither form of pay is indexed to variables. Job content, qualifications and seniority are highly important factors for base salary across most levels, while age, performance and ministry are not important at all. Seniority pay is still used and the number of years in a similar position contributes toward pay determination for new recruits.

PROMOTIONS: Qualifications are relevant factors to determine promotions in all hierarchical levels and formal education restrictions apply to promotion between levels. Years of experience are relevant for managers and professionals, and performance assessments also factor for the promotion of management. There are systematic and comprehensive provisions governing appointments to high-level management and, depending on the post, a Board of Review has to be set up in the relevant ministry to submit an expert opinion on the suitability of candidates. The Austrian civil service gives preference to women in the promotion selection process and there are promotion targets for women and the disabled. Of particular interest is the Cross Mentoring Programme designed to increase the number of female applicants for high-level functions. The mentor benefits from advice on career progress, access to relevant networks, special training and the mentor’s personal knowledge and experience.

MOBILITY: Internal mobility in the Austrian civil service is increasing, along with the establishment of pools of available staff. External mobility is promoted by granting employees the right to return to their previous post and ensuring no costs are born by the employee if they do not return. In addition, external mobility is taken into account in promotion decisions.

PERFORMANCE: Austria tends to make considerably less use of performance assessment in HR decisions compared to most OECD countries. Performance assessment is mandatory for almost all employees under the GEF and takes the form of a meeting with the immediate superior every year. Performance criteria include activities undertaken, the timeliness and quality of outputs, and improvement of competencies. Assessments are of medium importance to career advancement and contract renewal. Regarding performance-related pay (PRP), Austria’s use is in line with the OECD average. PRP is used for most employees and is usually a one-off bonus of 1-5% of the base salary.

TRAINING: All employees receive training after entry into the civil service and it is differentiated by seniority level. On average, employees receive 3-5 days of training per year.

WORK CONDITIONS: Yearly average working hours, 1 786 in 2010, are slightly above the OECD average of 1 745. Higher weekly work hours are offset by more annual leave and a potential five days extra leave by special arrangement. The average number of sick days taken per federal employee was 11.9 days in 2008. In order to address absenteeism, Austria has implemented workplace health promotion programs and return-to-work interviews are carried out after long absence by the superiors. The HRM body reports on number of sick days/absenteeism on a regular basis.
Senior Management

Austria makes use of separate HRM practices for senior civil servants (SCS) to a slightly lesser extent than the average OECD country. SCS are treated as a separate group but there is no centrally defined skills profile, nor are there policies to identify potential SCS early in their career. There is more emphasis placed on the management of their performance and their employment contracts are for a specified term which is shorter than regular staff. All recruitment of SCS goes through a selection panel and/or an assessment centre whose final decision is binding. Directors general and heads of group are appointed by an independent body, whilst lower management levels are appointed by the relevant HRM department. Many of the advisors to the ministry’s leadership turn over with a change of government, but no other management levels do.

Industrial Relations

Consultation with unions is not mandatory regarding any HRM issue and is voluntary regarding base salary, the employment framework and the code of conduct. Unions are not normally involved in other HRM negotiations and there is no public funding of civil service unions. Negotiations on base salary, the employment framework and the code of conduct are held centrally, with one set of arrangements implemented. All public servants are granted the right to unionise.

Reforms

- Mobility promotion: increase and facilitate internal and external mobility due to civil service law reforms as well as the implementation of IT-based tools for internal and external job advertisements (e.g. the Federal Civil service Job Exchange).
- Organisational and task reforms in order to facilitate efficient and effective work within diverse policy areas (e.g. Police Reform 2012, Reform of the Administrative Jurisdiction).
- Reform of the Staffing Plan: increase flexibility, transparency and budgetary accuracy.
- Implementation of performance management in the Federal Civil Service: placing focus on the concrete output and outcomes generated by the Federal Civil Service staff, rather than on the mere existence of these staff resources.

Challenges

- Managing an ageing workforce
- Developing strategies for sustainable knowledge management
- Supporting and motivating staff members with regard to mobility issues

Sources

Unless indicated otherwise, all data are sourced from OECD (2010), Survey on Strategic Human Resources Management in Central/Federal Governments, unpublished.
† Data from International Labour Organization (ILO) LABORSTA Database and OECD National Accounts Statistics. See Methodological Note.
†† OECD (2010), Survey on the Compensation of Employees in Central/Federal Governments, unpublished.

Further Reading