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Background

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

2009: 47 582 FTEs

(GEF accounts for minor share of central government.)

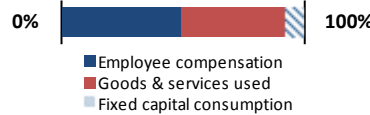
Total employment in the *general government sector* as a percentage of labour force (2008):[†]

26.2%

Central human resources management body:

Swedish Agency for Government Employers

Government production costs (2010)^{††}



Government centralisation (2008)^{††}



Type of recruitment system (2010)



Legal Framework

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

Employment legislation in Sweden is very similar for the public and private sectors, with additional provisions regarding the misuse of public power, and similar issues, applying to the public sector. Less than one percent of public employment is on a

statutory basis. Fixed-term contracts can be from a few months to several years and conditions do not vary from those of open-term contracts. In addition, there is little use of ranking and grading, with almost no formal career groups in the civil service.

Staff have the right:

to unionise to strike

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

	to unionise	to strike	Full funding of social security	Partial funding of social security	Some funding of pensions	Different guarantees about job protection / dismissal	Guarantees in favour of life-long employment
Central Govt	Yes	Yes	No	Yes	Yes	Yes	No
Private sector	Yes	Yes	No	Yes	Yes	No	No

Composition of Employment

Central government employment (2009)¹

Total employment under GEF: 47 582 FTEs

Part-time employment: 5 145 FTEs

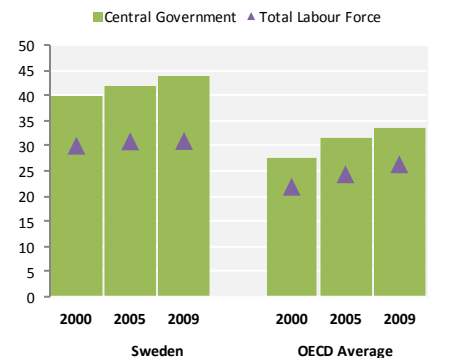
Part-time is defined as any working time less than 39.5 hours per week.

Gender in central government (2009)¹

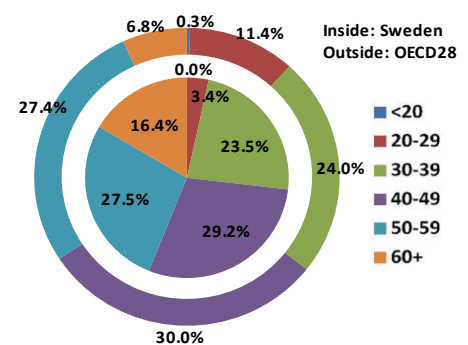
Female participation in central government workforce: 55.9%

Share of top and middle positions who are women: 45.7%

¹ Data are for core ministries and agencies of central/federal governments. Figures account for a minor share of central government employment.



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



Age structure of central government 2009

Part-time employment accounts for a relatively small proportion of total central government employment in Sweden. Central government employment comprises a particularly high representation of women and older staff. The percentage of employees aged 50 or older, 44% in 2009, is well above the OECD average of 34.3%, with the difference being driven by a greater representation of employees aged 60 or older.

The rate of ageing in the total Swedish labour force is substantially less than that of the average OECD country, which may be a product of the already high representation of this group. The proportion of women in central government, 55.9% in 2009, and particularly in top management, 45.7%, are well above the OECD averages of 49.5% and 34.7%, respectively.

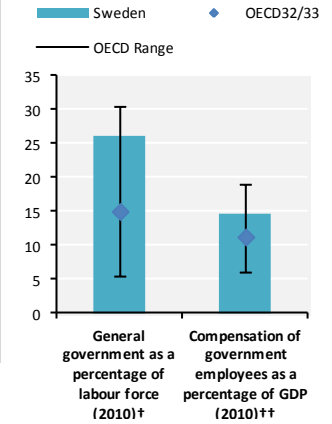
Public Sector Restructuring

Sweden is one of 27 OECD countries who reported an anticipated decrease in central government employment levels as a result of planned reforms, despite the current fiscal consolidation plan having no active measures to cut operational costs.~ Structural reforms, such as merging agencies and transforming government entities into companies, have been the major workforce restructuring strategies utilised in recent times. In addition, automatic productivity cuts are used, meaning that agencies must find cost-saving measures on an annual basis. General government sector employment (excluding public corporations) as a percentage of the labour force, 26.2% in 2010, is far above the OECD average of 15.1% and lies in the upper region of the range of OECD countries. On the other hand, compensation of government employees as a percentage of GDP, 14.6% in 2010, is above the OECD average of 11.3%, but to a much lesser extent.

Anticipated reforms' effect on employment level: Decrease

Implemented changes in employment levels affecting more than 50% of ministries/agencies since 2000:

- Devolution of authority over other levels of government
- Contracting out
- Delegation to other public or semi-public organisations
- Reorganisation / restructuring
- Discretionary hiring / dismissal



Organisation of HR Management

Decentralisation of HR Management

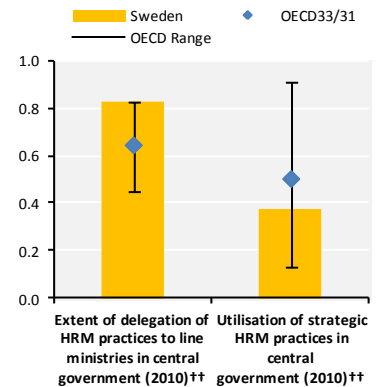
Central HRM unit:	Swedish Agency for Government Employers
Role:	Coordination and negotiation with unions
Location:	Independent Body
Responsibilities:	<ul style="list-style-type: none"> • Provide leadership and guidance • Provide advice on legal framework • Transmit employers' strategic policies • Close employment agreements with unions
Personnel, budget and pay delegation:	<ul style="list-style-type: none"> • Management of pay systems, budget allocation and the number of posts is delegated to agencies.
Classification, recruitment and dismissal delegation:	<ul style="list-style-type: none"> • Agencies are responsible for recruitment, contract duration, career management and dismissal. • Units/teams also play a role in recruitment and career management.
Employment conditions delegation:	<ul style="list-style-type: none"> • Working conditions and performance appraisal are managed at the ministerial and unit/team level. • The code of conduct and equal opportunity policies are set by ministries.

Strategic HR Management

Existence of HRM accountability framework for managers:	A less formalised system requires management to report to their superiors regarding HRM.
HRM targets feed performance assessments:	Yes, at agency level
Regular HRM assessment of agencies and departments:	Yes
Top & middle management plan and report on:	<ul style="list-style-type: none"> • 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:	2-3 years
Key aspects explicitly considered in forward planning:	<ul style="list-style-type: none"> • New issues in policy delivery • Civil service demographics • Possibilities for outsourcing • Possibilities for relocating staff • Efficiency savings (for example, through e-government)

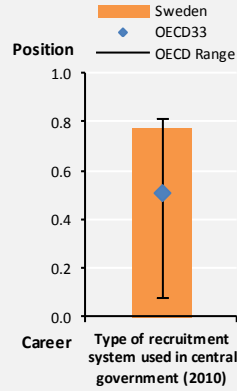
Sweden delegates more HRM practices to agencies than any other OECD country. The central HRM body provides agreements with unions, coordination and has a narrow range of responsibilities. All HRM responsibilities regarding management of employment and conditions are delegated to agencies or units/teams. This has led to very diverse pay scales and employment conditions within agencies. Contrasting this, Sweden's use of

strategic HRM practices is lower than the OECD average. There is a less direct accountability framework for management and a regular assessment of agencies' HRM capacity. Accountability for HRM capacity is built into the economic report system as a part of the system of framed appropriations. Forward planning is also in use and covers a full range of aspects over a reasonable horizon.



HR Management Practice

RECRUITMENT: The Swedish civil service uses one of the most highly position-based recruitment systems of all OECD countries, and recruitment is highly based on merit and skills. The entry process into the civil service varies according to the post and applicants are generally taken from the labour market as a whole. Almost all vacancies are published externally, recruitment firms/centres are used and a shortlist of candidates is compiled by the HR department. There is a tendency towards more external recruitment of top management and hiring targets are in place for the recruitment of women and disabled persons.



PAY SETTING: The use of base salary and bonuses as a remuneration structure is rarely applicable to the Swedish civil service. There is an individual and differentiated pay system related to level of responsibility, profession, market price, performance and results. Pay is connected to individual employment rather than the post. Pay is revised annually and factors such as individual results and performance are considered. Previous salary is taken into account when deciding pay for a new recruit.

Most important factors to determine salary	Top Management	Middle Management	Professionals	Secretarial Level	Technical Support
Educational qualification	◐	◐	◐	◐	◐
Job content	◐	●	●	◐	●
Ministry	◐	◐	◐	○	○
Performance	◐	●	●	●	●
Age	○	○	○	○	○
Seniority in the position	◐	◐	◐	○	○
Relevant experience	●	●	●	◐	●

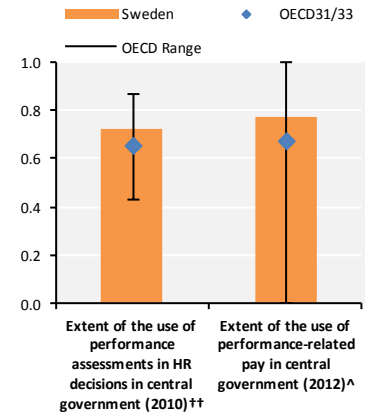
● Key importance ◐ Somewhat important ○ Not at all important

PROMOTIONS: Performance appraisals are key determinants of promotion for all levels of staff except top management, who are appointed by the government. Qualifications are also relevant for professional, secretarial and support staff. There are no formal restrictions to promotion between hierarchical grades, vacancies are normally published publicly and a shortlist of candidates is made by the HR department. Specially directed information sessions and coaching are provided to advance the promotion of women.

MOBILITY: Internal mobility remains steady within the Swedish civil service and there are no plans to increase or decrease it. There are no specific measures to promote external mobility and employees bear no costs if they do not return to the public sector.

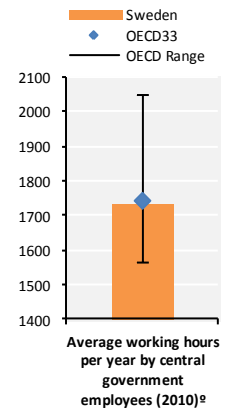
TRAINING: There is no routine training for central government employees upon entry to the civil service and the average length of training an employee receives per year is 7-10 days.

PERFORMANCE: Sweden uses performance assessment to a slightly greater extent than the average OECD country. Assessment is mandatory for almost all employees and takes the form of an annual meeting with the immediate superior. Some agencies also use written and 360 feedback. A large range of criteria is used, including activities undertaken, timeliness and quality of outputs, cost effectiveness of work and improvement of competencies. Assessment is highly important for career advancement and remuneration. Sweden makes greater use of performance-related pay (PRP) than the average OECD country and lies in the upper region of the range, as measured by the composite indicator. PRP is used for most public employees and accounts for up to 80% of the following year's pay revision, which is typically in the range of 3-5% per year.



WORK CONDITIONS: The average yearly working hours in Sweden, 1 735 hours in 2010, are very close to the OECD average of 1 745. Slightly longer weekly working hours offset a greater number of annual leave days. Working conditions are set in employment agreements rather than law. The average number of sick days taken per employee per year is 6 days and preventative medical care is recommended to those with high absence rates.

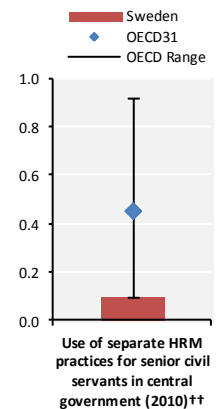
Number of regular working hours per week: ♀	39.75
Average number of annual leave days per year: ♀	28
Average number of bank (public) holidays per year: ♀	11
Total number of hours worked per year: ♀	1 735



Senior Management

Sweden uses separate HRM practices for senior civil servants (SCS) to the least extent of all OECD countries. SCS are not considered a separate group; hence there is no centrally defined skills profile or policies to identify SCS early in their career. Senior managers are politically appointed employees on a shorter-term contract who can be professionals recruited externally, or even former

politicians. Agency heads are appointed by the government and report to the relevant minister, whereas line managers and lower levels are appointed by heads of agency. All political advisors to the minister tend to turn over with a change in government, whereas no management staff do so.



Industrial Relations

A culture of co-operation between employers and unions has been developed in Sweden, with the agreement “Co-operation for Development” encouraging dialogue, agreement, work-based loyalty and leadership. However, civil service unions do not receive public funding. Negotiations regarding base salary, work conditions and the employment framework are held at central and delegated levels, where agreement with unions is mandatory. Agreement is also

mandatory regarding bonuses and the right to strike/minimum service, but these negotiations are held at the unit/team and centralised levels, respectively. Consultation with unions is voluntary regarding the introduction of new management tools and government restructuring. All public employees are granted the right to unionise and most are guaranteed the right to strike without restriction.

Reforms

- The ongoing outsourcing of economical administrative support to a new agency called “State sector service centre” is leading to reduced staff and costs for the other agencies.
- The programs for more e-governance and an innovative public service are a part of the modernization of public administration and a source for the need of new skills.
- The content of central agreements regarding pay revision has been changed. There is no more guaranteed individual minimum pay increase, but a framed percentage to be redistributed according to results and performance remains. One central agreement has no (framed) percentage and is without time limit.
- The merging of agencies is an ongoing process.

Challenges

- Due to longer life expectancy there is a need for the wellbeing of individuals and for the society as a whole to prolong the working life in both ends: for older staff to be able, and get the possibility, to work longer and for young people to start their professional working life earlier than today.
- There is an increasing need for staff with suitable ICT competencies, and on the whole labour market there is a shortage of ICT professionals.

Sources

Unless indicated otherwise, all data are sourced from OECD (2010), *Survey on Strategic Human Resources Management in Central/Federal Governments*, unpublished.

* Data for Total Labour Force from OECD *Labour Force Statistics Database*; data for Central Government from OECD (2011), *Government at a Glance 2011*.

† Data from International Labour Organization (ILO) *LABORSTA Database* and OECD *National Accounts Statistics*. See Methodological Note.

†† OECD (2011), *Government at a Glance 2011*, OECD Publishing, Paris.

~ OECD (2012), *Restoring Public Finances, 2012 Update*, OECD Publishing, Paris.

° OECD (2010), *Survey on the Compensation of Employees in Central/Federal Governments*, unpublished.

^ OECD (2012), *Rewarding Performance in the Public Sector: Performance-related Pay in OECD Countries*, unpublished.

Further Reading

OECD (2012), *Public Sector Compensation in Times of Austerity*, OECD Publishing, Paris.

OECD (2011), *Public Servants as Partners for Growth: Toward a Stronger, Leaner and More Equitable Workforce*, OECD Publishing, Paris.

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