



NETWORK ON PUBLIC EMPLOYMENT AND MANAGEMENT

EXPERT MEETING: Senior Civil Service: Performance, Accountability and Organisational Success

OECD Headquarters, 26-27 November 2015

MEETING HIGHLIGHTS

The growing complexity of public sector objectives presents new challenges to governments, who are more than ever expected to improve public services' quality, accessibility and responsiveness while carefully managing limited resources. Addressing complex issues such as inclusive economic growth calls for a new look at what we know about government performance management and accountability at senior levels. Administrations' ambitious multi-dimensional objectives such as inclusive growth require management systems and leadership capable of aligning performance measurement, budgeting and senior civil service accountability within an integrated performance cycle.

In this context, over 30 officials from 19 member countries and 3 non-member countries (Lithuania, Peru and Kazakhstan) attended the Network on Public Employment and Management (PEM) expert meeting on 26 and 27 November 2015 to share experiences and discuss the potential for aligning Senior Civil Servants' (SCS) performance and accountability processes with organisational objectives. The first morning of the meeting was held jointly with the OECD Senior Budget Officials Performance and Results Network, allowing an exploration of current practical approaches to better align performance information, budget processes and HR systems.

Over the 1.5 days, participants discussed:

- How organisational performance management and goal setting can be used to align effort, motivate and incentivise good leadership and promote accountability;
- The mix of hard and soft tools to motivate and assess performance at the organisational, individual and team levels;
- The role of political and administrative officials and civil society in driving performance, and the balance that must be managed among them to improve the use of performance information;
- The role of data and indicators for informing performance discussions and acting as a foundation for more data-informed organisational management;
- How to attract, retain and develop the right skills and values in SCS.

As public leaders, SCS have the potential to motivate and inspire other civil servants, to encourage innovation and to use tools and data to improve individual, team and organisational performance. While data-informed decisions are essential for effective, evidence-based management, many administrations struggle with the challenge of building useful performance indicators and using performance information to support organisational decision-making and performance. OECD countries such as the UK, the US and Denmark address this by having fewer and better targeted goals to simplify and improve performance management. In addition to collecting, using and analysing data,

administrations should consider sharing it within and outside government, to increase the possible use of available data.

In this context, linking SCS performance objectives to outcome-focused strategic targets has the potential to strengthen accountability and improve organisational outcomes, and many OECD countries (e.g. Korea or Slovenia) are reforming their SCS accountability in this way. Achieving this depends on a wide range of institutional, political and administrative features and traditions, making it necessary for each country to define its own right mix of objectives, incentives and accountability processes and to align them so that they support one another and inform good management.

In many OECD countries, the debate around performance is shifting from dealing with underperformance to improving staff motivation, creating enabling environments for innovation, improving organisational performance and service delivery. The Irish experience provides a good illustration of this shift, as its First Public Service Reform Plan (2011-2013) focused on reducing costs, eliminating duplication and increased efficiency and its Second Public Service Reform Plan (2014-2016) aims at improving service delivery and better outcomes for citizens, alongside ongoing efficiency measures.

In the Australian system, studies identify strong human factors that affect the quality of their performance management. These include the extent to which managers perceive performance management as a core activity that contributes to improving the whole organisational performance, the quality of the performance management conversations between superior and subordinate, and the capacity of leaders to clearly describe what high performance looks like.

In addition, the UK approach highlights transparent goal setting and monitoring as a key element that enables citizens to hold governments accountable for their spending. Well design performance and accountability systems in the civil service and in SCS in particular are fundamental contributors to integrity, and can help to increase SCS independence and avoid negative impacts from political favouritism or political cycles, thereby helping to build trust in the public service. In many OECD countries such as Israel, Italy, Mexico and the US, trust is central to performance management and a major driver of employee engagement and motivation, so having the right skills and promoting public sector values such as integrity, merit and a proactive attitude in the civil service are equally expected to contribute to improving organisational performance and service delivery.

While many OECD countries have begun to use employer branding techniques to attract talents and expertise from diverse backgrounds, they also face the challenge of retaining and developing their senior managers. Canada's new performance system is a fundamental component of a strategic approach to SCS management which aims at attracting and managing talents, in order to build up a highly skilled SCS cadre that fulfils the qualifications, skills and values of a high-performing civil service. The Austrian performance appraisal system values team work and team performance and prioritises outcome orientation as a guiding principle for public service. Other countries are strengthening the performance appraisal systems for SCS, such as the French administration who conducts 360° evaluations in selected ministries.

The meeting concluded with broad agreement that performance strategies should be designed to support the organisational direction and to build up a highly skilled SCS cadre. In many of the leading countries, the skills emphasised are less technical, but more the broad range of general transactional and transformational leadership skills needed to promote an innovative and high-performing World Class Civil Service.