Human Resources Management Country Profiles

NORWAY

Background

Employment in central government under the main General Employment Framework (GEF):¹

<table>
<thead>
<tr>
<th>Year</th>
<th>Employees</th>
</tr>
</thead>
<tbody>
<tr>
<td>2009</td>
<td>143,747</td>
</tr>
</tbody>
</table>

Total employment in the general government sector as a percentage of labour force (2010):‡

<table>
<thead>
<tr>
<th>% of Total Employment</th>
</tr>
</thead>
<tbody>
<tr>
<td>30.5%</td>
</tr>
</tbody>
</table>

Central human resources management body:

Department of Employer Policy; Agency for Public Management and eGovernment

Government centralisation (2008)††

<table>
<thead>
<tr>
<th>Type</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Central</td>
<td>0%</td>
</tr>
<tr>
<td>Sub-central</td>
<td>100%</td>
</tr>
</tbody>
</table>

Type of recruitment system (2010)

<table>
<thead>
<tr>
<th>System</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Career based</td>
<td>100%</td>
</tr>
</tbody>
</table>

Government production costs (2010)††

<table>
<thead>
<tr>
<th>Category</th>
<th>% of Total Production</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee compensation</td>
<td>38.0%</td>
</tr>
<tr>
<td>Goods &amp; services used</td>
<td>22.0%</td>
</tr>
<tr>
<td>Fixed capital consumption</td>
<td>40.0%</td>
</tr>
</tbody>
</table>

Legal Framework

The GEF comprises the Civil Servants Act, the Public Disputes Act, the Main Collective Agreement and the Main Agreement. The GEF allows fixed-term contracts; however, employment conditions differ to open-term contracts. Casual employment consists of manual workers, most of whom are in the Ministry of Defence. Public law is only applied in the civil service, not the public sector generally and no guarantees in favour of life-long employment are made.

Staff have the right:

<table>
<thead>
<tr>
<th>Right</th>
<th>Public sector</th>
<th>Private sector</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unionise</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Strike</td>
<td>No</td>
<td>No</td>
</tr>
</tbody>
</table>

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

Challenges

Part-time employment in the Norwegian civil service is relatively balanced between those working 80-95%, 50-79% and less than 50% of full-time hours. The age composition is close to the OECD average for almost all age brackets, although the proportion of public employees aged 60 or older, 11.7% in 2009, is quite high compared to the average of 6.8.

Composition of Employment

Part-time employment in the Norwegian civil service is relatively balanced between those working 80-95%, 50-79% and less than 50% of full-time hours. The age composition is close to the OECD average for almost all age brackets, although the proportion of public employees aged 60 or older, 11.7% in 2009, is quite high compared to the average of 6.8.

Age structure of central government 2009 has a slightly higher than average proportion of those aged 50 or older in both central government and total labour force. Female participation in central government, 48.0% in 2009, is close to the OECD average of 49.5%, while female representation in management, 41.0%, is above the OECD average of 34.7.

¹ Data are for core ministries and agencies of central/federal governments, including state-owned university staff, police and military staff.

GEF covers all employees: 99%
GEF includes fixed-term contracts: Yes
Private law applicable in public sector: No

Norway OECD Average

Central Government Total Labour Force

Percentage of employees aged 50 years or older in central government and total labour force (2000, 2005 and 2009):*
NORWAY

Public Sector Restructuring

Norway is one of five OECD countries which reported no anticipated change in public employment levels as a result of planned reforms. There are no significant plans for restructuring or employment reduction, largely due to the sound fiscal position of the country.” However, Norway has the highest level of general government sector employment (excluding public corporations) as a percentage of the labour force of all OECD countries, 30.5% in 2010, double the OECD average of 15.1%. On the other hand, compensation of public employees as a percentage of GDP, 13.8% is only slightly above the OECD average of 11.3%.

Organisation of HR Management

Norway delegates HRM practices to line ministries to an extent which is consistent with the OECD average. The central HRM body has a reasonably wide range of responsibilities, including management of the pay and post classifications systems. Agencies are delegated a large range of responsibilities, including budget allocation, bonuses, recruitment, dismissal and performance appraisal. Overall, delegation has led to broadly comparable employment conditions across all of central government. Regarding strategic HRM practices, Norway makes substantially less use of these policies than the average OECD country. An accountability framework is established through the Regulations on Financial Management in Central Government, although HRM management remains the responsibility of agencies. HRM targets do not form part of management performance appraisals and regular assessment of HRM capacity is not undertaken. Forward planning is in use, but it is left to the discretion of agencies.

Decentralisation of HR Management

<table>
<thead>
<tr>
<th>Central HRM unit:</th>
<th>Department of Employer Policy; Agency for Public Management and eGovernment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Role:</td>
<td>Responsible for HR</td>
</tr>
<tr>
<td>Location:</td>
<td>Ministry of Government Administration, Reform and Church Affairs</td>
</tr>
</tbody>
</table>
| Responsibilities:| • Manage HRM at central/national level  
• Provide leadership and guidance  
• Provide advice on legal framework  
• Design the pay system  
• Transmit public service values  
• Define salary levels and benefits  
• Promote diversity |

Personnel, budget and pay delegation:

| Classification, recruitment and dismissal delegation: | The post classification system is set and monitored centrally.  
• Recruitment, contract duration, career management and dismissal are managed at the agency level.  
• Teams/units also play a role in recruitment. |

Employment conditions delegation:

| Anticipated reforms’ effect on employment level: |
| Implemented changes in employment levels affecting more than 50% of ministries/agencies since 2000: |
| No applicable |

Strategic HR Management

| Existence of HRM accountability framework for managers: |
| HRM targets feed performance assessments: No |
| Regular HR assessment of ministries and departments: No |

Top & middle management plan and report on:

| Workforce strategies to close competency gaps  
| Participation in whole of central government initiatives  
| General people management |

Forward planning use:

| Yes, with framework design left to discretion of different organizations. |

Forward-planning horizon:

| Key aspects explicitly considered in forward planning: |
| No specific aspects considered. Agencies must ensure that they have sufficient personnel to achieve the goals set. |

Last updated 06 December 2012
HR Management Practice

RECRUITMENT: Norway uses a recruitment system which is much more position based than the average OECD country. Entry into the civil service is gained through direct application and interview for a specific post. Selection panels and recruitment centres are used and most posts are open to external recruitment. Disabled applicants are given preferential right for an interview and are provided special training for examinations, as well as being the subject of a 5% hiring target. People with an immigrant background also receive preferential right for an interview and there is a hiring target in place for women as well.

PAY SETTING: Base salary is negotiated through a collective bargaining arrangement at central and decentralised levels. It is not indexed to other variables and is revised annually. Determinants of base salary vary between grades; however, qualifications, job content, performance and relevant experience are typically the most important. Seniority based pay is in use and a new recruit’s salary takes into account the number of years in similar positions and their previous salary.

PROMOTIONS: Performance appraisals are relevant factors in determining promotions for all levels of staff; with qualifications also being relevant for professionals and management; and years of experience relevant for professionals and secretarial staff. There are no formal restrictions to promotion between hierarchical levels, although minimum education requirements may apply to some posts. There is a systematic use of selection panels and all openings are placed on transparent listings accessible government wide. Preference in the promotion selection process is given to those with an immigrant background and the disabled.

MOBILITY: No data are available regarding the trend in internal mobility and no plans are in place to increase or decrease mobility. External mobility is not promoted in any particular way; however, it is taken into account in promotion and career planning. Employees on external posts lose pension rights if they do not return to the civil service.

TRAINING: New entrants to the civil service are placed on a probationary period and initial training differs between branches of government. On average, employees receive 10-15 days of training per year.

PERFORMANCE: Norway uses performance assessment to a slightly lesser extent than the average OECD country. It is used for top management only and takes the form of an annual meeting with the immediate superior, with some ministries also using 360 feedback. A fairly extensive range of criteria is used, including activities undertaken, timeliness and quality of outputs, improvement of competencies and interpersonal skills. Assessment is of high importance for career advancement. In addition, Norway uses performance-related pay (PRP) to a slightly greater extent than the average OECD country. PRP is only used for senior staff and takes the form of permanent pay increments up to a maximum of 21-40% of base salary.

WORK CONDITIONS: The average yearly working hours in the Norwegian civil service, 1 674 hours in 2010, are shorter than the OECD average of 1 745. This is driven by slightly lower weekly working hours and a few more days annual leave. The average number of sick days taken per employee is 13 days per year and the number of days per year allowed (even with a medical certificate) is limited.

---

**Norway**

**Human Resources Management Country Profiles**

---

Last updated 06 December 2012
**Senior Management**

Norway uses separate HRM practices for senior civil servants (SCS) to a significantly lesser extent than the average OECD country. SCS are not considered a separate group, consequently there is no centrally defined skills profile and no policies to identify potential SCS early in their career. Senior management is recruited with a more centralised process which uses a selection panel whose final decision is binding. More emphasis is paid to performance management and avoiding conflicts of interest, and a higher part of senior management’s pay derives from benefits and PRP. Secretaries general (highest level) are appointed/dismissed by the minister or Cabinet, directors general are appointed/dismissed by the ministry head, others in ministry or the Cabinet. Employment decisions for lower management levels are made by others in ministry. No advisors or management levels tend to turn over with a change in government.

**Industrial Relations**

Despite being voluntary, unionisation is very high in the civil service of Norway, 87% in 2009, and civil service unions receive partial public funding based on their membership numbers. Agreement with unions is mandatory regarding base salary, bonuses, working conditions, the employment framework and the right to strike/minimum service. By law, unions must be consulted regarding government restructuring and consultation is voluntary regarding the code of conduct. Negotiations regarding base salary, the employment framework and the right to strike/minimum service are held centrally. Bonuses and working conditions are negotiated at the central and delegated levels, whilst negotiations over restructuring are decentralised only. All public employees are granted the right to unionise and most are guaranteed the right to strike except in relation to particular motives.

**Reforms**

No information was provided regarding reforms to HRM policies.

**Challenges**

No information was provided regarding HRM challenges.

---

**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 Organisation (ILO) LABORSTA Database and OECD National Accounts Statistics. See Methodological Note.
- ‡ Data from International Labour Organisation (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**