OECD’s WORK ON HUMAN RESOURCES MANAGEMENT


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ANNUAL REPORT ON HUMAN RESOURCES MANAGEMENT ACTIVITIES
2000 – 2001

1. Since the revival of the Human Resources Management (HRM) Working Party in 2000, PUMA launched and carried out a number of HRM projects in pursuit of enhancing public sector capacity. The projects were developed mainly on the basis of discussions of the HRM Expert Meetings, and through the prioritisation exercise in the PUMA Committee. This paper aims to review progress so far to the HRM Working Party.

2. During the past year, the OECD has placed a high priority on supporting and assisting OECD Member countries’ efforts to reform or improve their HRM systems and practices under the following three directions:

- The OECD should take a leading role in exploring new ideas in some specific areas and disseminating them to Member countries.
- The OECD should provide network members with various opportunities to exchange and share their practical experiences and ideas.
- The OECD should provide comparative data on HRM systems and practices to countries upon their request.

1. Exploring new HRM issues…

3. In light of PUMA’s new Mandate, PUMA developed its Work Programme in late 2000, and identified four major HRM projects to be explored in 2001 and 2002. They are leadership, competitive public employer, knowledge management, and professional standards and ethics. The progress of each project achieved so far will be explained in detail.

Leadership Development

4. On the basis of discussions at the last HRM Working Party meeting, the Secretariat prepared a synthesis report on leadership development strategies. It will be published in early September this year together with six country cases; the United Kingdom, the United States, Germany, Sweden, Norway, and Mexico. This book deals with common issues faced by Member countries and lessons learned from the country experiences.

5. At the 22nd PUMA Committee Meeting, Mr. Brian Fox was invited to present the UK’s experiences on leadership development. In his presentation, Mr. Fox explained the focus on leadership in most civil services by the new managerialism in the 1980s and 1990s which led to a breakdown of command and control, new systems of governance and an emphasis on matrix management. These changes made apparent the need for leaders at all levels of the civil service and for a new strategic leadership. He also emphasised that leadership is now seen as on a continuum with management and that the UK has taken the view that it can be taught.
6. In the recognition of the importance of linking leadership with organisational performance, the Secretariat has asked Professor Ingraham to explore this issue at this Working Party meeting.

7. In the coming year, PUMA plans to hold one or two high profile public sector leadership-related seminars on a regional basis in co-operation with Member countries and/or prominent institutions. This activity will contribute to supporting Member countries’ efforts on developing public sector leadership, and to spreading new ideas to non-member countries as an outreach activity.

**Competitive Public Employer**

8. Many Member countries currently face critical skills shortages in the public sector. PUMA held an expert meeting on 5-6 April 2001. The meeting had three broad themes: 1) how to recruit and retain high quality personnel; 2) how to enhance professionalism in the public sector; and 3) how to improve the competitiveness of public employer. A synthesis report has been prepared on the grounds of discussions.

9. In the discussion session on future activities, delegates suggested that PUMA facilitate having smaller group sessions that will report to the plenary session in order to make the discussion easier. The other suggestion raised by many delegates was that PUMA should put more effort into collecting comparable data about HRM issues across Member countries.

**Knowledge Management**

10. In the new “learning economy”, good knowledge management strategies will significantly contribute to strengthening competitiveness and service delivery, by improving individual effectiveness, transferring information and knowledge to the organisational level, and ultimately making it easily accessible so that individuals can take effective and more informed action. In this context, PUMA has launched a project on knowledge management in the public sector. The goal of this project is to help OECD Member countries strengthen the knowledge management strategies of their public organisations in order to enhance their competitiveness, efficiency and effectiveness, as well as their attractiveness to potential job seekers.

11. Last February, the Danish Government, the Centre for Educational Research and Innovation (CERI) of the OECD, Learning Lab Denmark and PUMA co-organised a high-level forum on “Knowledge Management: Learning-By-Comparing’ Experiences from Private Firms and Public Organisations”. Approximately a hundred high-level officials, academics and representatives from the public sector attended the conference. The conference highlighted what the main challenges of the knowledge economy were for the public sector. The conclusions of the forum have been published and are available on OLIS and on the first pages of the PUMA Website.

**Public Service Ethics**

12. As requested by the 1998 OECD Council meeting at ministerial level, PUMA produced a report on the implementation of the 1998 OECD Recommendation on Improving Ethical Conduct in the Public Service. The 2000 OECD Council meeting at ministerial level received the completed survey report in June, and cited it in its Communiqué. Since then, PUMA has focused on communicating the conclusions of its unique report. Many products have been prepared such as:
• a new style of PUMA Policy Brief entitled “Building Public Trust” that highlights the main findings of the report and also suggests policy directions for policy-makers (September 2000);

• an OECD flagship book *Trust in Government: Ethics Measures in OECD Countries* that presents the first-ever comprehensive database of integrity measures in OECD countries and includes an analysis of common trends and good practices (published in November 2000);

• an OECD Policy Brief on “The Fight Against Bribery and Corruption” and an OECD flagship book on *No Longer Business as Usual* that looks at the ethics and anti-corruption issue from both the “supply” and “demand” sides (published in September 2000);

• background documents describing the survey results to facilitate the discussions at international gatherings (for example in Seoul, Conference on Anti-Corruption in December 2000, Annual Meeting of the Anti-Corruption Network for Transition Economies in Istanbul in March 2001 and at the II Global Forum on Fighting Corruption and Safeguarding Integrity on 28-31 May in the Hague).

13. In promoting these products, PUMA has targeted both experts and the wider public. For example, a dedicated workshop led by PUMA and a plenary discussion with the participation of Deputy Secretary General Sally Shelton-Colby, presented the outcomes of the report to the annual ethics conference on “Ethics in the New Millennium - Bridging the Public and Private Sectors” last September in Ottawa. In order to reach a wider audience, a flyer on the two OECD flagship books was sent out and a press seminar for journalists was held in early October before the Frankfurt book fair. Furthermore, these products were promoted by the redesigned PUMA ethics Web site and on the OECD homepage. In addition, an OECD portal page on corruption and ethics was launched in co-operation with other OECD directorates.

2. **More opportunities to share…**

14. In the 2000 HRM Working Party Meeting, many delegates requested PUMA to provide more opportunities for sharing experiences and views among network members in the future. To fulfil this request, the Secretariat tried to organise more meetings in 2000/2001. As a result, PUMA held one expert meeting and one conference in co-operation with another directorate. Furthermore, in order to encourage informal discussion among network members, PUMA created an “Electronic Discussion Group”.

15. At the expert meeting on the competitive public employer, 18 Member countries were represented, an exceptionally high participation. Out of them nine countries made presentations on their country cases on this issue: Austria, Canada, Denmark, Germany, Italy, Korea, Norway, Poland, and Sweden. More than one hundred experts, officials, academics, and public sector representatives attended the Copenhagen forum on knowledge management.

16. The Electronic Discussion Group (EDG) is a forum for the exchange of information in the form of documents or dialogue. Since its establishment in late February, the EDG has played an important role for improving communication between network members and the Secretariat. At the April Expert Meeting, most of documents were delivered to the meeting participants by this new channel. In the future, the EDG will contribute to the HRM activities significantly by providing network members with the opportunity to share information and experiences; by promoting effective communications between PUMA and Member countries; by effectively filling the gap which cannot be filled by formal HRM meetings; and by collecting, accumulating and sharing valuable information on HRM developments.
3. Providing comparative data to Members…

17. At Members’ request, PUMA has placed more emphasis on the data collection of HRM systems and practices. The Public Sector Pay and Employment (PSPE) data is being updated and it now includes some additional items such as age, gender, and turnover rate of the civil service.

18. In addition to this on-going data collection, PUMA plans to collect comprehensive qualitative data on HRM systems and practices. Between 1993 and 1995, PUMA conducted a comprehensive survey on HRM reforms in OECD countries, the result of which was published in 1996, in “Integrating People Management into Public Service Reform”. Almost half a dozen years have passed since this survey, and there have been many developments in HRM reform areas. This survey will look at HRM developments since then.

4. HR implications of other PUMA activities

19. A PUMA study undertaken during the year of failure in major public IT investments, has revealed that some of the underlying causes relate to HR weaknesses in the public sector. The study pointed issues such as; the incapacity to attract highly skilled people in the IT area; the problems of maintaining a strong business focus over the duration of such projects (the time of key managers is in very short supply); and insufficient attention to managing not just the contract but also the relationship with external suppliers.

20. PUMA is also developing a programme of activity on the governance and management of government bodies outside the core public service – “agencies” or independent authorities which are used in policy advice, research, regulation, assurance and service delivery. This work raises important HR issues, such as;

- the selection and guidance of members of appointed boards;
- performance monitoring and incentives;
- the impact of independent staff regimes on the core public service;
- and accountability to Parliament and the public.