

Inter-American Development Bank  
Regional Policy Dialogue

ANALYTICAL FRAMEWORK FOR  
INSTITUTIONAL ASSESSMENT OF  
CIVIL SERVICE SYSTEMS

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## I. INTRODUCTION

### **Objective**

The object of this document, requested by the Inter-American Development Bank, is to present an analytical framework that could serve as a common reference to assess national Civil Service (CS) systems in countries located within the Bank's scope of action.

### **Intention and characteristics of the document**

It has three aims:

- a) To facilitate the task of analysts of national CS systems, providing a reference point and methodological directions useful for their work.
- b) To provide a common approach to diagnosis, facilitating comparative analysis of their conclusions
- c) To provide methodological measuring tools using indices, that can allow comparison of certain aspects of different countries' situations.

### **Scope of the document**

The document tries to be an analytical frame, and not a manual. Therefore, we are not trying to standardize analysts' behavior in accordance with a predetermined methodological pattern of content, sequence and details. The powerful influence of contextual factors, that are inherent in the examination of different national situations, advises against this approach. On the other hand, we are not faced with a single organization but a political-administrative system made up of networks of organizations, which means that we need to be able to draw comparative conclusions with a significant degree of consistency.

Instead, the overall aim is to construct a common analytical language that will allow a shared approach. This is not intended to replace the expert opinion of the auditors, who need to adapt to different situations and come to their own conclusions.

### **Basic characteristics of the works**

Important elements that the assessment works should take into account are:

- a) The use of common terms for comparisons, as part of the theoretical model of operation of CS systems that the document presents and develops.
- b) The use of a rigorous analytical methodology of analysis, based on the gathering of data that support the conclusions.

## Structure of the document

The document is organized in the following way:

- ?? The next section (II) explains the objective scope of the diagnostic works, what is meant by "Civil Service", as well as the extension and limits of the aims of these works.
- ?? Section III presents a generic reference model, of global and systemic reach, for the management of public employment and human resources, making it possible to compare the analyses of different national situations.
- ?? Section IV, the largest section, provides precise directions for diagnostic works. It describes, where considered possible, the content and method of analysis of the different subsystems which make up the whole model.

In addition there are included, as annexes:

- a) a glossary of terms used in the document;
- b) a section covering the peculiarities of public sector employment and HR management systems, to explain better the proposed model in the political-administrative context;
- c) a list of the proposed quantitative indicators on which certain aspects of the diagnosis are based;
- d) the indices and sub-indices proposed for the final diagnosis, as well as the methodology for deriving them;
- e) a full checklist of the critical points, incorporating the valuation scale and guidelines for weighting each one, as well as their relation with the indices and sub-indices; and
- f) an overall scheme for the content of the final report.

Bibliographical references are also included.

## II. SCOPE OF THE ASSESSMENT WORK

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*This section defines precisely the object of auditing works, defining the extent of the Civil Service concept.*

### **What we mean by Civil Service**

In a general sense, we mean by Civil Service (CS) the **system of management of public employment and human resources assigned to the service of public organizations in a defined national situation.**

In a more restricted sense, we refer to CS when this system **incorporates specific institutional arrangements, similar to those that characterize normal employment, with the purpose of guaranteeing the provision of professional public services.**

From this dual approach we can deduce some useful points in order to determine better the concept that will be developed in the following paragraphs.

### **Elements and aims of a CS system**

The CS is made up of the assembly of institutional bodies that articulate and manage the public employment and the people who are part of it. These arrangements include written or informal norms, structures, cultural patterns, explicit or implicit policies, processes, diverse practices and activities that ensure a suitable handling of the human resources, within the framework of a professional and effective public administration, to serve the general interest.

In the public scope, the purposes of a system of employment and human resources management must bring together the objectives of effectiveness and efficiency with the requirements of equality, merit and neutrality that characterize professional administrations in democratic contexts.

### **A CS system is something more than a regulating framework**

A CS system is governed, to a greater or lesser extent, by a specific legal framework, but should not be confused with it. On the one hand, because in reality repeated breaches of the regulations will probably be evident. On the other hand, because the margin of interpretation may sometimes be sufficiently wide, to allow different and even opposed practices.

What really identifies a CS system, and therefore constitutes the object of the proposed analysis, is the **assembly of practices that in this field characterize the real operation of the examined national political-administrative systems, whatever the correlation**

**between that operation and the effective regulating framework.** The analysis of this last forms an important part of the work, but should not be confused with the overall objective.

**A CS system can contain several types of employment relations**

To define a system of public employment management requires the adoption of a wide vision of the CS, in which employment relations of different types, similar to the ordinary labor regime, could fit. The CS, thus defined, can accommodate employment relations based on an appointment or a contract, regulated by public or private law, whose inconsistencies are arbitrated by special judicial bodies or the common courts.

Therefore, from the point of view of this analysis, the uniformity or diversity of the regulations, structures and policies of public employment and human resources management in a certain country do not determine or establish limits to the scope of the audit works. Rather they express the existence of diverse national CS models, which the works will reflect.

**One or more levels of administration**

The scope of each diagnostic work will be established logically in its terms of reference. The complexity and difficulty of the task will depend on extent and diversity of the institutional field analyzed. This analytical frame can be applied effectively to the diagnosis of the CS of a central administration or extended to cover the administrations of the sub-national governments.

### III. REFERENCE MODEL

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#### III.1. INTRODUCTION

*One of the basic objectives of this document is to define a reference model to orient the analysis. This section determines the scope of this reference and identifies the proposed model.*

**On what basis should a reference model be constructed?**

As was said in the introduction, the proposed method involves using a common reference for the execution of the diagnostic work. But what the reference frame should be used by analysts of employment and human resources management?

An apparently simple answer could be: the norms and principles developed and generally accepted by the experts in these fields. The problem is that the complexity of this matter means that a generally accepted theoretical pattern does not exist. Nor is there even a clearly preferred assembly of undisputed principles. Without leaving the scope of the private management, diverse approaches compete, differing in relevant aspects. Moreover, further variables in the field of public management add an important additional complexity, producing multiple approaches.

**It is necessary to choose a model**

Having said that, it is essential to choose from the existing reference frames one that is relevant, understandable, easy to use and adapted to the scope and scale of future diagnostic work. The analyst cannot count on a reference as precise as, for example, the accounting plan of a financial auditor, but rather on a model (see *glossary*) of human resources management (HRM), selected from the various available ones.

**The proposed model for HR Management**

The HRM model that we present offers, in our opinion, the following advantages:

- a) It offers a broad approach, able to accommodate different perspectives and multidimensional approaches, without needless bias or exclusion of points of view.
- b) It is an existing model, that incorporates the most modern views of the HRM
- c) It adapts well to the macro scale of analysis that, as mentioned earlier, characterizes the works of institutional diagnosis for which it must serve as reference.



d) Although originally designed for the private sector, it has been developed and adapted to the public sector, and tested successfully in the teaching and consultancy fields.

### III.2. AN INTEGRATED MODEL OF EMPLOYMENT AND HUMAN RESOURCES MANAGEMENT

Next we present the full theoretical reference model. It shows the reason for HRM, its strategic value and the factors dealing with situations that must be considered.

#### COMPREHENSIVE MODEL OF HR STRATEGIC MANAGEMENT



Figure 1. Source: Adapted from Serlavós, R.

#### **HRM acts like a nexus between the strategy and the people**

Figure 1 shows an initial overview of the basic elements of the proposed theoretical model. HRM is presented as an integrated management system, whose basic purpose is the alignment of the people to the strategy (see *glossary*) of an organization<sup>1</sup>, or a multi-organizational system, to achieve the desired objectives.

The results to be achieved rely, to an extent dependent on each situation, on the people, a two senses:

- a) They are influenced by the degree of adjustment to the **sizing**, quantitative and qualitative, of the human resources for the objectives.
- b) They are a consequence of the people's **behaviors** in their work.

HRM is expected to affect both variables. Therefore, is possible to link the overall assessment of a HRM system to the degree in which that effect is positive and is translated in effective results.

<sup>1</sup> For simplicity from now on, the word "organization" will be used to include, unless otherwise indicated, the system or multi organizational institutional complex whose system of CS is being analyzed.

**HR Management is a system of strategic value**

Strategic coherence is a fundamental characteristic of the model. It means that the quality of the HRM, both its policies or practices and the whole management system, cannot be judged separately from its connection with the organization's strategy (mission, priorities, objectives). The HRM creates value when it is in line with the priorities and organizational objectives.

The macro scale, in which the works of institutional diagnosis of CS systems operate, will force us to address the question of the strategic coherence in a relatively different form from how it would be in the case of only one organization. On the one hand, the strategic assessments will be, in general, (with a few exceptions, e.g. fiscal policy) generic and ambiguous, demanding significant interpreting effort. On the other hand, its degree of explicitness will tend to be reduced, forcing the auditor to extract implicit preferences and orientations.

**There are influential situational factors, that must be considered**

The assembly of policies and human resources practices (see *glossary*) that we call HRM does not constitute the only source of influences on the two variables (sizing and behaviors). The weight of other influential, identifiable situational factors inside or outside the organization, should be taken into account.

These situational factors influence the people and their conduct, in a directly or indirect way. That is, through their influence on the design and execution of the HRM policies and practices. They even affect the strategic aims of the organization.

**Internal factors**

In the internal organizational context, numerous factors can be considered. These include: the internal political situation, the budgetary context, the technology used, work systems, the staff sociological structure, styles of direction, etc. In each situation, we can recognize one or other as relevant. In any case, due to the important direct or indirect incidence in human behavior, there are two factors that are considered mandatory for analysis: the organization's structure and culture.

The **structure** (see *glossary*) is an important influence source. The degree of behavior standardization by means of norms or job descriptions, the size of the hierarchic pyramid, the planning systems in operation, the types of control, the degree of centralization/ decentralization in the decision making, are among the relevant structural data for the management of people.

The **organizational culture** (see *glossary*) is also a factor of extraordinary importance. Frequently, mental

models and values which are part of the organizational context, help to explain the human behavior and HRM policies and practices.

### **External Factors**

External factors are also numerous. Among others, the socio-political and economic situation, the technological evolution, expectations of public services consumers, opinion creators, the environment, etc. Two further factors that are important for HR management that are mandatory for analysis are the legal structure for implementation and the labor market.

The **legal structure** is, unquestionably, a powerful influence as it introduces limitations on the operation of the HR system. In the public sector, the range and intensity of regulations are very important. Some of the main peculiarities and restrictions that public sector HRM has come from the legal structure.

The **labor market** also is of great importance in the design and operation of HRM policies and practices. As will be shown the labor market is key in fields like HR supply or policies of compensation.

### **Utility of the model for diagnosis: It is crucial to identify each problem clearly**

The overall vision of the proposed model, presented so far, already provides some useful elements for the diagnosis of HRM systems, especially for the analysis of the causes of problems. We will touch on it again in section IV.2. In particular, it can be used as a map to locate the origins of detected failures.

Thus, a failure in the operation of a HRM system (for example, poor matching of a person to a role, excess of rigidity in mobility or promotion, or salary inequity) could be due simply to a badly designed personnel policy or to contradictory HRM practices. Or it could be due to the lack of strategic clarity in the organization, non-existence of a coherent HR strategy, a structural design imbalance, legal restrictions, labor market restrictions, mental attitudes or dominant cultural traditions, or to any other internal contextual factors.

To detect the problem area (or the areas, since frequently there will be more than one) or its root it is essential "to make the right call". That is to say, target the diagnosis to get the correct solutions. An example could be that a legal reform may be needed to solve a problem of predominantly cultural origin as the dysfunction probably tends to be self-perpetuating.

### III.3. THE BASIC SUBSYSTEMS THAT FORM THE MODEL

In this section the proposed model is developed, presenting the main HRM components or subsystems. The importance of this systematization is, as will be further explained in section IV, that these elements will constitute the main fields of analysis for the diagnostic work.

#### HUMAN RESOURCES MANAGEMENT SUBSYSTEMS

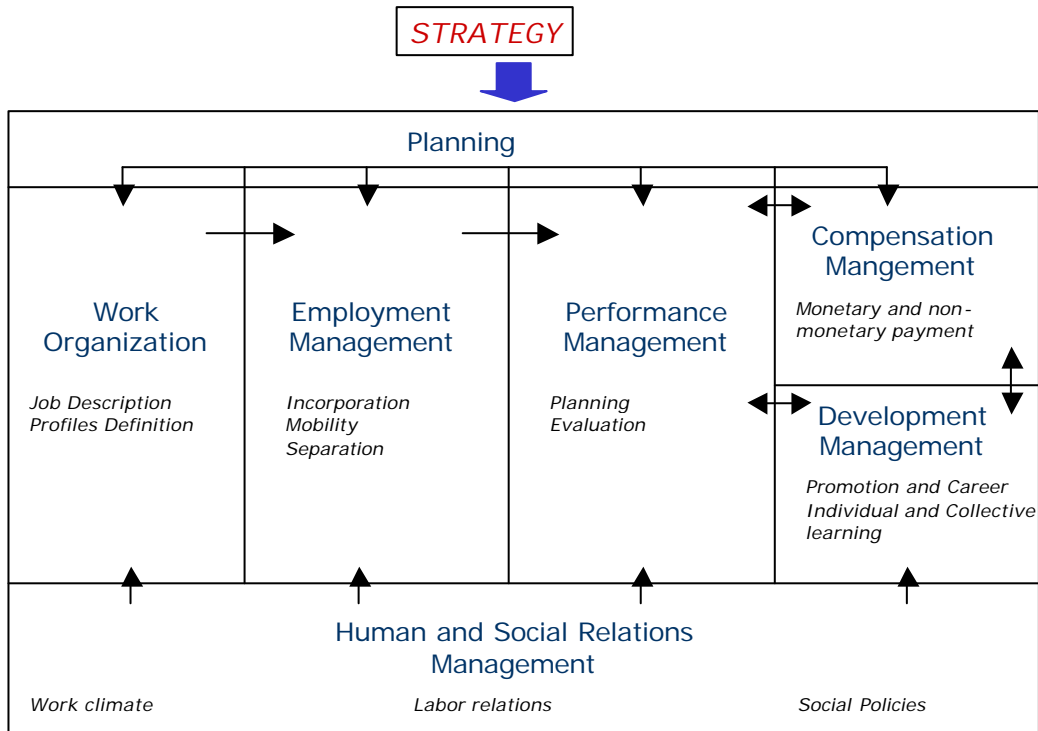


Figure 2. Source: own processing, adapting a model of Serlavós, R.

**HRM involves different subsystems**

If, returning to figure 1, we imagine that a zoom lens focuses on the central, HRM circle of the diagram, in such a way that we could inspect in detail what it contains, we would find something like the content of figure 2.

This presents HRM as an integrated system of management that unfolds in different components, which operate like subsystems, and are connected and interrelated in the form that the arrows show.

**A HR strategy is necessary**

The upper part of figure 2 shows again the strategic reference. If the diagram of figure 1 showed the organizational strategy, here we have a subsection of that: a human resources strategy. We can define this as

that: a human resources strategy. We can define this as an assembly of priorities or basic purposes that orient the policies and practices of HRM, to put them to the service of the organizational strategy.

The existence - more or less explicit and formalized - of a strategy of human resources is essential in order:

a) To reach what we called HRM system strategic coherence, that is to say, the alignment between the policies and practices of personnel and the organization's priorities

b) To give sense and value to the policies and practices of HRM, that otherwise will tend to be only HR administration, a repetitive and mundane activity of just preserving the existing status, and lacking its own drive

c) To make possible the innovation of HRM policies and practices.

### **Seven basic subsystems**

Figure 2 presents HRM divided into seven interconnected subsystems, located vertically in three levels:

In the upper level is **HR Planning**, which constitutes the entrance to any integrated HRM system, and allows the definition of coherent policies in all the remaining subsystems, to which it is connected.

In the middle level there are five subsystems, organized logically in four, horizontal blocks:

First, the **Work Organization**, which establishes and specifies the contents of the tasks and the characteristics of the people who will to carry out them.

Second, **Employment Management**, which includes the recruitment, movement and exit of the people.

Third, **Results Management**, which plans, stimulates and evaluates people's contribution.

Fourthly there are **Compensation Management**, which covers pay; and **Development Management**, which takes care of the training and development of individuals and the group.

Finally, in the lower level, **Human and Social Relations Management**, which is connected to all the other subsystems.

**Three requirements are essential** so that the combination of HRM policies and practices work

smoothly in an organization, and is able to add value and contribute to achieving the organization's objectives:

**The subsystems must work**

1. It is necessary that all the subsystems work, i.e. there are sufficient policies and coherent practices to infer their existence and functionality. Thus, for example, if performance evaluation is not even minimally formalized, the promotion and career processes will lack the basic inputs to develop correctly. The tendency will be to give promotions in an arbitrary way, or based on age or purely formal merits.

**The necessary interconnections must take place**

2. HRM subsystems, in addition, should work together, in the form represented by the arrows of figure 2, which will be explained in more detail. For example, if operative interconnections between the job descriptions and profiles and the recruitment processes (if each subsystem operates isolated) do not exist it will become difficult to match people to tasks.

**Strategic coherence must exist**

3. All the subsystems should develop as an implementation of a HR strategy, resulting from the organization's strategy, and linked by it. A policy or practice of personnel cannot be judged, as we have already said, without this basic coherence. For example, if a properly set up policy of variable salary, similar to performance pay, rewards people for achieving for objectives that are not clear organization priorities, it will not change people's behavior in a desired way and may even damage to the organization.

#### **IV. METHODOLOGICAL ORGANIZATION**

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*The methodology we propose comes from the described model, and consists of the identification and analysis of HRM policies and practices in the national CS be examined. It follows the order of the above subsystems.*

*This section defines a set of reference points and content recommendations for the analysis of each subsystem, providing some methodological guidelines to clarify the process.*

##### **IV. 1. CONTENT GUIDELINES: SUBSYSTEMS OF HR MANAGEMENT ANALYSIS**

*In this section, the following items are addressed for each of the seven subsystems that must be analyzed to fulfill the model within the framework of the audit:*

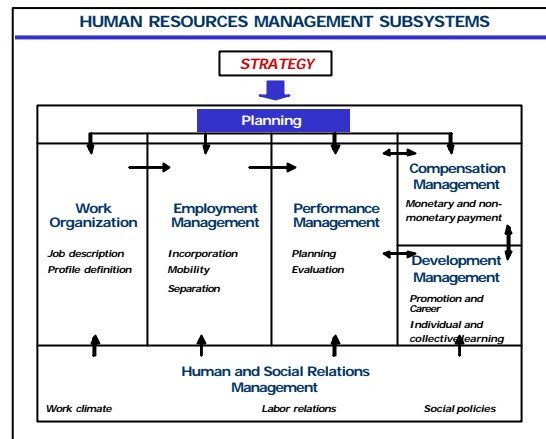
- a) *The basic object or purpose of each subsystem.*
- b) *The identification of other subsystems to which it is related, and the meaning of that relation.*
- c) *The processes and practices developed in them.*
- d) *The critical points that must be considered by the auditors when analyzing each subsystem. When taken these will characterize HRM best practice in each field, and will form benchmarks for the analyst to use in each case. Appendix 6 has a full "check list" of critical points.*
- e) *Some specific useful comments for the analysis of the subsystem under consideration.*



## IV.1.1. Human Resource Planning

### A) Object

By means of HR Planning (HRP), an organization can look at its qualitative and quantitative HR needs for the short, medium and long term compare these with its expected internal resources and identify what needs to be done to deal with the differences



HRP is the subsystem that facilitates the strategic coherence of the different HRM policies and practices, connecting these with the organization's priorities. We can therefore say that it forms the "front door" in an integrated system of HRM.

### B) Relation with other subsystems

HRP needs to be linked to all the other HRM subsystems. This relationship is the crucial element to ensure that the personnel policies and practices respond to the set priorities and objectives and are not inertial or merely reactive behaviors.

The verification of these interconnections will take place for each of the different subsystems when the person performing the evaluation asks the following question:

?? To what extent do the policies, decisions and practices of HRM in this area, respond to meaningful objectives established in the HRP process?

### C) Processes

In a HRP subsystem, we can distinguish the following processes:

- a) The **analysis of gross HR necessities**. This implies a quantitative (how many people, how long) and qualitative (what skills - see glossary) assessment of the requirements to get things done in a particular moment.
- b) The **analysis of present and future availability of resources**, to identify the future state of that area if the organic evolution of existing resources is not controlled.
- c) The **analysis of net HR necessities** obtained by comparing the two previous paragraphs resulting in an excess or deficit gap
- d) **Planning cover measures**, identifying and

anticipating actions that should be taken to deal with the net necessities detected, and that could affect any of the HRM subsystems.

#### **D) Critical points**

Some central questions of a HRP system, whose examination must not be omitted by the analyst, are the following:

Existence and integrity of the system

- ?? Whether a suitable development of the processes that comprise a HRP system is verifiable.

Strategic coherence

- ?? Usually HR planning forecasts the results of the organization's priorities and strategic direction. The degree of correlation between them should be high.
- ?? HRP mechanisms make personnel practices adaptable to changes in the organization's strategy.

Basic Information

- ?? Personnel information systems provide knowledge of quantitative and qualitative availability of existing and foreseeable HR in different organizational situations and units.

Effectiveness

- ?? HRP policies and instruments should allow a suitable distribution of resources and work among the units to optimize availability in general.
- ?? In general, significant personnel surpluses or deficits should not exist. (this is related to indicators 9, 10, 11, 12 and 13 of appendix 4)
- ?? Overall staff cost is within reasonable and compatible parameters related to the economy of the country. (this is related to indicators 2 and 3 of appendix 4)
- ?? Staff redistribution is carried out whenever necessary.
- ?? The technical skills of the staff are adequate to knowledge society. There is a significant weight of qualified work in the staff composition (this is related to indicators 14 and 15 of appendix 4)

## Administration

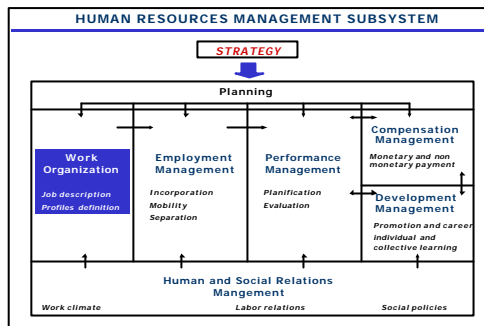
### ***E) Specific considerations***

- ?? HRP forecasts are monitored and updated when necessary to adjust to changing strategies or situations.
- ?? Line managers know the HRP forecasts, and are involved in their formulation and follow-up.
- ?? When analyzing HRP, two levels can be distinguished: the examination of HR tools, mechanisms and planning decisions, and the evaluation of their operation, testing the degree of influence in the different HRM policies, practices and decisions. This does not mean that a preset formula of how each analyst should work is recommended. Rather, each analyst must organize the sequence and must remember that a complete picture of the HRP will only be obtained when they have analyzed the full set of subsystems that form the model.
- ?? In the public sector, administrative or functional areas, where decisions are inertial or reactive, are frequently found next to others where appreciable planning tools have been developed. In order to address strategic priorities, the person doing the evaluation should take this aspect into account in order to avoid judging the performance of the whole of the organization based on one part.
- ?? Usually HRP development is related (not casually) to the development of HR information systems. A good start for the analysis of this subsystem is, indeed, to explore the quality of these information systems.
- ?? In the absence of more elaborate and specific tools, budgets containing elements of personnel planning should be considered. An analysis of the budgeting process, as well as of the mechanisms and decisions of execution and control, seems essential for the success of this work.
- ?? As has already been emphasized, some quantitative indicators of Civil Service staff figures, the fiscal weight of public employment, and the staff's technical skills must be used in the analysis of this subsystem.

## IV.1.2. Work Organization

### A) Object

The subsystem of work organization brings together the HRM policies and practices that define the characteristics and conditions of performing the tasks, and what sort of people should be selected to carry them out.



### B) Relations with other subsystems

In an integrated HRM system, work organization is connected with planning, from which it receives the necessary inputs (at least when considering a mid- or long-term HRP; however, for a short term plan, the organization of the existing work frequently tends to act as an independent variable, hardly modifiable by the planning process)

The most important interconnections take place with the employment management subsystem. A suitable job and profile descriptions act as prerequisites for the correct management of staff recruitment. This allows better matching between the needs of the organization and the labor market (both the general labor market or the internal market).

### C) Processes

In the work organization subsystem there are two different processes that must be considered:

a) **Job descriptions**, which include descriptions of activities, functions, responsibilities and purposes that the organization assigns to each position, and which, jointly, forms the framework in which the employee will need to contribute and achieve the desired results.

A job description means that important choices have to be made about:

- The degree of specialization (see glossary), both horizontal and vertical, of the position.
- The degree of behavior formalization established (conduct standards for the employee).

b) **Profile or person definitions** of the prospective employee for each position (see glossary), identifying the basic skills required.

#### **D) Critical points**

Existence and integrity of the subsystem.

?? *A suitable development of the processes that comprise the described Work Organization system should be verifiable.*

Technical quality and flexibility of job descriptions

?? *Job descriptions follow management criteria, rather than legal considerations or collective agreements. The legal framework and labor agreements are designed to establish a general structure within which work is organized in compliance with organizational necessities.*

?? *Job descriptions are accurate, and written in such a way that the structure of responsibilities is clear. Employees must know what they are responsible for and the value of their contribution.*

?? *Job descriptions should not be exhaustive so that it is easier to adapt them to changing or unexpected circumstances.*

?? *They should however enrich or extend the length and breadth of the position in order to produce improved job satisfaction and staff motivation, without serious losses of productivity or coordination (see word "specialization" in glossary).*

?? *The classification and place in the hierarchy of a job must fit with the to rational and adapted criteria of each organization's conditions.*

Quality of profiles definitions

?? *Descriptions of the suitability of jobholders go beyond titles, technical specializations and other formal requirements, and identify other competencies (v. glossary)*

?? *Experts should define skills profiles in advance.*

?? *Profiles include the selection of the skills considered key for the successful performance of each role.*

?? *Generally there should be a reasonable coherence between the tasks' requirements and the elements that form the position profiles.*

## Administration

- ?? *Job descriptions and profile definitions should be reviewed on a regular basis, to adapt them to the evolution of the tasks and new requirements.*
- ?? *Line managers have a crucial role in the creation of the job and profile descriptions.*
- ?? Many public organizations use job descriptions. These must be evaluated to assess to what extent they relate to the existence of a global system (however decentralized its administration is), or to isolated practices.
- ?? Also, the existence of job descriptions does not guarantee that they are indeed in use. Evidence of their actual use will have to be obtained.
- ?? With regard to the skill profiles, a complete evaluation of their effective use will usually require analysis of the Employment Management subsystem. The specific analysis of recruitment and selection practices will provide valuable information about their use and real effectiveness.

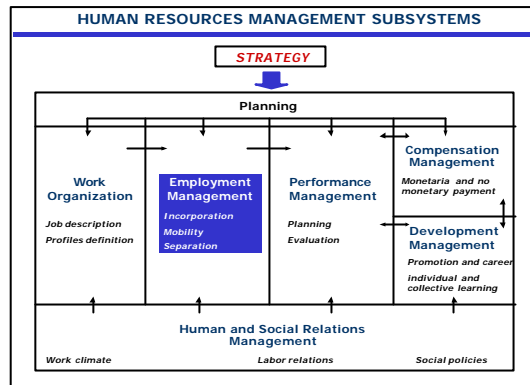
### ***E) Specific considerations***

- ?? In this field, no documentary material or official affirmation of central instances – even though both are needed for the evaluation work – replaces information and honest opinions provided by line managers, who are the main protagonists of the effective use of these work tools.

### IV.1.3. Employment Management

#### A) Object

This subsystem of the HRM covers the personnel policies and practices that manage the processes by which people enter, move around and leave the organization. It is a complex subsystem, within which are some of the most important areas of HRM to be analyzed.



#### B) Relations with other subsystems

The Employment Management involves aligning people with the tasks assigned to them, throughout their professional life. Therefore, its main connection is with the Work Organization subsystem. Job and profile descriptions constitute the base for the correct operation of this HRM subsystem.

In addition, Performance Management will be an excellent information source for all decisions that affect people's mobility or their eventual departure from the organization.

#### C) Processes

In this subsystem it is necessary to distinguish three main management areas:

a) The **management of enrollment**, which includes the policies and practices for dealing with people appointed to positions (this could also imply entrants to the organization). In this field, it is possible to distinguish three types of processes:

- **Recruitment**, which includes HRM policies and practices to look for and attract candidates to vacant positions.

- **Selection**, which covers choosing, including the use of precise instruments to choose well, and the decisions to assign candidates to positions.

- **Reception or induction**, including policies and practices designed to provide a good welcome to people and accompany them in their first steps in the new position and environment.

b) **Mobility management**, which affects the movement

of people between positions in the organization. It is possible to distinguish between:

- **Functional mobility**, that only implies change of task, and

- **Geographic mobility that**, in addition, implies a change in the place of work involving a change of residence.

c) **Departure management**, which includes HRM policies and practices related to the termination of employment due to performance or disciplinary problems, or economic, organizational or technological reasons. It is possible to include here disciplinary policies and practices, even if the sanctions are not very serious and do not end in dismissal of the employee.

#### **D) Critical points**

Equality and merit in the enrollment process

?? *Recruitment should be open, either legally or in reality, to all candidates who fulfill the requirements. These should be based capability, verified technically, and not arbitrarily.*

?? *There should be procedures and mechanisms throughout all the enrollment process to avoid abuse, whether it is due to political, or patron or client type practices.*

?? *Only a limited number of positions should be filled with personnel selected in accordance with political type criteria and mechanisms. (Related to indicator 1 of appendix 4)*

?? *There should be mechanisms to guarantee equality and nondiscrimination, whether due to sex, ethnicity, culture or origin, and these should be effectively applied in the public sector enrollment procedures.*

Quality of the recruitment

?? *The methods used for the search, communication and attraction of candidates should normally be able to produce a suitable number of reliable candidates for the vacant positions.*

Quality of the selection

?? *The selection should be based on the existence of skills profiles (see glossary) for the vacant positions.*



?? *The selection instruments used should be, in general, adapted to the defined profiles, and their design based on technically valid effectiveness criteria for identifying professional suitability.*

?? *The selection committees should be based on professionalism and technical experience, and function independently.*

?? *Appointment decisions are made according to tested criteria of capabilities and professional capacity.*

#### Quality of the reception/induction

?? *Suitable procedures to receive employees, to facilitate their entry into the organization and their first steps in the new position and environment should be established and applied. Also, employees should be told the guidelines on the principles and basic behavior that they must know upon enrollment in the workplace.*

?? *Suitable procedures (trial periods, etc.) should be established and applied to ensure successful enrollment, and the power to adopt corrective measures should be available if needed.*

#### Mobility

?? *Mobility mechanisms, both functional and geographic, should allow a flexible response to the necessities of staff redistribution.*

#### Absenteeism

?? *Absenteeism indices should, in general, be acceptable. (This is related to indicator 18 of appendix 4)*

#### Discipline

?? *Disciplinary procedures should be applied to allow inappropriate behavior by employees to be corrected effectively and quickly.*

#### Departure

?? *Dismissals or withdrawals of employment due to reasons of the political change of governments, affecting jobs of a professional character, should not happen.*

?? *The possibility of dismissal due to evident incapacity or low performance should be based*

*incapacity or low performance should be based on objective criteria.*

*?? The possibility of terminating an employment contract due to technical, economic or organizational reasons should be based on objective criteria that the role is no longer required.*

*?? Excessive churn or changes in staffing in departments or sectors should not be detected (this is related to indicator 17 of appendix 4).*

**E) Specific considerations**

*In the matter of employment management it is essential, more than in any other area of CS, to differentiate between the normative framework and the real operation. Frequently regulations are found that draw a picture that is different from the actual policies and practices. As said before, the evaluation must be centered basically on the latter.*

*The scale of analysis will force the analyst to rely on various sources of information. With regard to the documentary analysis, a significant sample of evidence (data bases, calls, instruments of selection, etc.) will be needed. As far as people are concerned, a wide selection of informants (central agencies, managers, employees, members of selection committees), drawn from different sectors of the organization will be required.*

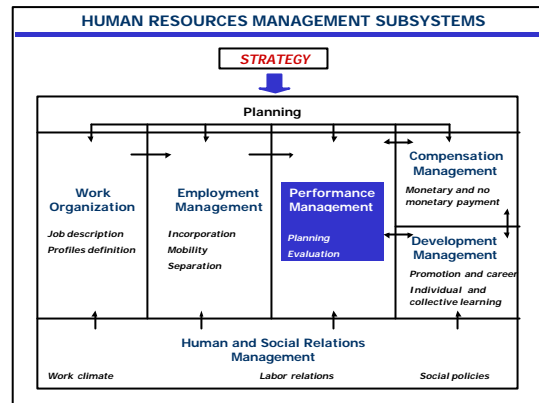
*It is useful to remember the convenience of using quantitative indicators in the analysis of the level of political appointments, absenteeism and staff rotation, as it is indicated in appendix 4.*

*The analyst should explore, as well, the use of consultancy mechanisms as alternative methods of contracting personnel.*

#### IV.1.4. Performance Management

##### A) Object

Performance Management is the subsystem which involves people's performance at work, aligning it with the organization's priorities and maintaining it at the highest possible level to enable sustained improvement in the employees' contribution towards the organization's objectives, as well as the gathering of valuable information for making HRM decisions in different areas.



##### B) Relation with other subsystems

The Performance Management occupies a central position in a HRM integrated system, as it can be seen in the diagram. Due to its influence in the operation of the system as a whole, the analyst will be interested in its connections with the Compensation and Development subsystems.

Its relation with the former happens when the compensation system incorporates variable payments tied to performance, which constitutes, a significant trend of CS systems of everywhere, in spite of the frequent criticisms of its operation in reality.

The connection with the Development Management is twofold:

- providing essential inputs to the promotion and career processes, which otherwise would have to be based on age and formal merits, with the consequent loss of quality; and
- detecting people's needs for improving skills which is basic for the design of effective policies of development.

##### C) Processes

Performance Management can be seen as a cycle that includes:

- a) **Performance planning**, including the definition of performance guidelines or standards connected with the organization, strategy and objectives, the effective communication of these expectations to the employees, and the gaining of their acceptance and commitment to adapt their performance to achieve them.

b) **Active performance follow-up**, throughout the whole cycle of management, observing people performance and supporting it.

c) **Performance evaluation**, comparing performance guidelines and objectives with the results. This can be tied, as mentioned before, to other HRM policies or practices.

d) **Appraisals or feedback to the employees**, and the establishment of performance improvement plans, that would connect with the following cycle in its planning stage.

#### **D) Critical points**

##### Planning and follow-up

?? *The Management usually defines guidelines or standards of expected performance, tied to the organization's priorities and strategy. Consequently, employees know which aspects of their contribution will be specifically valued in a determined period.*

?? *Performance objectives are fixed within the framework of improvement plans resulting from the previous performance cycle.*

?? *Performance objectives are communicated to the employees in a form that facilitates their involvement and commitment.*

?? *Throughout the management cycle, managers actively follow, observe and support performance improvements, providing resources or removing obstacles when necessary.*

##### Evaluation

?? *People's performance is evaluated by the organization, comparing it with the expected standards.*

?? *The evaluation criteria and their application allow the differences in performance that occur among people to be recognized effectively.*

?? *The people who participate in their application perceive performance evaluation criteria as trustworthy and objective.*

##### Administration:

*?? Managers that have responsibilities for different hierarchic levels, assume a proactive role in the performance management of the employees under their supervision*

**E) Specific considerations**

Some considerations on Performance Management that the systems analyst of CS should consider are:

*?? In every organization there exist elements of performance management, although they may be informal practices based on intuitive assessments. A minimum degree of formalization is, however, essential so that this subsystem can be considered operative.*

*?? The mere existence of a formalized system (like, for example, an obligatory procedure for defining objectives, interviews and performance evaluation, accompanied by questionnaires and other printed documents) does not alone mean that actual practice includes the relevant elements of this field of HRM (probably the most difficult one), and frequently the system may become just a bureaucratic process.*

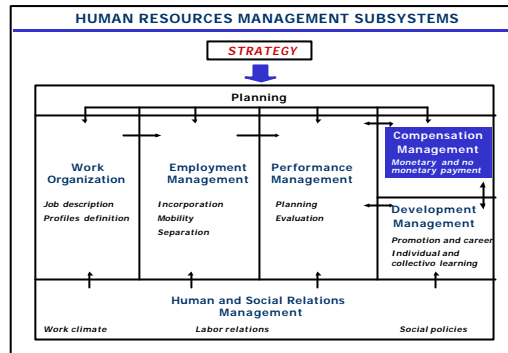
Some weak points that appear frequently in Performance Management systems are:

- a lack of commitment of directors expected to play a proactive role in managing the system; lack of time and inadequate qualification in the effective use of management instruments, are usually among the main causes;
- a tendency to evaluate colleagues in a homogenous way, to avoid interpersonal conflict;
- the measuring instruments lack technical reliability and objectivity.

## IV.1.5. Compensation Management

### A) Object

This subsystem includes the management of compensation pay (salaries and bonuses) and non-financial benefits that the organization offers to its employees, to recompense them for their work towards the organization's objectives.



### B) Relations with other subsystems

The most relevant connections are those with two subsystems already described:

Work Organization, and more specifically job descriptions, constitutes the base for the design of wage structures.

Performance Management and particularly performance evaluation, provides essential information to:

- Apply, where applicable, variable payments related to performance; and
- The use of mechanisms of non-monetary recognition.

### C) Processes

#### a) *Salary structure design:*

The *design of a fixed or basic pay structure* starts, in most of organizations, with the job descriptions. To achieve wage fairness (see glossary), compared to both the internal and external situations, the following processes should be developed:

- ?? The *valuation of the positions*, assigning a weight to each one that balances their relative contribution to organization's results with applicable salaries in the market.
- ?? The *classification of the jobs* according to salary levels or bands, consistent with above valuation and allowing suitable wage progressions and a rational management of payments.

The *structuring of variable payments* means considering how to base the rewards (appraisal of personal

performance, profit sharing, or linked to the overall results, etc.), the beneficiary (individual or group), and the size of the reward band.

#### **b) Other benefits**

The application of *non-monetary compensations* (e.g. life or accident insurance, aids and loans, additions to pension plans, etc.) requires the definition of policies that tie them to an overall pay strategy.

#### **c) Design of evolution mechanisms**

This involves the establishment of compensation policies in two areas:

- ?? Global change, for example linking them to the forecasted or actual inflation, to the results, etc., and
- ?? The individual's development, choosing between tying it to their age, length of service, performance, etc.

#### **d) Wages administration**

This defines policies that affect the degree of centralization or decentralization of decisions on pay, and the degree of transparency or opacity of the salaries.

#### **e) Non-monetary benefits**

Included here are the policies and instruments that the organization has defined and applied to recognize achievements, which do not affect wages.

### **D) Critical points**

Existence of a compensation strategy.

- ?? The wage structure and policies of payment should be based on a set of priorities and objectives tied to the organizational strategy rather than to inertial practices or reactive responses to claims and labor conflicts.

Internal fairness

- ?? *People have, in general, the perception that they receive from the organization compensation packages in line with their contribution.*
- ?? *People feel that the other employees' compensation is fair compared to what they receive.*

?? *Job classifications according to salary levels facilitates a flexible progression and are linked to performance and learning.*

?? *Wage ranges are reasonable. The vertical ranges of pay are suitable for the nature of the positions. (Related to indicator 4 of appendix 4)*

?? *There is a balance between the pay applied to similar position levels, in the different sections and areas of the public service.*

#### External fairness

?? *The structure of payments is adequate to attract, motivate and retain people with the necessary skills, in the different types of positions required by the organization (relates to indicators 5, 6, 7 and 8 of appendix 4)*

?? *The cost of wages for any sector or position level are not excessive in relation to those of the market, (related to indicators 5, 6, 7 and 8 of appendix 4)*

#### Effectiveness of the compensation policies

?? *The pay mechanisms used stimulate people's effort, the performance of the individual or group, and learning and skills development processes.*

#### Administration

?? *Decisions on wages administration are adopted in accordance with pre-established criteria and in a coherent form with the organization's structural design parameters.*

?? *In decisions about wages should be no examples of any type of abuse, or political patronage. (Related to indicator 16 of appendix 4)*

?? *The HR information systems should contain all the updated information on pay that are required for the correct management of the wage system.*

#### Other compensations

?? *The non-wage benefits that are provided are effective when evaluated in cost/benefit terms.*

?? *The pensions regime for public employees is adequate to meet its social security objectives, is financial solid, does not create exorbitant imbalances compared to other social groups and*



*privileges compared to other social groups, and does not impose an excessive weight on the economy.*

*?? There should be policies and useful instruments of non-monetary recognition of people achievements within the organization.*

**E) Specific considerations**

As in the analysis of other subsystems, here it is important to distinguish between reality and the official configuration. Pay is what it is, whatever the existing regulations are. Informal or atypical wage structures must be shown.

The existence of job valuations constitutes a determining element for the analysis of compensation systems. Without properly updated valuation instruments, it will be difficult to state suitable wage policies.

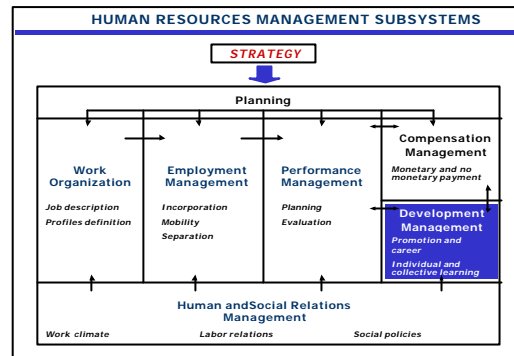
In the analysis of this subsystem is advisable to use quantitative indicators related to the CS incentives previously mentioned.

A frequent problem in the public sector is the existence of wage ranges considerably tighter than those of the private sector. Usually this brings problems of internal and external fairness to the payment structure. The opposite situation can sometimes be shown to exist causing other problems. Also, a lack of horizontal control of wages can be detrimental to the operation of a system of merit. (See, respectively, indicators 4 and 16 of appendix 4).

## IV.1.6. Development Management

### A) Object

The policies and practices of Development Management stimulate the professional development of the staff according to their potential, encouraging the necessary learning and defining career paths that match the organization's needs with the different types of employees.



### B) Relations with other subsystems

Development Management is related primarily to three other subsystems.

It is related to Employment Management, with which it defines the movement of people in the organization.

It maintains a close connection with Performance Management, from which it receives essential information to define learning necessities and promotion opportunities.

It must be coordinated with compensation policies, particularly with regard to the wage increase mechanisms, related to different career plans.

### C) Processes

Development Management includes two basic areas of HRM policies:

a) **Career and promotion policies**, the processes by which people's contribution progresses and the organization rewards their effort.

b) **Training policies**, aimed at guaranteeing the necessary individual and collective learning to achieve organizational objectives, developing employee's skills and stimulating their professional progression.

### D) Critical points

Effectiveness of promotion policies

?? *In general, people perceive that their reasonable expectations of promotion are satisfied in the organization.*

?? *There should be established career and succession plans that harmonize individual expectations with the foreseeable needs of the organization.*

#### Career design quality

?? *The promotion criteria and mechanisms are tied to performance, skills potential and development.*

?? *The organization manages people's progress flexibly, without excessive formal barriers or limitations.*

?? *There should exist alternatives to strictly hierarchic careers based on recognition of professional excellence, without necessarily increasing the individuals' formal authority, like horizontal moves or changes in the roles.*

#### Training quality

?? *People receive suitable qualifications from the organization that complement their initial training, to adapt to changing tasks, to deal with poor performance, and to support their professional development.*

?? *Training supports the development of collective learning, consolidating advances in the organization's capacity to deal with problems and respond effectively.*

?? *Training effectively supports the processes of innovation and cultural change.*

#### Training Management

?? *Training should be based on reliable diagnoses of needs.*

?? *Investment in training is made through plans based on diagnosis of the needs and is designed to support clear organization priorities.*

?? *Training should be evaluated in terms of its return on investment (the relation between results and costs) and its impact on employees' performance, as well as the satisfaction of the participants.*

#### **E) Specific considerations**

?? *Promotion and career policies are, with those of recruitment and selection, the most sensitive areas to the principle of merit. Promotion based*

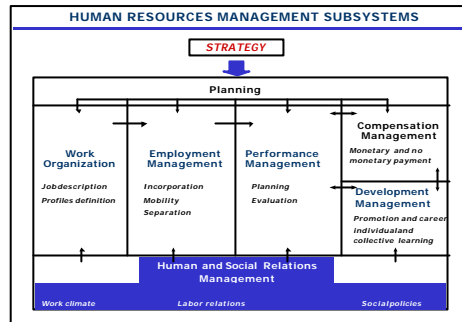
areas to the principle of merit. Promotion based on performance and ability, rather than on political or personal connections, or an arbitrary basis, is the basic requirement that any CS system must satisfy.

- ?? Frequently - especially in the public sector - organizations identify career with hierarchic promotion. When this happens, the need to satisfy promotion expectations and demands leads to an artificial expansion of structures, which is pernicious from many angles. The use of horizontal, non-hierarchic careers, tries to address this problem.
- ?? It should be remembered that careers is one of the areas in which reformers of CS systems have tried hard to incorporate elements of flexibility as is indicated in appendix 2.
- ?? There is wide spread agreement among specialists on the crucial value of training in the modern HRM. Remember, however, that it is essential a training system is designed to serve the organization's strategy and does not constitute a mere catalogue of training based on employees' own preferences and personal interest.
- ?? Often, since it usually does not cause resistance, training becomes a policy that is used to confront any staff problem, even when it is not an adequate approach. It must be remembered that training by itself cannot make up for shortcomings in " tougher" areas of HRM, like performance or salary management.
- ?? To avoid these problems it is worth developing, in spite of the intrinsic difficulties, instruments for evaluating the investment in training.

## IV.1.7. Human and Social Relations Management

### A) Object

This HRM subsystem looks after the management of the relations between the organization and its employees and is about the personnel policies and practices when these acquire a collective dimension, for whatever reason.



negotiator does not represent an individual employee, nor a specific organizational unit or work group, as happens in ordinary work relations, but the whole staff, or one or several employee groups linked by more or less generic labor or professional identities beyond a specific work functions.

### B) Relations with other subsystems

As shown by its location on the diagram, Human and Social Relations Management is related to all the HRM subsystems. In fact, the collective relations that are its object can develop in any of the other areas of people management.

The fact that the theme of collective relations in a given CS system affects some staff issues more than others (for example, salaries with regard to staff policies) will constitute a qualifying element of the collective relations model. The diagnosis work will be interested in comparing and analyzing that element.

### D) Processes

Among the different possible options of systematization in a particularly broad field, we opted to classify three blocks or management areas:

a) The **management of the organizational climate** (see glossary) includes *communication* policies and practices, both upwards and downwards, as well as the broad range of personnel policies oriented to maintain and to improve the employees' collective satisfaction.

b) **Labor relations management**, which includes the collective negotiation of pay and working conditions, where this is an established practice, as well as all the relations between the organization's management and spokespeople (trade unions, guilds, associations, etc.) who represent the employees or groups of employees. Labor relations will extend to elected representative organizations, in the institutional contexts in which these exist.

c) **Social policies management**, among which welfare

occupies a preeminent place, but extend to the group of policies and practices whose object is to facilitate collective benefits and aid to individuals or particularly needy groups, among the staff.

### **E) Critical points**

#### Attitude Management

- ?? *The organization takes care to know the staff's attitudes, evaluating them periodically using reliable techniques.*
- ?? *Reviews and improvements of HRM policies and practices take into account the attitude evaluations.*

#### Effectiveness of communication.

- ?? *The organization has mechanisms, whose frequent use is verifiable, for getting to know the employees' initiatives, requests, suggestions, information and opinions.*
- ?? *In general, management decisions, in their different levels, as well as all types of relevant information, generated by top management, circulate easily around the organization and are understood accurately by all affected employees.*
- ?? *The organization has specific communication channels to reinforce the perception of the staff's relevance and involvement in the overall organizational mission.*

#### Balance and quality of labor relations

- ?? *Each party plays the role that is expected of it in labor relations, without going too far, and is reciprocally recognized and accepted.*
- ?? *In general, there is a reasonable balance between management and staff. The dealings between the parties normally reflect this balance.*
- ?? *Labor relations are oriented, usually and preferably, towards dealing and agreement rather than confrontation or discrediting the adversary.*
- ?? *Intermediate labor relations - those that are carried out representatives - do not exclude direct or personal relations between management and staff, when it is advisable to maintain them.*

#### Management of labor conflict

?? *The degree of labor conflict should not be excessive, neither in the number of conflicts nor in the effects or the forcefulness of methods used. (This is related to indicator 19 of appendix 4)*

?? *Effective mechanisms should exist for the management and resolution of conflicts.*

#### Management of social policies

?? *The welfare practices are satisfactory.*

?? *The social responsibilities and employee benefits are adequate, do not exceed those that are proper in the environment in which the organization operates, and are appreciated by their beneficiaries.*

#### **E) Specific considerations**

In the exploration of this HRM area it would be advisable to consider the following points:

?? The perception of significantly poor internal communication is common among most organizations. People can describe very different situations with similar words. It is essential, therefore, when it comes to the analysis of this field to try to compare people's opinions with as many objective data sources as possible.

?? In the public sector, labor relations suffer frequently from a considerable reactivity: they are considered only when grievances or conflicts take place, leaving the initiative to the representative spokespeople in general. This absence of labor strategy makes the management of public organizations particularly vulnerable to conflict, and inclined to short term solutions, weakening their negotiating power.

?? This reactivity is accentuated in situations where the dominant weight of the representation and decisions, within the "patronal" block, is dictated by the organizations' political direction. This characterizes political models of labor relations where there is frequently infiltration by union-parties. As we have seen, some countries actually tend to go in the opposite direction, advocating increasing professionalism in this area.

?? Since it has been indicated, it is convenient to use some quantitative indicator of labor conflict in the

analysis of this subsystem, as is suggested in appendix 4.

- ?? It is interesting to explore to what extent mediation or arbitration formulae exist in CS systems for the resolution of labor conflicts.
- ?? In some countries (Spain is one of them) important areas of ambiguity in the regulations with regard to the determination of work conditions of public employees, have been detected. The increasing presence and importance of collective conventions does not eliminate but superimposes the unilateral establishment of working conditions by means of norms or decisions by the public authority. Sometimes, this creates contradictory practices and considerable confusion. The degree of normative clarity existing in each national reality is an interesting issue for analysis.
- ?? The design of benefits and social policies in the public sector must avoid clashes with general considerations of fiscal policy, and not establish privileges for public sector employees other workers or public services costumers do not have.



#### **IV.1.8. The Human Resource Function Organization.**

This journey through the subsystems that form the HRM must be completed with the analysis of the mechanisms for the management of the system, and particularly of the distribution of personnel decisions among the different responsible parties.

##### **Scope of the HR function analysis**

The institutional diagnosis of the organization of the Human Resources function in the context of the CS system must analyze two fundamental dimensions of the organizational design. These are: a) the degree of unification or fragmentation of HRM responsibilities; and b) the degree of centralization or decentralization of decision-making that affects personnel.

##### **Critical points in the organization of the HR function**

In this matter the following points can be considered critical:

- ?? Whether managers generally have the autonomy necessary to play a suitably managerial role with regard to personnel under their supervision, and in which cases.
- ?? Whether managers receive enough training to perform such functions;
- ?? To what extent managers are aware of and exert their responsibilities as people managers; and
- ?? To what extent the central services responsible for the CS system are perceived, by the rest of the organization, as adding value to the achievement of the common objectives.

## IV.2. ORGANIZATION OF THE PROCESS

*As indicated in the introduction, this document does not try to be an exact manual. The scale of analysis and its intrinsic complexity means that the work method will have to be adapted to each situation analyzed. Despite this, this last section includes a set of general guidelines to shape a common methodological base, giving the minimum amount of work essential to fulfill two purposes:*

*a) To obtain the best use of the proposed reference model, which will be made easier by having a set of guidelines; and*

*b) To ensure that the analyses of the different national realities have a shared pattern so that they can be compared.*

*To this end, we have divided the analysis of the national CS systems into four areas or blocks. Although they can be arranged in a logical work order, which is not necessarily chronological, the actual order in which they are done will have to be adapted to the analyst's criterion and the circumstances of each situation. It seems reasonable to think that all these will have to be done to achieve the desired aims. The report scheme in appendix 5 follows these methodological directions.*

### IV.2.1. Background review and the institutional context

#### ***Antecedents***

The objective of this first part is to bring together evidence about the relevant characteristics of the institutional framework in which the CS system has been developed and operates. A brief summary of the basic historical background of the national political-administrative system and the evolution of CS, seems unavoidable. Frequently, useful published material will be available for this review.

#### ***Legal framework***

In this initial stage, it is convenient to make a first examination and analysis of the normative framework where the CS is located. From this examination we will have an overview of the legal model, as well as a first impression of its main generic characteristics: what areas of the public employment it covers, which ones are not covered by the standards, the diversity of regulations for different administrative sectors, whether different standards exist for management, whether there is a comprehensive CS regulation, if parts of the HRM are not regulated, if there is an imbalance in the strictness of the rules between different subjects.

This initial examination of the legal structure will help to give a first approximation to the reality. Later this will need to be compared to the real CS operation, to verify its application, omission or distortion in practice.

***Other elements of context***

**Different elements from the institutional context of the CS can be relevant in this phase. Without being exhaustive, we can indicate, among others:**

- a) The country's socioeconomic situation, emphasizing the labor market situation and trends.
- b) The priorities of governmental policies.
- c) Budgetary policies, and their future trends
- d) Reforms being made to the political-administrative system, to public management, specifically to the CS, or even the plans for reforms still to be executed.
- e) The dominant social opinions of the public system.

The analyst should consider, however, that the IDB already has at its disposal basic information on the institutional context of the region's countries. The studies should include, therefore, descriptions that allow adequate understanding of the civil service system, at the same time being as brief as possible.

**IV.2.2. Functional analysis of the Civil Service with regard to HR Management System**

This block or area of the diagnosis constitutes the central part of the work, and consists of the detailed analysis of the CS system operation, as an employment and human resources management system.

***Analysis by subsystems***

**It is recommended to use, as a comparative frame, the content of section IV.1 of this document, in which are developed the seven basic subsystems that make up the whole proposed HRM model.**

In particular, a method of analyzing national CS systems is suggested, assessing its real operation in each of the subsystems, and the evidence to be sought about:

- a) The existence and integrity of each of the HRM areas and processes, and the fulfillment of its basic purposes;
- b) The fundamental connections that must exist between the HRM subsystems; and
- c) The observable operation in the different "critical points" in which the effectiveness and quality of each subsystem is expressed. Appendix 6 brings together

these critical points in a general checklist.

The analysis of the subsystems must be completed with an analysis of the organization of the HR function, with the reach indicated in point IV.1.8.

***The quantitative indicators and their use***

Appendix 3 contains a description of 19 quantitative indicators, designed to support the work's empirical base. It has two purposes:

a) On one hand, the completion of the appropriate indicators for the analyzed activity and country will allow comparative quantitative measures of intrinsic value to be established. In addition, the extensive body of indicators used by the World Bank and the OECD will allow the comparison to be extended to countries beyond the region.

b) On the other hand, the information expressed in the indicators will facilitate the analysis of some of the corresponding *critical points* in the different subsystems. For this, we have included references to the indicators that must be considered in each case in the "specific considerations" sections of each subsystem. The "Associated Indicators" column in the general checklist in appendix 6 also links these indicators to their related critical points.

The description of the indicators in appendix 3 is not exhaustive and the analyst will be able to add other relevant quantitative indicators available to his work.

***Comparison with other diagnoses of CS systems***

In order to complete the CS functional analysis, it is suggested that the conclusions obtained up to here should be compared with the common defects and reform lines of CS systems in the scope of the OECD, listed in appendix 2. This comparison can complete or clarify some of the evidence revealed by the research, and indicate possible fields for further investigation.

***Sources of information***

In this phase of the work, the analyst will have to combine various types of sources:

a) **Documentary sources**, that can be:

?? *Standards* of different character and nature: laws, regulations, directives, collective agreements.

?? *Arrangement tools* of general reach, such as staff plans or organization charts, budgets, groups of personnel, payment scales, catalogues or jobs descriptions.

?? *Sample of used tools*, such as recruitment or promotion notices, performance evaluation reports, negotiation records, disciplinary sanctions.

?? *Databases*, like those of age tables, mobility, training, organic evolution, absenteeism, staff turnover.

?? *Internal and external research* on the matter: previous diagnoses, satisfaction surveys, etc.

b) **Opinions of informants**, among whom it is possible to include:

?? *Central, political and executive leaders*, responsible for the operation of the CS system.

?? *Experts* in the different governmental HRM areas

?? *Line managers* of the public administration, from different management levels in different types of organizations, including the widest possible diversity of bodies, degrees of autonomy and specific sector characteristics of the public system.

?? (The analyst will have to take special care to learn the managers' opinions in the most intensive personnel areas, like health and education, and in those where there is more sector specificity: justice, police, etc.)

?? *External experts*, coming from the academic, professional or other worlds, with knowledge about the CS and reliable opinions.

?? *Unions, associations or guilds* of employees, especially for the analysis of the labor relations.

***Instruments to obtain the data***

Obtaining information will require the use of various instruments, adapted in each case to the source and the nature of the expected information. Among these instruments, it would be normal to use:

?? *Interviews*: open or semi structured, with individuals or groups, will be a very frequent vehicle for obtaining opinions and looking for of other sources.

?? *Panels of experts*, brought together to share

qualitative information and harmonize opinions on subjects that have a certain degree of complexity or controversy.

?? *Diagnosis techniques*, like "brain storming", the nominal group technique or others, focused on analyzing specific matters.

?? *Questionnaires and surveys* on certain subjects distributed to significant samples of relevant informants.

#### IV.2.3. Elaboration of the indices

##### ***What are the indices***

The indices are quantification tools that condense the diagnosis into a set of basic dimensions, giving them certain values, to facilitate the later comparative use of the work. The indices reflect the expert judgment of each analyst in relation to the critical points that comprise the basis of this evaluation. The additional research and consultation instruments that can be employed should be considered complementary and auxiliary to the analyst's individual valuation.

##### ***How to process them***

The indices contained in appendix 4 will be used for this. They specify and define five dimensions of the analyzed CS systems (*efficiency, merit, structural consistency, functional capacity and integrating capacity*). Two of them are developed from sub indices, following the method specified in that appendix.

##### **a) *Evaluation of critical points***

The indices will be worked out from analysis of the critical points, and in the way described below.

##### **b) *Weighting of critical points***

?? Each of the *critical points* corresponding to the different analyzed subsystems should be valued on a scale of 1 to 5. The score closest to the ideal described in this document is 5, and 1 is furthest from the ideal. The general checklist in appendix 6 provides space to carry out this valuation.

##### **c) *Grouping by indices or sub indices***

?? In the checklist in appendix 6, each of the critical points is assigned a letter (A, B or C) that expresses the weight assigned to it in its related index (or sub index). When using this weighting, the value assigned in the previous section, should be multiplied by 3 if the weight is A, by 2 if the

weight is B, and by 1 if the weight is C.

**d) Obtaining the values of the indices**

?? Valuations obtained in accordance with the previous two sections, should be grouped by indices (or sub indices), in the form indicated in appendix 4. This also appears in the checklist in appendix 6.

Once the valuations have been grouped by indices (or sub indices), we need to give them a value, following the operations that are specified in appendix 4.

**Research instrument: using a panel of experts**

To facilitate the valuation of the critical points, the analyst may gather and analyze the opinions of others. In this case, neither individual interviews nor surveys are adequate. Instead, when the use of this instrument is deemed necessary, it is recommendable to establish a panel of experts, according to the following stipulations:

~~///~~ The consultation with the panel should be limited to the critical points about which the analyst has the greatest doubt or in those cases in which a panel of experts could add the greatest value.

~~///~~ The experts can be drawn from a variety of backgrounds, described above in the subsection, "Opinion of Informants". Ideally, the group should contain a balanced representation of backgrounds. That experts have extensive knowledge of the civil service system serves as the main qualifier.

~~///~~ It is recommended to assemble a panel of 37 experts. When necessary, more than one panel can be assembled.

~~///~~ The meeting should last between 3 and 4 hours, depending on the number of critical points to be addressed. The following model agenda is suggested:

a) Presentation of the session, the participants, and the objective.

b) Brief presentation of the methodological framework from where the critical points are derived, using as a visual aid the diagram of subsystems found on page 13 of this document.

c) Comments and clarifications.

- d) Joint revision of the critical points, including a pre-set time to discuss each point, valuation by consensus. Voting may be used when necessary.
- e) Results, final comments, and conclusion.

#### IV.2.4. Conclusions and recommendations

***Conclusions:  
concentrate on the  
most relevant***

In this final part of the work, the person evaluating the CS systems will be in a position to assess synthetically the analyzed reality and make some conclusions. It is recommended that these conclusions concentrate on the truly central elements that constitute the true diagnostic keys, as well as the decisive areas for potential improvement of the evaluated systems.

***What to change***

**Although the main objective of the work is not really to recommend changes or reforms, it seems logical to think that the time and effort will allow some opinions to be deduced, based on the changes that would be possible to introduce into the analyzed CS system.**

For that reason it would be very useful to incorporate in the report the recommendations for reforming or modernizing the system that are considered advisable in each case. These will be based on the analysis of the subsystems and organization of the HR function.

***Analysis of causal  
areas***

On this basis, the analyst can use the reference model described in section III.2 of this document to explore the causes of the detected problems, as is suggested below.

In figure 1, different areas are defined to which it is possible to relate, in an exclusive or shared form, the evidence gathered and conclusions, and to which, therefore, it is possible link the recommendations.

?? *Organizational strategy* (see glossary) is the first of these areas. The degree of clarity, coherence, political endorsement and continuity; the precision with which it is communicated to the whole organization; the leadership that supports it; the degree to which it is transformed into an explicit and approved Human Resources strategy are some of its dimensions.

?? *The HRM system*. It is possible that the origin of



a certain problem is mainly located here, in an incorrect definition or operation of the HR system; in under estimating the strategic value of people management; in the persistence of mere personnel administration schemes; in problems of design, innovation and modernization of policies, in insufficient managerial or technical capacity within the organization.

?? *Factors of internal context* The degree in which the organizational structure (see glossary) favors or harms the CS operation; aspects of inertias or resistance to change derived from the dominant organizational culture (see glossary); the degree of internal conflict; the budgetary or technological situation, etc.

?? *Environmental factors.* Especially, the legal framework and its degree of adjustment for effective HR management; the labor market and its trends; other factors, like those of social culture, external opinions of the public system, society's expectations and preferences with regard to the Administration, etc.

#### ***How to formulate recommendations***

Among the characteristics that contribute to the quality of the recommendations, it is possible to suggest:

?? Evidence of its relation to the diagnosis, both at the level of the subsystems and the causal areas.

?? Relevance for correcting important CS system dysfunctions.

?? Its validity and the clarity of the development of its contents. It is better to develop a few precise, understandable recommendations for people who are not familiar with the context.

?? The suggested process for their implementation (the management of the change), and their relation with the analysis of the institutional situation.

#### **IV.2.5. Work Formalization**

##### ***Final report***

Appendix 5 incorporates a suggested model report for the formalization of the diagnosis work. This follows the methodological directions contained in this section of the analytical framework.

***Additional  
documentation***

It is suggested that the evidence, testimonies, complementary illustrations or valuations, that can contribute to the understanding and basis of the diagnosis, but which don't strictly form part of it, should be appended to the main document. This will standardize the format of different reports and make it easier to read them later.

## APPENDICES

## APPENDIX 1

### GLOSSARY

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#### Competencies

We used the notion of skills or competencies that Boyatzis (1982) defines as *an underlying characteristic in a person, which helps them perform a job successfully.*

The investigation of competencies and their influence on worker's behavior starts with McLelland's research, which set out to identify people's real success factors at work, using empirical evidence. Today there is a remarkable degree of agreement among HRM experts about how good the level of specialized technical knowledge alone is for predicting success. The approach based on skills for identifying people's professional suitability supposes a broader, integrated attitude and includes other characteristics besides their technical knowledge. These characteristics are their:

- Interpersonal skills
- Learning and behavioral capacities
- Concept or perception of themselves, translated into attitudes and values
- Reasons or drivers that determine their conduct, and
- Personality traits or character.

Management by competencies supposes a certain HRM approach. While competencies are a key variable in people's behavior at work, HRM must take them into account and seek to influence them by using policies and practices in all its subsystems. These are expressed when planning the qualitative needs of the staff, defining suitable profiles, selecting people, evaluating performance, defining development policies, and even when rewarding.

#### HRM policies and practices

When we speak of a policy in a management area, we mean a conscious and reasoned intention to proceed in a certain, consistent way, without reconsidering. Thus HRM policies can be understood as the set of general criteria and ways of doing things that guide the decisions affecting people management, in a particular organizational context.

HRM practices are the decisions and activities that are adopted and developed in this field, and that frequently, although not always, involve the application of HRM policies.

HRM policies can be explicit and formalized, making it easier for the analyst to recognize them. Although there is always the possibility of finding inconsistencies between the chosen and publicized policy, and the personnel practices actually used in an organization.

Policies may not be formalized, nor even specified, but still exist. In these cases, the analyst will recognize the existence of a HRM policy when the reiteration of a specific practice in a determined context, over an extended period of time, gives implies the existence of an effective criterion, and the intention to apply it.

## **Model**

A model is a tool for studying a complex reality in order to describe it, and better understand it and its component parts. It constitutes a specific approach, among others, to a complex reality.

The model is less than a hypothesis, because it does not try to be the formulation of a truth that needs to be proved. It is also less than a paradigm, which generally refers to an explanatory framework used and accepted by most of the scientific community, which is not the case when talking about models.

Therefore, a model is basically justified by its explanatory and analytical utility. It does not pretend to provide the only possible explanation of a complex reality, but to make it easier to understand.

## **Organizational climate**

In a classic work, Litwin and Stringer (1968:66) define the climate as the *sum of the perceptions of the individuals working in an organization*. This collective spirit or shared perception has repercussions in the employees' behavior, and so is of interest to the HRM.

Organizational climate is usually surveyed using questionnaires that evaluate the employees' views, based on a set of measurements. The measurement of the climate helps to improve HRM policies and practices in the revealed problem areas.

Weinert (1985:176) recognizes five main components or dimensions in the organizational climate, that constitute the common denominator of the different proposed measuring instruments:

- a) the individual's autonomy or the freedom of individuals to decide their work;
- b) the degree of clarity with which the methods and objectives have been organized and fixed, and how the person in charge presents them;
- c) the system of compensation and reward, and how clearly it is linked to actual and perceived performance;
- d) the attention, support, interest and "warmth" the person in charge shows to their subordinates; and
- e) the cooperation and capacity to solve conflicts.

As can be seen, these elements are largely to do with vertical relations between superior and subordinated, and are therefore particularly relevant for consideration and incorporation in the policies and practices of people management.

### **Organizational culture**

We adopted the approach of Schein (1999:29) that defines culture as the *set of shared assumptions that a group of people takes for granted which have been learned throughout its history*. This author defines three levels of approach to the organizational culture:

1. The level of tools, or visible organizational structures and processes (codes of presentation or relation, of conflict resolution, schedules, meetings, communications, rites, social events, etc.)
2. The level of adopted values (philosophies, goals, explicit directions, etc.)
3. The level of shared tacit assumptions (values practiced, attitudes, implicit convictions).

Only by arriving at the third level is it possible to gain all the facets of organizational culture, since only in this one do we find cultural elements (intangibles) that act as true motors of human behavior in the organization. Frequently, also, there are many inconsistencies between levels 2 and 3 that reflect the distance between explicit perceptions and the informal guidelines and values actually assumed.

### **Organizational structure**

From Mintzberg (1984:26) we understand that the structure of an organization is *the assembly of forms in which the work is divided into different tasks to coordinate it*. Work division and coordination, or differentiation and integration, in the words of Lawrence and Lorsch (1973), are the poles between which the structural design operates.

We systematized the parameters of the design of organizational structures, distinguishing, with the Canadian author, between four, sequentially ordered blocks:

- a) *Job design*, which implies giving them a certain degree of specialization and behavior formalization, as well as defining the preparation and socialization requirements of their occupants.
- b) *Superstructure design*, which fixes the grouping criteria of the roles into units equipped with a unique, hierarchical control, and defines the unit size or span of control of its director.
- c) *Lateral bonds design*, which defines the type of control and planning systems, as well as the connecting mechanisms, needed to contain the lateral or cross-sectional interdependencies.

- d) *Decision system design*, that establishes the degree in which the different decisions remain centralized or decentralized, vertically or horizontally.

The collection of options that come from the design of structures, constitutes a situational factor of the greatest relevance for HRM, the consequences of which extend to practically all of the subsystems.

### **Profiles of skills or competencies**

A skills profile is a selection of basic competencies (see glossary for this word) that guarantee the candidate's suitability. We could say that it is a "blueprint" of the ideal occupant.

It is essential to have a good profile to assure correct management of the staff recruitment and induction processes, and also for the operation of other HRM areas, like the evaluation and development policies, as they orient these to the improvement of the employees' most relevant skills.

A good profile must be made up of a few skills that are considered key for successful performance, especially when used in recruitment and selection. The combining of these requirements allows the organization to enter the labor recruitment market with a reasonable guarantee of success, to design effective incorporation processes with reasonable costs, and to have a set of predictors with high probability of coming close to the desired ability.

### **Specialization**

Positions can be specialized (Mintzberg, 1984:99 and others) in two dimensions. The first is according to their scope or amplitude (how many different tasks does each position contain and how wide or narrow are these tasks). In one extreme, the employee is a jack-of-all-trades; in the other, he repeats the same task over and over again. The second dimension is related to the depth or control exerted on the actual work. In one extreme, the employee is limited to following precise instructions or standards; in the opposite one, he controls each aspect of his activity, as well as performs it. The first dimension aims at the *horizontal specialization* of the position, the second at the *vertical specialization*. Their opposites would be the horizontal and vertical extent of the job.

Reasons of productivity and coordination improvement work in favor of specialization (the horizontal one when talking about an expert worker in a reduced scope, or the vertical one that applies to highly externally-controlled work), empirically demonstrated in many cases. Against specialization there are reasons of lack of motivation due to routine, rigidity as opposed to flexibility, and loss of work quality, especially in situations requiring high qualifications. The techniques of *job enrichment* were indeed born to deal with these excesses of specialization, and they are based on extending the role horizontally and/or vertically. Following the same line, more recently, we speak of *empowerment*, alluding basically to role extension processes in the vertical dimension.

The designer of jobs must consider the specialization / extension relationship in each case, producing a balance adapted to the relevant risk factors. Among them are the technology used and the characteristics of the role's situation.

## Strategy

The use of the term "strategy" in the text refers to the widest meaning normally attributed to the concept in the management theory. It is identified with the notion of the *assembly of basic or high-priority objectives* for the organization (extending the concept of organization to the system or complex multi-organizational institution whose CS system is being audited).

Within this broad notion of strategy we can find:

- a) The mission, or the "raison d'être" of the organization
- b) Its lines of action or priority courses
- c) Its operative objectives

The term is used to talk about explicit events, however formal, and the implicit preferences of the system's managers - which is frequent in the public sector - whenever it is reasonably possible to deduce them from the tools used in the analysis work.

As it was previously indicated, the analysis of the bigger picture that auditing CS systems implies, will confront remarkable degrees of generalization and ambiguity in the strategic definitions, which will increase the interpretative dimension of the auditing work.

## Wage fairness

We understand by wage fairness the quality of a payment structure, consisting of the existence of a double adjustment or balance:

- a) On one hand, between what each employee contributes to and receives from the organization, considering at the same time how this balance of contribution and compensation operates for different employees and groups of employees.
- b) On the other hand, between the salaries offered by the organization and those applicable in the relevant job markets.

In first, we will speak of the *internal fairness* of the wage structure. The objective of a suitable HRM is that it is perceived to be fair by the employees.

In the second case, we will speak of *external fairness*. The external fairness of a salary system includes the reputation for competitiveness and for efficient reward.

A wage system is competitive when it allows the organization to recruit and retain the employees it needs. The indices of recruitment and staff rotation are the measurement of the wage competitiveness. A wage system is efficient when the competitiveness is reached at the cost is not above that of the reference markets.



The tension between the internal and external fairness is a classic HRM problem. It takes place, mainly, when the increase in market value of certain specialties, professions or skills profiles - whatever the causes – forces the organization to raise the pay of certain employees over the positions' internal valuation, in order to avoid losing wage competitiveness. Ordinarily, this tension produces tendencies towards opacity in wage management systems.

## APPENDIX 2

### PECULIARITIES OF PUBLIC SYSTEMS

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This appendix includes a set of considerations that, without amending our employment and human resources management model, frame it better in the political-administrative systems context. Firstly, we note that there are different CS models, then we mention the most frequently detected dysfunctions in the operation of public HRM systems, and finally the main verifiable directions of change in this field. Although a significant part of these considerations is based on experiences and analyses produced in the OECD sphere, they could be extended to a more general use.

#### CIVIL SERVICE MODELS

##### **There are different CS models**

Each country displays its own version of the set of institutional arrangements for the management of public employment and human resources that we have called CS. This heterogeneous situation can be, however, ordered and systematized, using some basic models.

Based in a previous work (Longo 2001b, 7 and others), CS models are classified around four central criteria or elements.

##### **CS Models based on recruitment systems**

CS models differ with regard to the type of mechanisms chosen to guarantee the merit principle in public employment recruitment systems, protecting them from abuse, politicization and nepotism. From this angle, three basic models can be recognized. There are usually named after the countries that constitute their archetype:

Countries that follow the ***French model*** accentuate the role of selection instruments, creating a system of predominantly formal guarantees.

The ***German model***, also very formalized, is designed to guarantee theoretical and practical qualification, from a prolonged learning process.

The ***British model***, more flexible in its methods, emphasizes the professionalism and independence of peoples in charge of selection.

##### **Models of CS based on career organization**

Two models of CS can be categorized according to the type of career organization (and implicitly, by the relation that they establish with the labor market):

***Employment systems*** are organized according to the

Administration's short-term staffing needs. Recruitment takes place to fill a particular vacancy or position rather than to look for someone qualified to carry out a range of roles. It is normally an open system, in which external candidates can fill any position, although in some cases different conditions apply for internal and external candidates.

**Career systems** are based on a hierarchical design of public employment, implying that employees recruited at a certain level can progress through a series of ascending levels until they arrive at the highest level they can reach. Career systems suppose, therefore, that there are certain positions reserved to external recruitment, and that the rest of the more senior positions are filled by internal promotion.

**CS Models based on public employees' recognized rights**

More important and useful distinctions between CS systems, with regard to the range of recognized workers rights, are those that affect two particularly relevant factors:

All CS systems have **job or tenure rights** that protect, to greater or lesser extent, the public employee from arbitrary dismissal. However, it is possible to distinguish between systems that only allow dismissal for disciplinary causes, and others that have standardized labor relations for dismissal on organizational, technical or economic grounds.

Another important distinction is related to **collective rights**. There are some CS systems that recognize collective bargaining and strike rights for public employees and others that deny these to some or all of them, for reasons of public interest.

**CS Models based on the system management**

Contemporary political-administrative systems tend towards complexity and fragmentation. These characteristics trigger opposing tendencies, towards diversification in order to adapt to complex situations, and towards integration to maintain essential cohesion and overall control. CS systems are part of these tensions. Based on the answers in each case, we can distinguish between:

**Integrated systems**, in which the figure of the public employer seems very centralized; and

**Fragmented systems**, in which decentralized personnel decision making is predominant

## **MORE FREQUENT DYSFUNCTIONS IN PUBLIC HRM SYSTEMS**

### **Merit and flexibility as basic references**

The most relevant dysfunctions or disorders of CS systems typically affect two major thematic areas:

On the one hand, they may consist of violations of the merit principle, whose preservation and internalization by all the HRM subsystems is essential to guarantee the existence of professional administrations. This constitutes, as said before, the reason of being of CS systems.

On the other hand, they can be due to an excessive rigidity, as a consequence of the abuse or distortion of precisely the systems that were supposed to preserve the merit principle.

It is important to emphasize that neither of these types of dysfunction excludes the other, but rather the contrary. Merit and flexibility are basic to ensure the adequate operation of public HRM systems. On the contrary, rigidity and the infringement of merit tend to feed on themselves forming vicious circles, and to coexist, reinforcing each other in some sectors of CS systems.

### **Violation of the merit principle**

In any of the mentioned subsystems, when the personnel decision making is made on any other basis than on people's capacities and merits the quality of the system as a whole suffers.

Violations of the merit principle can take place for many reasons. Domination of the administration by political parties is the most frequent reason and usually the root of numerous arbitrary and patronage abuses.

As well, such violations can affect any HRM subsystems: from a nepotistic recruitment to the arbitrary application of pay or promotion to the loyal people to the detriment of those who are more able.

### **Dysfunctions that affect flexibility**

The abundance of rigid elements is revealed in the diagnoses of CS systems. We reproduce here a description of the disorders contained in a recent work (Longo:2001b, 19) for the OECD solely to clarify the type of dysfunctions we are speaking of:

- a) An excess of uniformity in the regulating CS structure reduces the capacity to adapt to more than one situation and to react to changes.

b) Too many regulations lead to an excessive degree of standardization of personnel practices.

c) Management is excessively centralized so managers have little autonomy to exercise their responsibilities in HR management.

d) The organization of work (structures and positions) is restricted and fragmented. Frequently due to the law or centralized collective agreements, and not from managers' criteria. There is an excess of task specification that introduces rigidity in the allocation of work.

e) Mobility is low, both internally and externally. Internal mobility is made more difficult by the excessive regulation of tasks and sometimes by the existence of horizontal and vertical barriers.

f) The recruitment and selection systems are long, complex, and excessively formalized. There is excessive emphasis on formal knowledge and qualifications.

g) Work is too secure (an impression of guaranteed stability).

h) Promotion is made more difficult by the existence of grade barriers that obstruct progress. Frequently, an excessive emphasis is given to the age or length of service.

i) Frequently pay is given according to the grade and not to the position, which does not link wages to the responsibility a role has and the real amount of work. Grades can become barriers for wage progression.

j) An almost absolute separation between performance in the position and the operation of promotion and reward systems. The experiences of performance linked pay clash with the absence of effective methods of evaluation.

k) Systems suffer from poor capacity to produce skills and job profiles.

l) Management styles tend to be paternalistic. Frequently, they act as a support for the staff, rather than of encouragement.

m) An excess of collectivization in the labor relations clashes with an increasing need for segmentation and personalization in personnel practices. Sometimes, a tendency for increasing conflict can be seen.

## MAIN REFORM DIRECTIONS OF CIVIL SERVICE SYSTEMS

### **From personnel administration to HRM**

Within the framework of the public management reforms that have been undertaken, with greater or lesser extension and depth, in the OECD's scope, public sector HRM has experienced one of the most dramatic changes during the two last decades.

First of all, CS reforms meant HRM became more valued, meaning that it started to be considered a central directive function in public services, without doubt under the influence of similar tendencies in the private sector. This value helped overcome attitudes that reduce personnel management to personnel administration, a mere procedural and maintenance activity, to assume a view of HRM as a system of strategic importance, essential for the accomplishment of the mission of public organizations.

This fundamental shift has taken shape in four great reforms that we will now explain. They incorporate changes that are largely reactions to the disorders listed above.

### **To decentralize HRM**

A generalized tendency to autonomy and a broadening of managers' room of maneuver in HRM matters has taken place. Responsibilities over personnel are more fragmented and are organized in a decentralized way. The role of central personnel services tends to evolve from the direct management or the primary controls to functions of partner, consultant or, at least, internal supplier of specialized services.

### **To harness the directive function**

The public executives appear as fundamental players in the institutional designs introduced by the reforms. Their development and increased professionalism seem to be a high-priority objective.

The intensive use of managerial training is verifiable, without exception, in all reform scenes.

Often, the objective of professionalism has a separated and differentiated directive band from the rest of the CS, giving them a generally more flexible statute. These models of a Senior Civil Service (United Kingdom, the U.S.A., Australia, New Zealand, Italy, and Holland, among other countries) are based, despite their diversity, on the criteria of a separation of policy from management, and a recognition of a managerial that

**To make  
managerial  
practices more  
flexible**

should be led by professional directors, open frequently to candidates from outside the public Administration.

Flexibility is the motto of CS reforms in the OECD area, and sums up good part of the transformations that occur in HRM policies and practices in the public sphere. The introduction of flexible policies has taken place in five main areas:

The **numerical flexibility**, that is a consistent tendency to reduce personnel among public staff, although with great differences between countries with regard to the magnitude of reductions and methodologies (global or sector reduction plans, early retirement, stimulation of departures, fixed of replacement rates, etc.)

The **contractual flexibility**, that has been seen mainly in:

- a) the introduction of dismissals due to economic, technical or organizational causes.
- b) the use of contract agreements that do not provide job security, and
- c) the use of out-sourced activities and services (contracting out).v

The **functional flexibility**, whose more significant manifestations have been:

- a) More decentralized and skills-based mechanisms for recruitment and selection.
- b) Design of more horizontal and vertical multipurpose positions (broadbanding).
- c) Elimination of horizontal and vertical barriers to mobility and promotion.
- d) Possibility of making obligatory transfers in the interest of the organization,
- e) Replacing length of service by performance for promotions, and
- f) Design and implementation of horizontal professional careers or on the job.

**Wage flexibility**, that has implied mainly:

- a) A tendency to break with the uniformity in the setting of wages, reducing the scale of wage negotiations to approximate it to the different

organizational contexts,

- b) Wage progression tied to learning and performance improvements, and
- c) General introduction of variable pay formulas related to performance

***Flexibility in working time***, whose more relevant examples have been:

- a) Rearrangement of the work day, allowing flexible schedules of benefits by means of annualizing techniques, packages of available hours, compensation of extra hours by free time (time off in lieu), and others
- b) Expanding the variety of part-time work, especially in some countries (Holland, United Kingdom).

### **To reorient labor relations**

Labor relations have generally experienced in this period an expansion and intensification of collective bargaining and union participation in the setting of work conditions, in the context where CS systems are getting closer to private sector practices. (As is logical, the different national cultures have assumed significant differences in the actual contents of this approach).

In parallel, and apparently in contradiction with the previous tendency, more personalized relations with employees have been attempted (individualized career plans, performance rewards, etc.), bypassing the excessively collective approaches.

The importance gained by labor relations in determining work conditions has led governments to try to reinforce their position as employers. In some cases, (Italy, Sweden) agencies have been created to concentrate the representation of public organizations in collective negotiation.



## APPENDIX 3

### DESCRIPTION OF INDICATORS

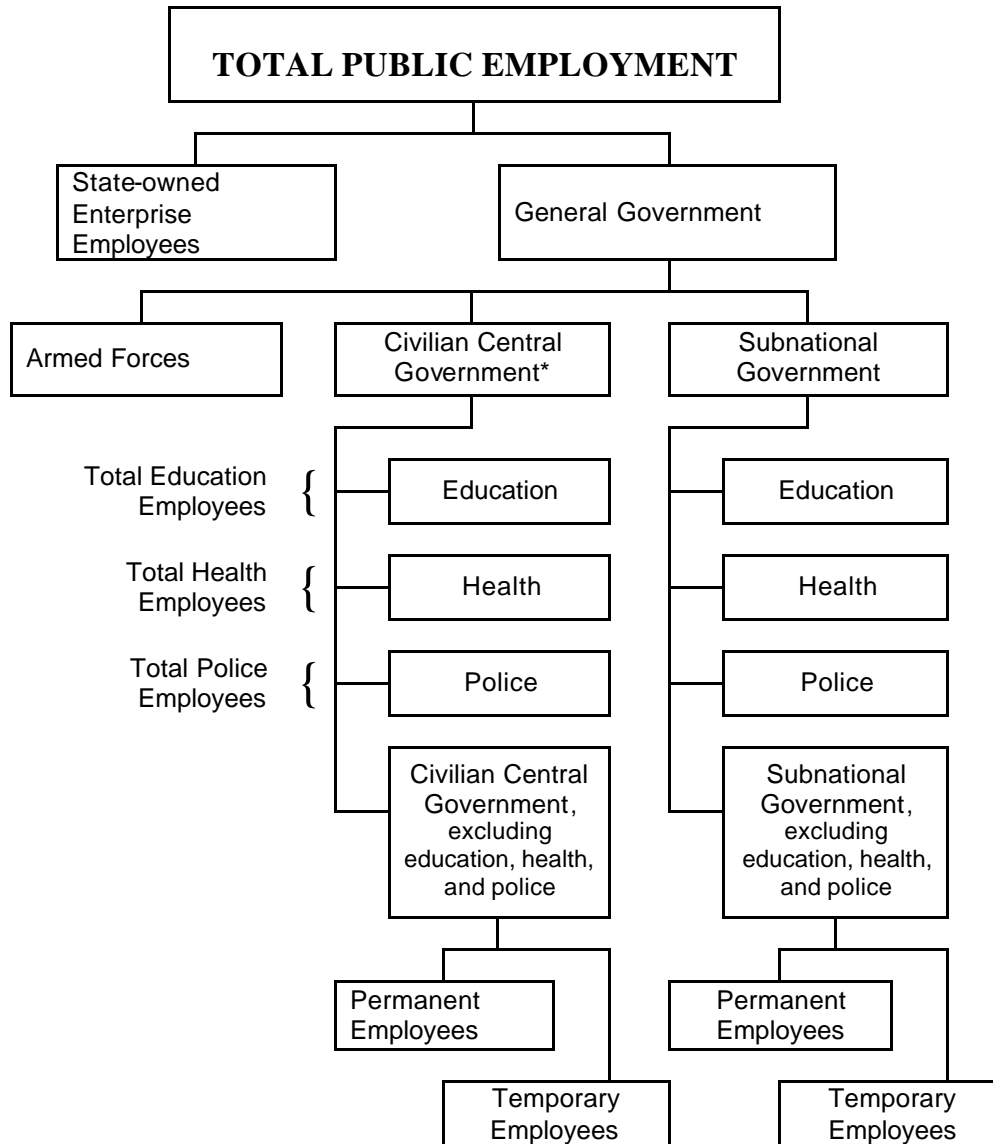
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The indicators covered here are mostly drawn from the document "Second Generation Indicators", a World Bank report on quantitative indicators of governability (World Bank, 2002). The indicators contained in that document have been respected when defining the extent of each of them here. Also, the measurement procedures are those indicated in that report and on the Web site:

<http://www1.worldbank.org/publicsector/civilservice/cross.htm>

All definitions and the following graphic are taken from the World Bank web site. Definitions used by the OECD to construct the Public Sector Pay and Employment Database have also been considered. However, data consistent with the definitions from the World Bank site are more often available (because the World Bank definitions are more general), especially in relation to less developed countries. The three tables at the end of Appendix 3 should be completed as completely as possible, in order to facilitate the calculation of indicators, cross-country comparison, and the future replication of the evaluation.

## Main Components of Government Employment (World Bank)



Fuente: <http://www1.worldbank.org/publicsector/civilservice/cross.htm>

\*Civilian central government + armed forces = Central government

## **PUBLIC EMPLOYMENT AND PAY DATA**

(Definitions modified from <http://www1.worldbank.org/publicsector/civilservice/cross.htm>)

### **Employment Data**

**Total Public Employment:** includes both state-owned enterprise (SOE) employees and General Government.

**State-Owned Enterprise (SOE) employees:** employees of enterprises that are majority owned by government.

**General Government:** refers to employment in "all government departments offices, organizations and other bodies which are agencies or instruments of the central or local authorities whether accounted for or financed in, ordinary or extraordinary budgets or extra-budgetary funds. They are not solely engaged in administration but also in defense and public order, in the promotion of economic growth and in the provision of education, health, cultural and social services." (International Standard of Industrial Classification of All Economic Activities (ISIC), Series M No. 4, Rev 3- 1990)

Within General Government we have the following categories:

2. **Gobierno central:** incluye fuerzas armadas y gobierno central civil.

?? **Armed Forces:** (where possible, administrative employees of the Ministry of Defense have been excluded and are accounted for as Civilian Central Government employees.)

?? **Civilian Central Government:** includes central executive and legislative administration in departments directly dependent on the Head of State or the Parliament, together with all other ministries and administrative departments, including autonomous agencies, together with education, health, and police employees paid by central government

The distinction between Central and Subnational Government employment is budgetary, not geographic. If central government agencies are geographically dispersed, but without changing their ultimate sources of finance, then the staff in those agencies are included in the Central Government tally.

- **Health employees:** covers medical and paramedical staff (doctors, nurses, and midwives) and laboratory technicians employed in government hospitals and other government health institutions. (Where possible, administrative employees working in the health sector have been excluded and are accounted for as Civilian Central Government or Subnational Government employees, as appropriate.)
- **Education employees:** covers primary, secondary public education employment. . (Where possible, administrative employees working in the education sector have been excluded and are accounted for as Civilian Central Government or Subnational Government employees, as appropriate.)

- **Police:** includes all personnel - whether military, paramilitary or civilian - that exercise police functions. As a matter of convention, it does not include border guards. . (Where possible, administrative employees working in the police sector have been excluded and are accounted for as Civilian Central Government or Subnational Government employees, as appropriate.)
2. **Subnational Government** encompasses all government administration employees who are not directly funded by the central government. It includes municipalities, as well as regional, provincial, or state (in federal systems) employment.

## WAGE DATA

**Central Government Wage Bill:** The sum of wages and salaries paid to civilian central government and the armed forces. Wages and salaries consist of all payments in cash, but not in kind, to employees in return for services rendered, before deduction of withholding taxes and employee pension contributions. Monetary allowances (e.g., for housing, transportation) are included in the wage bill. Pensions are not. For the sake of comparisons, this number has been expressed as:

1. a percentage of Gross Domestic Product (GDP).
2. as a percentage of total government expenditure. Total central government expenditure includes all nonrepayable current and capital expenditures, and excludes government lending or repayments to the government.

**Average Government Wage:** represents the ratio of the Central Government Wage Bill to the total number of central government employees. Non-monetary benefits (e.g., free meals, transportation) and expected future benefits (e.g., pensions) are not included in this wage measure. It should be noted, however, that in some countries these benefits make up a significant share of a public employee's total rewards.

## ADDITIONAL NOTES

- ~~///~~ Please note any deviations from these definitions.
- ~~///~~ Please note year and source in all cases (for example, "Data on public expenditure on the level of civilian central government from [Title, year, and page number, and/or link to data].")
- ~~///~~ Employment data should take into account full time and part time employees. Note employment status, as possible.
- ~~///~~ In all cases, if data are not available on the level of government requested, please use data on the most appropriate level of government for which data are available.

### **Professionalism of the Civil Service**

1. Number of political appointments

*Measures the percentage of positions that are provided by political criteria and mechanisms, in relation to the total positions that make up the examined administrative universe. In general, low percentage numbers denote a Civil Service more professional and merit based.*

### **Fiscal weight of Public Employment**

2. Wage bill of the civilian central government / Gross Domestic Product (GDP)

Wage bill of the central government / GDP

Wage bill of general government / GDP

*Measures the percentage given by dividing the first amount by the second. High percentage numbers indicate that the governmental wage bill may be a load on the economy of the country.*

3. Wage bill of the civilian central government / civilian central government expenditure

Wage bill of the central government / central government expenditure

Wage bill of the central government / central government expenditure (excluding pensions and debt service)

Wage bill of general government / general government expenditure

*Measures the percentage given by dividing the first amount by the second. High percentage numbers indicate that the governmental wage bill may be a load on the economy of the country.*

### **Civil Service Incentives**

4. Vertical compression of wages

*This is the measurement of the difference between the total pay received by the employees in the top wage level and those of the lowest level of the wage scale. For this, the lowest pay is taken as base 1. The existence of a very high compression reduces to career incentives and performance stimulus. Excessive expansion is symptom that the system is dominated by some elites*

*and reflects a more or less high degree of internal inequality in the compensation structure.*

5. Average central government wage / GDP per capita

*Measures the relation between these. It shows to what extent the wages are satisfactory for the public employees in the national context.*

*☞ Please indicate whether the value for average wage was calculated by dividing central government wage expenditures by the corresponding number of central government employees; or whether the value was obtained through wage survey data.*

6. Average central governmental wage / Average manufacturing sector wage (as defined by the ILO)

*Measures the relation between these. It is a measure of how competitive public pay is with that of other sectors in the work market.*

7. Average central governmental wage / Average financial sector wage (as defined by ILO)

*Measures the relation between these. It is a measure of how competitive public pay is with that of other sectors in the work market.*

8. Average central governmental wage / Average private sector wage

*Measures the relation between these. It is a measure of how competitive public pay is with that of other sectors in the work market.*

### **Civil Service Employment Indicators**

8. Total number of general government employees / Total population

Total number of central government employees / Total population

Total number of civilian central government employees / Total population

Total number of civilian government employees, excluding education, health, and police / Total population

*Measures the percentage represented by the first number divided by the second. In general, and in relation to comparable international figures, an excessive percentage number would reflect an inefficient management of public employment, with more or less nepotistic displays. A very low number would show an insufficient development of the public sector, considered overall.*

10. Total number of public employees in the Education Sector / Total population

*Measures the percentage represented by the first number divided by the second. The criteria given for the previous indicator are also applicable here, but refer to this sector of the public service.*

11. Total number of public employees in the Health Sector / Total population

*Measures the percentage represented by the first number divided by the second. The criteria given for the previous indicator are also applicable here, but refer to this sector of the public service.*

12. Total number of public employees in the Police Sector / Total population

*Measures the percentage represented by the first number divided by the second. The criteria given for the previous indicator are also applicable here, but refer to this sector of the public service.*

13. Total number of public employees in public enterprises / Total population

*Measures the percentage represented by the first number divided by the second. The criteria given for the previous indicator are also applicable here, but refer to this sector of the public service.*

14. Total number of employees paid by cooperation projects, modernization programs, and similar mechanisms / Total number of employees

*Measures the percentage represented by the first number divided by the second. Measures the influence of these types of programs on public employment.*

**Other indicators (all refer to civilian central government)**

15. Posts that require a higher university degree (graduate degree) / Total number of posts

*Measures the percentage represented by dividing the first number by the second. It is an indicator of the technical level of the public work force. High percentage numbers reflect the tendency of public employment to be concentrated in areas of qualified work. Low numbers point towards the persistence of employment in non-combined roles.*

16. Posts that require a university degree / Total number of posts

*Measures the percentage represented by dividing the first number by the second. This is an indicator - somewhat less concentrated than the previous one - of the technical level of the public work force. High percentage numbers reflect the tendency of public employment to be concentrated in areas of qualified work. Low numbers point towards the persistence of employment in non-combined roles.*

17. Horizontal compression of wages (main central government wage scale)

*Measures the degree in which discretionary decisions in wage matter are taken, above or below the wage base generally set. When they exceed the ratio 1:1.2 (World Bank) there is a risk of corruption and a search of other income.*

18. Rate of staff turnover (churn)

*This measures the number of the voluntary resignations throughout an annual period, as a percentage on the total staff. A high turnover rate is a symptom of poor personnel management, and particularly reflects a low competitiveness of wages and conditions of work. An extremely low number could be interpreted negatively as a lack of a minimum refreshing renewal.*

19. Rate of absenteeism

*A measure of the amount of temporary work losses and other absences from work, in accordance with internationally established guidelines. The existence of high numbers denotes an inefficient management of the human resources that could be due to a multiplicity of causes.*

20. Working hours lost due to labor conflicts in the Administration / Total hours of economic activity lost

*This measures the percentage of the first number divided by the second. The number of hours not worked is an indicator of conflict. It can be limited the overall number for the administrative universe being examined or can be extended to the sectors covered by indicators 10, 11, 12 and 13, if there is published data available.*

**Indicators of productivity and efficiency**

15. Central government expenditure (excluding pensions and debt service) / Total number of central government employees

16. Subnational government expenditure (excluding pensions and debt service) / Total number of subnational government employees

17. Government expenditure on health (excluding pensions and debt service) / Total number of health sector employees

18. Government expenditure on education (excluding pensions and debt service) / Total number of education sector employees



**Wage Bill**

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001
Central government												
Armed forces												
Civilian central government												
Civilian central government, excluding education, health, and police												
Education												
Health												
Police												
Others (specify)												
Subnational government												
Subnational government, excluding education, health, and police												
Education												
Health												
Police												
Others (specify)												
General government (central government and subnational government)												
Public enterprises												
Total public employment (general government and public enterprises)												
<i>Total education sector (central and subnational government)</i>												
<i>Total health sector (central and subnational government)</i>												
<i>Total police sector (central and subnational government)</i>												

**SOURCE(S):**

**Average Wage**

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001
Central government												
Armed forces												
Civilian central government												
Civilian central government, excluding education, health, and police												
Education												
Health												
Police												
Others (specify)												
Subnational government												
Subnational government, excluding education, health, and police												
Education												
Health												
Police												
Others (specify)												
General government (central government and subnational government)												
Public enterprises												
Total public employment (general government and public enterprises)												
<i>Total education sector (central and subnational government)</i>												
<i>Total health sector (central and subnational government)</i>												
<i>Total police sector (central and subnational government)</i>												

**SOURCE(S):**

## **Number of Public Employees**

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001
Central government												
Armed forces												
Civilian central government												
Civilian central government, excluding education, health, and police												
Education												
Health												
Police												
Others (specify)												
Subnational government												
Subnational government, excluding education, health, and police												
Education												
Health												
Police												
Others (specify)												
General government (central government and subnational government)												
Public enterprises												
Total public employment (general government and public enterprises)												
<i>Total education sector (central and subnational government)</i>												
<i>Total health sector (central and subnational government)</i>												
<i>Total police sector (central and subnational government)</i>												

**SOURCE(S):**



## APPENDIX 4

### INDICES FOR THE EVALUATION OF CIVIL SERVICE SYSTEMS

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#### 1. DEFINITION OF INDICES AND SUBINDICES

The institutional diagnosis of each CS system will concentrate on the following five indices:

1. *Efficiency*
2. *Merit*
3. *Structural consistency*
4. *Functional capacity*
5. *Integrating capacity*

Indices 3 and 4 are divided into three sub indices, as shown below.

The analyst will build up by the indices and sub indices based on their analysis of the critical points, following the order of the HRM subsystems, as described in the analytical framework. Each of the critical points is related to a minimum of one index and a maximum of two. Also in this appendix the critical points related to each index or sub index are indicated with the number under which they appear in appendix 6.

#### ***Index 1. (E) EFFICIENCY***

This index evaluates the degree of optimization of the investment in human capital detectable in the CS system, as well as its alignment with the scale of the fiscal policy and its reference markets. It is related to 13 critical points.

#### ***Index 2. (M) MERIT***

This index evaluates the degree in which the CS system incorporates guarantees of the use of professionalism criteria in its different policies and practices, protecting them from abuse, politicization and corruption. It is related to 10 critical points.

#### ***Index 3. (SC) STRUCTURAL CONSISTENCY***

This index evaluates the solidity and systemic integration of the CS, giving attention to the degree to which all the basic structural elements, that a system of public employment and human resources management must have, are present. It is divided in three sub indices:

*(STC) STRATEGIC COHERENCE*

This values the degree in which the different employment and human resource management policies and practices are linked to the strategic governmental priorities. It is related to 7 critical points.

*(DC) DIRECTIVE CONSISTENCY*

Includes valuations of the level of development of the directive function in the CS system, with special attention to the relationship between the central tecno-structure and line directives. It is related to 8 critical points.

*(CP) CONSISTENCY OF THE PROCESSES*

This sub index values the degree of development and integration, in the analyzed area, of the basic processes that sustain an integrated employment and HRM system. It is related to 14 critical points.

***Index 4. (FC) FUNCTIONAL CAPACITY***

This index evaluates the capacity of the analyzed CS system to influence public employees behavior effectively, promoting the development of work conduct that suits the organization's priorities and aimed at improving to public services. It divides into three sub indices:

*(COM) COMPETENCY*

This incorporates the evaluation of those personnel policies and practices that most directly affect the design, supply, development and stimulus of employees' abilities, and tend to ensure the provision of the key skills that the public system needs. It is related to 15 critical points.

*(IE) INCENTIVE EFFECTIVENESS*

This sub index measures the degree to which the personnel management policies and practices incorporate positive stimuli for productivity, learning and service quality. It is related to 14 critical points.

*(FL) FLEXIBILITY*

Measures the degree that the analyzed policies and practices incorporate guidelines that facilitate adaptation to change, overcoming bureaucratic rigidity, and alignment to flexible tendencies that characterize the actual directions of personnel management. It is related to 12 critical points.

***Index 5. (IC) INTEGRATING CAPACITY***

This index evaluates the effectiveness with which the CS system seems able to ensure the harmonization of the expectations and interests of different players (management, employees and other interest groups), increasing the feeling of ownership and reducing conflict. It is related to 19 critical points.

## 2. OBTAINING THE INDICES AND SUBINDICES

The allocation of a value to the indicated indices and sub indices should follow the procedure below:

1. The value of the *critical points*, resulting from the application of the analysis scale with the corresponding weighting from section IV.2.3 of the analytical framework, should be grouped by indices or sub indices, as indicated in this appendix section, and in the general checklist in appendix 6.
2. Once grouped, the valuations of each index or sub index should be added up and then divided by the number of critical points in that index or sub index, giving the resulting value (RV).
3. At this point, the procedure will be different depending on whether the index is divided into sub indices or not.
  - 3.1. In the case of indices 1 (Efficiency), 2 (Merit) and 5 (Integrating Capacity), the resulting value (RV) will be compared with the index's maximum reference value (MRV), which appears at the end of this appendix, and which results from dividing the maximum theoretical scores of the *critical points* (the scale's maximum level multiplied by the corresponding weight in each case) by the number of critical points in the index.

For these comparisons, multiply the maximum reference value (MRV) by 20 in all cases, by applying following rule of three:

$$RV \times 20 \div MRV = IV$$

(IV being the value corresponding to the index)

- 3.2. In the case of indices 3 (Structural Consistency) and 4 (Functional Capacity), in which the aggregations will be worked in a disaggregated form for each of their sub indices, the resulting value (RV) of each sub index, will be compared with the maximum reference value (MRV) of the sub index, which appears at the end of this appendix, and which is the result of dividing the maximum theoretical score of the *critical points* (maximum level of the scale by the corresponding weight in each case) by the number of integrated critical points in the sub indices.

For these comparisons, multiply the maximum reference value (MRV) by 10 in all cases, by applying following rule of three:

$$RV \times 10 \div MRV = VS$$

(VS being the value corresponding to the sub index)

Next the VS corresponding to each index should be grouped and added, and, taking 20 as maximum value for each index, the value of each index (IV) should be calculated for each case, applying the corresponding rule of three.

### 3. GROUPING OF CRITICAL POINTS BY INDICES AND SUBINDICES

<b>INDICES and SUBINDICES</b>	<b>CRITICAL POINTS (1)</b>
<b>EFFICIENCY (E)</b>	5, 6, 7, 8, 36, 41, 56, 57, 62, 63, 75, 76, 89
<b>MERIT (M)</b>	24, 25, 26, 27, 30, 31, 32, 38, 60, 68
<b>STRUCTURAL CONSISTENCY (SC)</b>	
STRATEGIC COHERENCE (STC)	1, 2, 3, 11, 42, 50, 75
DIRECTIVE CONSISTENCY (DC)	10, 23, 45, 49, 90, 91, 92, 93
CONSISTENCY OF THE PROCESSES (PC)	1, 4, 12, 14, 17, 47, 56, 59, 61, 66, 74, 76, 80, 82
<b>FUNCTIONAL CAPACITY (FC)</b>	
COMPETENCY (COM)	9, 18, 19, 20, 21, 24, 28, 29, 30, 31, 32, 34, 54, 71, 72,
INCENTIVE EFFECTIVENESS (IE)	16, 37, 39, 42, 43, 44, 45, 46, 47, 51, 55, 58, 64, 67
FLEXIBILITY (FL)	3, 13, 15, 16, 22, 35, 39, 40, 53, 69, 70, 73
<b>INTEGRATING CAPACITY (IC)</b>	27, 33, 44, 48, 51, 52, 65, 77, 78, 79, 81, 82, 83, 84, 85, 86, 87, 88, 89

(1) The critical points are identified by the number assigned to them in the general checklist in appendix 6.



#### 4. MAXIMUM REFERENCE VALUES OF THE INDICES AND SUBINDICES

INDICES/SUBINDICES	MRV
<b>EFFICIENCY (E)</b>	9.23
<b>MERIT (M)</b>	13
STRATEGIC COHERENCE (STC)	10
DIRECTIVE CONSISTENCY (DC)	8.75
CONSISTENCY OF THE PROCESSES (CP)	8.57
COMPETENCY (COM)	10.66
INCENTIVE EFFECTIVENESS (IE)	9.64
FLEXIBILITY (FL)	9.58
<b>INTEGRATING CAPACITY (IC)</b>	8.94

#### 5. FINAL MAXIMUM VALUES OF THE INDICES

Index 1. EFFICIENCY	<b>20</b>
Index 2. MERIT	<b>20</b>
Index 3. STRUCTURAL CONSISTENCY	<b>20</b>
Index 4. FUNCTIONAL CAPACITY	<b>20</b>
Index 5. INTEGRATING CAPACITY	<b>20</b>
THEORETICAL MAXIMUM TOTAL VALUATION	<b>100</b>

## APPENDIX 5

### THE FINAL REPORT SCHEME

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*The following index of contents for the final report follows the proposed methodology and is included for reference purposes to provide guidance in writing the final document.*

*From a formal point of view, the main recommendations are to be definite and clear. The analyst will have acquired a high degree of situation and context knowledge by the time the report is produced, and must be able to communicate the most relevant conclusions to readers who are not close to the subject. This is why they need to make the report intelligible.*

#### 1. IDENTIFICATION DATA AND SCOPE OF THE WORK

*(This includes the necessary remarks about the area to which the analysis extends, in particular from the point of view of the levels and sectors of the national public system that it affects, as well as a mention of the sources used)*

#### 2. EXECUTIVE SUMMARY

*(This incorporates and synthesizes the conclusions of the main work)*

#### 3. BACKGROUND

*(see section IV.2.1)*

#### 4. INSTITUTIONAL CONTEXT ANALYSIS

*(see section IV.2.1)*

##### 4.1 Analysis of the legal framework

##### 4.2. Analysis of other elements of context

#### 5. FUNCTIONAL ANALYSIS OF THE CIVIL SERVICE

*(see section IV.2.2)*

##### 5.1. Quantitative indicators of the analyzed CS system

##### 5.2. Analysis by subsystem

- ?? Planning
- ?? Work Organization
- ?? Employment Management
- ?? Performance Management
- ?? Management of Compensation
- ?? Management of Development

?? Management of the Human and Social Relations

5.3. Organizational analysis of Human Resources function

5.4. Comparison with other analyses

6. CIVIL SERVICE SYSTEM INDICES

*(see section IV.2.3)*

6.1. Efficiency

6.2. Merit

6.3. Structural consistency

6.4. Functional capacity

6.5. Integrating capacity

(The reports should include not only the quantitative results of the indices and subindices, but should be dedicated to qualitative analysis of the indices and subindices and to the explanation of the methods used to elaborate them. It is also recommended to include graphics that facilitate visualization of the indices.)

7. CONCLUSIONS and RECOMMENDATIONS

*(see section IV.2.4)*

7.1. Analysis of causal areas

7.2. Main diagnosis conclusions

7.3. Proposals of improvement

APPENDICES

(This includes those additional informative elements that, in opinion of the analyst, are essential or at least very helpful to understand the report's conclusions).

**APPENDIX 6**

**GENERAL CHECKLIST**

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SUBSYSTEMS	CRITICAL POINTS	ASSOCIATED INDICATORS	INDICES OR SUBINDICES	WGT.	VALUATION				
					1	2	3	4	5
<b>Planning</b>	1. <i>There is suitable development of processes for Human Resources planning systems (HRP).</i>		STC CP	B B					
	2. <i>Forecasts of personnel planning ordinarily come from organization priorities and strategic directions. The degree of fit between them is usually high.</i>		STC	A					
	3. <i>HR Planning follow-up allows flexible adaptation of personnel practices to the organization's strategic changes.</i>		STC FL	B B					
	4. <i>Personnel information systems allow a reasonable knowledge of the quantitative and qualitative availability of HR, existing and foreseeable in the future, in the organization's different departments and units.</i>		CP	A					
	5. <i>The HRP policies and instruments used generally allow the optimization of staff, correct resources distribution, and a suitable distribution of work among units</i>		E	B					
	6. <i>In general, there are no significant surfeits or deficits of personnel.</i>	9, 10, 11, 12, 13	E	A					
	7. <i>The overall cost of public personnel is within reasonable</i>	2, 3							

<b>Work Organization</b>	<i>and compatible parameters compared to the country's economy.</i>	14, 15	E	A					
	8. <i>The operations of redistribution of staff are carried out whenever it is necessary.</i>		E	C					
	9. <i>Staff skills are adequate for a social environment of its knowledge level. There is a significant weight of qualified work in the composition of personnel.</i>		COM	B					
	10. <i>Line managers know the HRP forecasts, and participate in their processing and execution.</i>		DC	C					
	11. <i>Personnel policies, decisions and practices, in each of the HRM areas, respond to consciously pre established intentions in the planning process.</i>		STC	A					
	12. <i>There is an adequate development of the processes that make up the described Work Organization system.</i>		CP	B					
	13. <i>Job descriptions follow management criteria more than legal considerations or collective agreements. The legal framework and labor agreements are limited to establishing a broad framework, within which the work is organized in accordance with the organization's needs.</i>		FL	A					
	14. <i>Job descriptions are accurate, clearly explaining the structure of responsibilities. Each employee knows what he responsible for and how his contribution will be valued.</i>		CP	C					
	15. <i>Precision in the description of tasks is not so exhaustive that it makes it difficult to adapt to changing or unexpected circumstances.</i>		FL	B					

<b>Management of</b>	16. <i>The design of roles tends to enrich or extend them, horizontally and vertically, as far as possible to produce quality gains and people motivation, without serious losses of productivity or coordination (see word "specialization" in glossary).</i>		FL IE	C C					
	17. <i>The classification and hierarchical structure of positions follow to rational criteria and are adapted to each organizational environment.</i>		CP	C					
	18. <i>Profiles of suitability of the occupants of positions go beyond degree or technical specialization requirements and formal merits, and identify other skills (see glossary).</i>		COM	C					
	19. <i>Skills profiles are defined after appropriate technical studies by experts.</i>		COM	C					
	20. <i>The profiles include the selection of the skills that are considered key for performance success in each case.</i>		COM	B					
	21. <i>There is generally reasonable coherence between the demands of the tasks and the elements that form the positions' profile.</i>		COM	B					
	22. <i>Job descriptions and definitions of profiles are periodically reviewed to adapt them to the evolution of tasks and new requirements.</i>		FL	C					
	23. <i>Line managers are actively involved in the part of the position and profile designs that affects them.</i>		DC	C					
24. <i>Recruitment for all positions is open, by law and in fact,</i>		M	A						

<b>Employment</b>	<p>to all candidates who meet the requirements. Requirements are established according to suitably technically assessed reasons, not arbitrarily.</p> <p>25. Necessary procedures and guarantee mechanisms exist to avoid abuse due to politicizing and patronizing or nepotistic practices and are present throughout all the recruitment process.</p> <p>26. A limited and reasonable number of positions are filled by designated personnel in accordance with political criteria and mechanisms.</p> <p>27. Mechanisms exist and are applied in recruitment and promotion procedures in the public employment to guarantee effective equality and nondiscrimination, to overcome disadvantages of sex, ethnic group, culture or origin.</p> <p>28. The means used for search, communication and attraction usually produce a suitable number of reliable candidates for the positions to be filled.</p> <p>29. Selection is based on the existence of skills profiles (see glossary) for occupants of vacant positions.</p> <p>30. The selection instruments used are generally adapted to previously defined profiles, and their design follows technically validated criteria for effectiveness in identifying professional suitability.</p> <p>31. Selection bodies are designed with professionalism and technical experience criteria, and act independently when performing their functions.</p> <p>32. Recruitment decisions are made based on technically</p>	1	COM	A					
			M	A					
			M	A					
			M IC	A A					
			COM	B					
			COM	A					
			M COM	B A					
			M COM	A A					
			M	A					

	<i>proven merit and professional ability criteria.</i>		COM	A					
	33. <i>Suitable procedures exist and are applied to receive employees, facilitate their incorporation into the organization and their first steps in the position and environment, and to communicate the conduct principles and guidelines they should know on starting.</i>		IC	C					
	34. <i>Suitable procedures (trial periods or similar) to ensure successful incorporation, and powers to take corrective measures if needed, exist and are used.</i>		COM	C					
	35. <i>The mechanisms for functional and geographic mobility, allow a flexible response to the needs to redistribute staff.</i>		FL	A					
	36. <i>Absenteeism indices are, in general, satisfactory.</i>	18	E	B					
	37. <i>Effectively applied disciplinary procedures allow poor staff behavior to be corrected efficiently, quickly and commendably.</i>		IE	C					
	38. <i>Dismissals or redundancies that affect jobs of a professional character do not happen because the government changes political color.</i>		M	B					
	39. <i>The possibility of dismissal, due to objectively assessed incapacity or poor performance, exists.</i>		IE FL	B B					
	40. <i>The possibility of terminating employment, due to objectively assessed technical, economic or organization reasons, exists.</i>		FL	B					
	41. <i>No groups or sectors of jobs appear to have excessive staff rotation (frequently vacant roles).</i>	17	E	B					



<b>Performance Management</b>	42. Management usually defines the performance guidelines expected from people, in coordination with the organization's priorities and strategy. Consequently, employees know the aspects of their contribution that will be specific valued.		STC IE	C A					
	43. Performance objectives are set according to the improvement plans agreed in the performance evaluation of the previous management cycle.		IE	C					
	44. Performance objectives are communicated to the employees in a form that facilitates their involvement and commitment.		IE IC	B C					
	45. Throughout the management cycle, managers actively follow, observe and support the staff's performance improvements, providing resources or removing obstacles when necessary.		DC IE	C C					
	46. People's performance is evaluated by the organization, comparing it to the expected standards.		IE	A					
	47. The evaluation criteria, and their application in practice, allow the performance differences between people to be distinguished effectively.		CP IE	C B					
	48. The performance evaluation criteria are felt to be trustworthy and objective by the people who participate in their use.		IC	B					
	49. Managers in charge of work units in different hierarchic levels assume a proactive role in the performance management of the employees they supervise.		DC	B					

<b>Compensation Management</b>	50. <i>The wage structure and payment policies follow a set of priorities and objectives, tied to the organizational strategy, and not to mere inertial practices or reactive responses to vindications and labor conflicts.</i>		STC	B					
	51. <i>The people generally feel that all types of compensation received from the organization reflect their contribution.</i>		IC IE	B C					
	52. <i>People feel that the compensations received by other employees are fair, compared to what they receive.</i>		IC	B					
	53. <i>The classification of roles by salary levels facilitates a flexible progression, and is tied to performance and learning.</i>		FL	B					
	54. <i>The salary structure is designed to attract, motivate and retain skilled people in the different positions required by the organization.</i>	5, 6, 7, 8	COM	A A					
	55. <i>The wage range is reasonable. Vertical payment differences are appropriate to the positions' nature.</i>	4	IE	B B					
	56. <i>An adequate balance among payments, applied to similar position levels in different public service sectors and scopes, exists.</i>		CP	B C					
	57. <i>The wage costs are not excessive in any sector or positions level, in relation to the market.</i>	5, 6, 7, 8	E	A					
	58. <i>The payment mechanisms used stimulate people's effort, individual or group performance, and learning and skills development.</i>		EI	A					
59. <i>Decisions connected to wage administration are adopted</i>									

<b>Development Management</b>	<i>in accordance with pre-established criteria and in line with the organization's structural design parameters.</i>	16	CP	A					
	60. <i>Abusive practices, the search for extra income, or political patronage are not found in wage decisions.</i>		M	B					
	61. <i>Personnel information systems contain updated information on all payments, necessary for the correct management of a wage system.</i>		CP	A					
	62. <i>Non-salary benefits that are applied are effective, and evaluated in terms of cost/benefit.</i>		E	C					
	63. <i>The public employees' pension scheme is adequate to meet its social obligations, is financially solid, does not create exorbitant privileges compared to other social groups, and does not impose an excessive burden on the economy.</i>		E	A					
	64. <i>The organization has policies and useful methods for non-monetary recognition of people's achievements.</i>		EI	C					
	65. <i>People generally seem satisfied with their reasonable promotion expectations in the organization.</i>		IC	B					
	66. <i>Career and succession plans exist that harmonize individual expectations with foreseeable organization needs.</i>		CP	C					
	67. <i>The promotion criteria and mechanisms link progression to performance, potential, and skills development.</i>		IE	A					
68. <i>No elements of abuse or political patronage are verifiable, in the promotion practices.</i>	M	B							

<b>Human and Social Relations Management</b>	69. <i>The organization manages people's progress flexibly, without an excess of formal barriers or limitations.</i>		FL	B					
	70. <i>Alternative formulas to strictly hierarchic careers, like the horizontal careers or role development, based on recognition of professional excellence, exist, without the need to increase people's formal authority.</i>		FL	C					
	71. <i>People receive adequate training from the organization to complement their initial skills and qualifications, to adapt to task developments, to solve performance problems, and support their professional growth.</i>		COM	B					
	72. <i>Training supports the development of collective learning that consolidates advances in the organizational capacity to face problems and provide effective answers.</i>		COM	C					
	73. <i>Training supports effectively processes of innovation and cultural change.</i>		FL	C					
	74. <i>Training is based on reliable needs analyses.</i>		CP	C					
	75. <i>Training investment is based on plans, which take into account the needs analyses, and is designed to support clear organization priorities.</i>		STC E	C C					
	76. <i>Training is evaluated on the basis of the relation between results and costs and performance change produced, as well as the participants' satisfaction.</i>		CP E	C C					
	77. <i>The organization knows the labor climate, evaluating it periodically using reliable instruments.</i>		IC	C					
	78. <i>Climate evaluations are considered when improving the HRM policies and practices.</i>		IC	C					

	<p>79. <i>The organization has mechanisms, whose frequent use is verifiable, to learn the employees' initiatives, requests, suggestions, information and opinions.</i></p> <p>80. <i>In general, management decisions, in their different forms, as well as relevant information of all types generated higher up the organization, circulate around the organization with fluidity and are communicated accurately to all affected people.</i></p> <p>81. <i>The organization has specific communication instruments to reinforce the feeling of employees' value and involvement in the overall organizational project.</i></p> <p>82. <i>In labor relations, each party fulfils its expected role, without going too far, and is reciprocally recognized and accepted.</i></p> <p>83. <i>A reasonable balance generally exists between of the positions of management power and the employees. Transactions between the parties normally reflect this balance.</i></p> <p>84. <i>Labor relations are usually and preferably aimed at transaction and agreement, and not at confrontation or discrediting the adversary.</i></p> <p>85. <i>Intermediate labor relations - those carried out by instances of representative character - do not exclude the direct or personal relations between the management and the employees, when it is advisable to maintain them.</i></p> <p>86. <i>The level of labor conflict is not excessive, neither by the number of conflicts nor by the effects or forcefulness of</i></p>	<p>19</p>	<p><b>IC</b></p> <p>CP</p> <p><b>IC</b></p> <p>CP IC</p> <p><b>IC</b></p> <p><b>IC</b></p> <p><b>IC</b></p> <p><b>IC</b></p>	<p>C</p> <p>C</p> <p>C</p> <p>B A</p> <p>A</p> <p>A</p> <p>C</p> <p>A</p>					
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<b>The Human Resources Function Organization</b>	<i>the means used.</i>								
	87. <i>Effective mechanisms for the management and agreed resolution of conflicts exist.</i>		IC	B					
	88. <i>Health and safety practices are satisfactory.</i>		IC	C					
	89. <i>Social care and benefits for the employees are adequate, do not exceed those of the environment in which the organization operates, and are appreciated by their beneficiaries.</i>		E IC	C C					
	90. <i>Managers have, in general, enough leeway to manage the people assigned to their units.</i>		DC	B					
	91. <i>Managers receive sufficient qualification to perform the functions indicated in the previous point.</i>		DC	C					
	92. <i>The directors are responsible and carry out their responsibilities as managers of the people assigned to their sphere of formal authority.</i>		DC	A					
93. <i>The central services responsible for the CS system are perceived to add value to the achievement of the common objectives by the rest of the organization.</i>		DC	A						

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