OECD Public Governance Reviews

Skills for a High Performing Civil Service

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BETTER POLICIES FOR BETTER LIVES

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Foreword

Skills for a high-performing civil service draws upon current priorities to meet public governance challenges across OECD countries. It takes a look at the changing skills needed in the civil services and presents a framework through which OECD countries can begin to assess the skills they presently have or gaps that may exist.

The report also identifies promising trends and innovations in civil service management that can help set the right strategy to improve employment policies. It finds that some OECD countries are beginning to invest in innovations to improve workforce data, to attract and recruit a more diverse range of skill sets, to develop a learning culture, and to engage and motivate employees. However very little guidance exists on which investments countries should make in their civil servants to maximise performance and improve policies and services. This report begins to address the gap.

This report was prepared by the OECD Directorate for Public Governance (GOV), under the direction of Rolf Alter and Luiz de Mello. It is based upon a 2016 survey by the OECD Public Employment and Management Working Party (PEM) and its related work on skills, competencies and performance.

The PEM is a collaborative international forum of senior practitioners seeking to address current challenges affecting public services and civil service reform. It undertakes comparative analysis on issues related to strategic civil service management and compensation, which provides governments with unique data to inform their reform agendas. The network is one of the main contributors to key GOV projects such as Government at a Glance.

Draft versions of this report have been shared and discussed with PEM members, the Public Governance Committee (PGC), and the OECD's Global Network of Schools of Government. The report benefits greatly from detailed input from the PEM, which responded to the 2016 OECD survey on Strategic HR Management in Central/Federal Governments, and provided many rich case studies which are highlighted throughout.

Within the OECD Secretariat, this report was managed and written by Daniel Gerson (PEM Project Manager), under the guidance of Edwin Lau (Head of the Reform of the Public Sector RPS Divison). We wish to thank Luiz De Mello (Deputy Director of GOV), Zsuzsanna Lonti (Senior Project Manager), Stéphane Jacobzone (Deputy Head, RPS Divison) and Barbara Ubaldi (Project manager – Digital Government) who have given valuable guidance and advice on the report and survey. Cristina Mendes (OECD Secretariat) provided essential data analysis, Guillaume Lafortune (OECD Secretariat) and Guillaume Bellinelli (Consultant) supported the data collection and cleaning process. Matt Kerlogue prepared the annex on innovation skills under the guidance of Marco Daglio (OECD Observatory of Public Sector Innovation).

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Executive summary

Today's civil servants are addressing problems of unprecedented complexity in societies that are more pluralistic and demanding than ever. At the same time, the systems and tools of governance are increasingly digital, open and networked. Civil servants need the right skills to keep pace.

This presents a double challenge: the first is to identify which skills will be needed for a civil service which is fit-for-purpose today and into the future; the second is to figure out how civil services can invest in these skills – through attraction, recruitment and development – to improve policies and services.

This report addresses both sides of this challenge by proposing a framework through which OECD countries can begin to assess the skills they presently have or gaps that may exist. Then, through the use of OECD data, the report identifies promising trends and innovations in civil service management that can help set the right strategy to improve employment policies.

To assess changes in the skills needed in today's civil services, the framework identifies four areas, each representing specific tasks and skills required in the relationship between the civil service and the society it serves:

- **Policy advice and analysis**: Civil servants work with elected officials to inform policy development. However, new technologies, a growing body of policy-relevant research, and a diversity of citizen perspectives, demand new skills for effective and timely policy advice.

- **Service delivery and citizen engagement**: Civil servants work directly with citizens and users of government services. New skills are required for civil servants to effectively engage citizens, crowdsource ideas and co-create better services.

- **Commissioning and contracting**: Not all public services are delivered directly by public servants. Governments throughout the OECD are increasingly engaging third parties for the delivery of services. This requires skills in designing, overseeing and managing contractual arrangements with other organisations.

- **Managing networks**: Civil servants and governments are required to work across organisational boundaries to address complex challenges. This demands skills to convene, collaborate and develop shared understanding through communication, trust and mutual commitment.

Professional civil services are as important as ever to respond to complex challenges and to deliver public value. However, in addition to its professional qualities, civil services must also be strategic and innovative. The framework evaluates the four skills areas mentioned above in light of these three qualities:

- Civil servants in a **professional** civil service are qualified, impartial, values-driven and ethical. These are foundational and suggest the need to ensure civil servants are certified professionals in their area of expertise.

- A civil service composed of qualified professionals will not automatically address today's challenges. Professional civil servants will also need to be future-oriented and evidence-based. This requires the acquisition of **strategic** skills, particularly at management levels, to encourage collaboration between areas of expertise and across the four parts of the framework discussed above. This includes skills related to risk management, foresight and resilience.

- Sometimes professional and strategic skills reach their limits due to legacy structures and systems of public sector organisations. In these cases, civil servants need to be **innovative** to redesign the tools of governance and develop novel solutions to persistent and emergent policy challenges. The OECD's Observatory for Public Sector Innovation has defined six skills areas needed in public sector organisations to drive more, and better, public sector innovation.

Identifying the skills needed is a first step towards developing a fit-for-purpose civil service for the twenty-first century. Building this civil service requires a new look at the way people are managed; one that recognises that public employees are neither homogenous nor mutually interchangeable. This suggests the need to develop employment policies and frameworks that are not only driven by quantitative factors (numbers and cost), but that are ultimately driven by individual qualities (skills and expertise). The second part of this report looks at trends and innovations in public employment that address these requirements.

Data and evidence are powerful sources of insight to understand current workforce capabilities and to identify gaps. Some OECD countries are beginning to invest in innovative data-driven approaches to assess and benchmark civil service skills. This promises significant potential, however, to date few established models exist, in particular as a basis for management and HR decisions.

Some countries are investing in innovative approaches that aim to attract a greater diversity of skills in the civil service by identifying what makes the civil service attractive and marketing these qualities through more effective employer branding and employment offers.

Supporting a learning culture in the civil service will ensure that skills are up to date allowing the workforce to keep up with the fast-changing nature of work. This means investing in learning opportunities, developing career paths, and reinforcing managers' responsibility to develop their employees.

After attracting and developing skilled civil servants, civil service organisations must be ready to put these skills to work. Some countries are building networks, managing mobility, and centralising some professional functions. But ultimately it is a management task to engage employees and ensure they are provided the right opportunities to use their skills to drive change in their organisations to better serve the public.

This report reinforces a known, but often overlooked, fact: that the capacity and capability of the civil service workforce is fundamental to the success of all public policy and reform. Given that in today's public sector change is constant, public investment in the skill sets of civil servants is required for government to become more nimble, agile and adaptable. The models, data and examples presented in this report show that OECD

countries are beginning to take steps towards updating their employment frameworks, but no guidance exists at an international level. Further developing the insights in this report towards an OECD recommendation on public employment will help guide countries on the investments needed to make their civil service fit-for-purpose in the twenty-first century.

Chapter 1.

Public sector skills in the search for public value

Today's civil servants address problems of unprecedented complexity in societies that are more pluralistic and demanding than ever. At the same time, the systems and tools of governance are increasingly digital, open and networked. Civil servants need the right skills to keep pace. This chapter looks at how the work of civil servants is changing, and presents a framework to identify which skills will be needed to produce a civil service which is fit-for-purpose today and into the future. These include skills to develop evidence based policy advice, to engage citizens for more effective service design, to commission services through third party delivery agents, and to manage in networks that extend beyond institutional borders. Each of these four skills areas contribute to a professional, strategic and innovative civil service.

Civil servants create, protect and positively impact public value. However, there is a growing concern that the context and conditions in which the public sector operates are quickly changing, suggesting that public value cannot continue to be created in the same way as in the past. This change is happening in multiple ways simultaneously. On the demand side, the problems civil services are trying to address are increasingly interdependent and multidimensional; and are within societies which are increasingly pluralistic in views and expectations. On the supply side, the systems and tools of governance are increasingly digital, open and networked. Civil servants are needed who have the skills to address increasingly complex problems in increasingly pluralistic societies using new tools available to governments.

The OECD's work on skills and skills strategies looks at how countries can align education and labour market policies to ensure they are producing citizens with the right skills to drive economic growth and address economic inclusion and social mobility in the national economy. The OECD skills strategy (2012) addresses three inter-related policy levers: developing the right skills (ensuring the skills supply is sufficient in both quantity and quality), activating skills supply (improving participation in the labour market of under-represented groups), and putting skills to effective use (addressing the match between skills needed and those available). Until now, the work on skills has not looked specifically at the public sector and what kinds of skills are required to drive performance and manage productivity. This report builds on some of the insights in the skills strategy, with a focus on the civil services of OECD countries, to raise issues about the nature of work, how it is changing, and which policies are needed to ensure the skills of civil servants keep pace with changing societies and technologies.

Wicked problems in complex societies

Many observers, analysts and practitioners are aware the most pressing problems existing in the public sector are increasingly complex, interconnected, uncertain and values-based - see, for example, (Bao, Wang, Larsen, & Morgan, 2012) (Bryson, Crosby, & Bloomberg, 2014) (Head & Alford, 2015) (OECD, 2017a). While many of the big challenges of the post-war years were seen as large-scale engineering projects, addressed through rational planning and scientific process, this approach may only have a limited impact on the multidimensional problems that remain, such as climate change, youth unemployment, inclusive growth, and achieving the 17 Sustainable Development Goals committed to by United Nations (UN) member states. Systems analysis (OECD, 2017a) shows that social and economic problems cannot be understood and addressed in isolation, and the complex challenges related to inclusive growth (OECD, 2016a) require interventions that embrace rather than over-simplify complexity.

Many of the difficult social problems left to the scope of the public sector are complex issues from a scientific as well as a values perspective. Modern societies are characterised by a greater plurality of ideas, perspectives, needs and expectations of what society should be, how government should behave, and what kinds of trade-offs between the individual and collective are desirable. Such differences can make it difficult to reach a consensus across those impacted by problems and policy interventions. In such situations there can be no absolute certainty of the best way forward, and resorting to more information gathering and scientific analysis will rarely result in a perfect solution. Instead, it is often suggested that interventions need to be based on adaptive, open and networked approaches that bring diverse stakeholders together (OECD, 2017b). This

implies a skill set for civil servants based on public engagement, mediation, facilitation and co-management of public solutions.

Figure 1.1. Categories of public problems

	Low Value Conflict	High Value Conflict
High Technical Complexity	Complex (e.g. food safety)	Wicked (e.g. climate change)
Low Technical Complexity	Straight Forward (e.g. garbage collection)	Difficult (e.g. safe injection site)
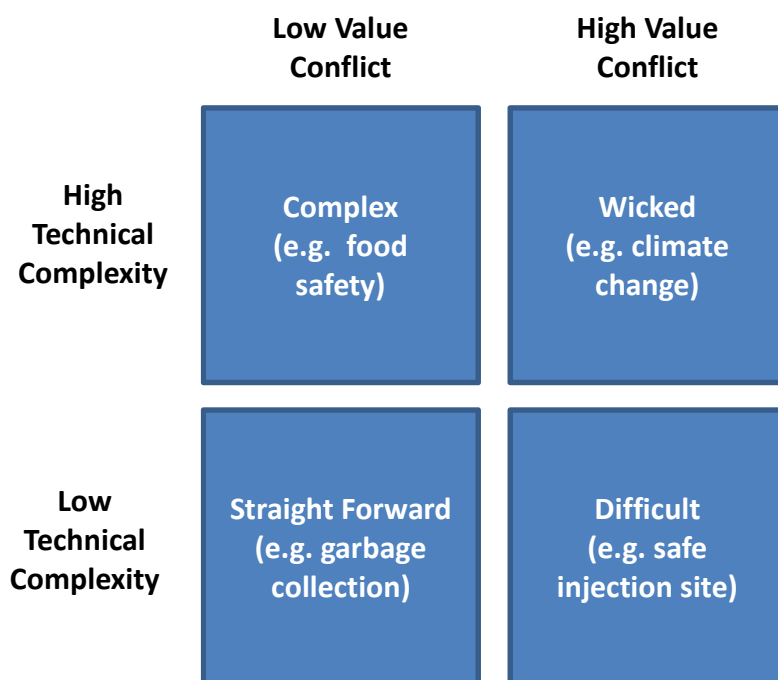
Source: Adapted from Bao, G. et al. (2012), "Beyond New Public Governance: A Value-Based Global Framework for Performance Management, Governance, and Leadership", *Administration & Society*, pp. 443-467.

Technological change and blurred boundaries in an increasingly networked society

Technology has significantly changed the landscape in which governments operate, and provides opportunities and challenges to civil servants and the skills they need to produce public value (Box 1.1). Today's societies are more interconnected than ever before, and the network society presents new challenges and complexities for traditional governance models based on hierarchy and bureaucracy. Under the right conditions, information and communication technology (ICT) and data can contribute to more informed policy making, and a more informed citizenry, however ICT networks can also contribute to information overload, ambiguity and/or the spread of falsehoods. While civil servants will not all need to be digital specialists, they will need to understand the potential (and associated risks) of new technological tools, and develop skills complementary to these new tools for engaging with citizens, analysing policy problems and leveraging digital opportunities. At a minimum, they will need to be comfortable in an increasingly digital workplace and using increasingly digital tools.

> **Box 1.1. Going digital: What changes for governments?**
>
> The considerable pace and breadth of the uptake of digital technologies and data use across the public sector is pushing many governments to rethink the management of core processes and activities and the governance of ICT use in government. Governments increasingly need people with the skills to steer decisions and investments in technology and management of data value chains to deliver improved outcomes across policy areas. This requires overcoming organisational barriers to integration, sharing and horizontality of decisions, and use of data and digital technologies across the public sector. Questions exist around how to design public services that draw on distributed knowledge and expertise; how to shift ICT spending from operating legacy systems to supporting innovation; how to safeguard citizen trust in the public use of technology and data; and what skills are required to answer these questions and meet the challenges.
>
> - **Public service delivery**: The digital revolution disrupts public service delivery in several ways. Citizens expect the public sector to have a more comprehensive view of their needs and to provide them with services that consider their specific needs and contexts, making their lives easier and avoiding having to deal with several institutions to complete a single procedure. This implies a whole-of-government effort and significant inter-institutional co-ordination to ensure that the building blocks for integrated digital service delivery are in place (e.g. shared resources, such as a common digital identity; enabling public institutions to have comprehensive view of the user's digital interactions with the public sector; and a coherent policy framework for data sharing within the public sector). Such a framework should make service delivery simpler and more convenient for the user, while protecting the user's personal data from abuse. Countries such as Australia, Portugal, the United States and the United Kingdom have looked at ways to transform public service delivery as a whole-of-government strategy.
>
> - **New partnerships and ways of solving problems**: The digital age brings about opportunities for governments through new forms of partnerships that are re-designing the role of government as a whole. Government is no longer necessarily the provider of public services, but acts increasingly as a convener that allows for the right solutions to a specific user's problem to emerge, delivered by the best fit provider. As such, many governments have embraced the strategy of "Government as a Platform" for public value (co)creation. This idea, first put forward by the UK's Government Digital Service, has gained traction as others understand the potential of these trends for government as a whole.
>
> - **Resource-sharing**: New digital trends enable a thorough re-engineering of how government works. These opportunities are not simply about the marginal efficiency gains of digitalising a procedure, or even a whole sector, but about the exponential gains associated with the transformation of government processes and their ecosystem. Digital technologies enable governments to benefit from the effects of scale and network to share infrastructure and resources such as storage, data and processing capability in ways that were not possible before. However, these will entail new and more complex trade-offs, such as balancing privacy and convenience. For instance, Canada has put in place Shared Services Canada to help public agencies share services in new ways. It has also, as in Norway and the United Kingdom, developed cloud strategies.

Box 1.1. Going digital: What changes for governments? *(cont.)*

- **Data, policy making and oversight**: The growing availability of data enables governments to make more informed and evidence-based decisions on public issues. However, creating a data-driven public sector requires recognising data as a strategic asset and a framework for the whole public administration that helps reap the benefits of evidence-based decision making. Awareness of data's potential is rapidly changing how policy, rule-making and public management are conceived and informed. For instance, Colorado has leveraged sensors to implement data-driven regulation of the new marijuana market, and France is using data mining to identify and fight fraud in family allowances and social benefits, leading to a 56% increase in fraud detection in 2014.

Source: Adapted from OECD (forthcoming-a), The Digital Transformation of the Public Sector: Helping Governments Respond to the Needs of Networked Societies, OECD, Paris.

Technology is not the only force generating significant shifts in governance systems and the tools and skills required to manage these systems. Recent calls for more open, productive and innovative government have been challenging the traditional pyramid-shaped bureaucracy for some time. "New public management" challenged governments to focus on managerial accountability, efficiency and more technically proficient results-based performance management. The limits of this approach, however, often resulted in a focus on outputs instead of outcomes; a separation of the policy/delivery functions, which resulted in a fragmentation of knowledge and learning; and competition between providers, which undermined collaboration (Head & Alford, 2015).

Various authors have suggested these limitations have led to a new era, sometimes called "new public governance" (Osborne, 2010) or "networked governance" (Goldsmith & Eggers, 2004; Kettl, 2009), which recognises that government has no monopoly on producing public value. They point out that the division between public and private is increasingly blurred and emphasise that public value is rarely created by one public actor, but through a web of (public) agencies, organisations, firms, institutions and private citizens. In some cases these systems are so complex few people have a complete view over the whole. This raises particular challenges, but also opportunities since governments alone rarely have all the resources, knowledge and expertise to effectively address wicked problems in complex societies. Civil servants today need to rely on a range of skills to work effectively through and with others to leverage knowledge and expertise beyond their own organisations to advance societies, grow economies, and manage diverse and conflicting expectations and values.

Figure 1.2. Systems of governance
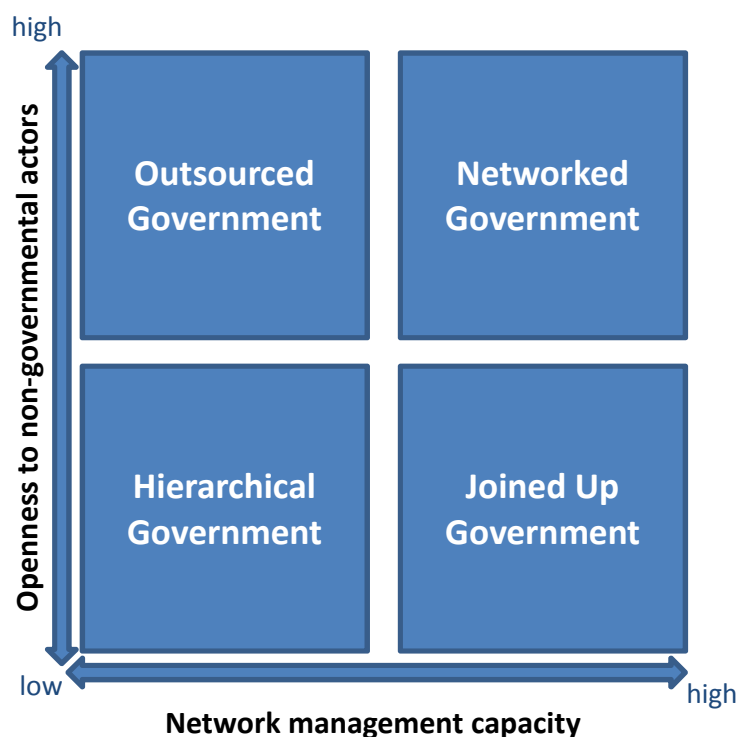
Source: Adapted from Goldsmith, S., & W.D. Eggers (2004), *Governing by Network: The New Shape of the Public Sector,* Brookings Institute, Washington, DC.

Box 1.2. The future of work in a digital economy

The world of work is in flux due to digitalisation, the development of the digital economy and broad technological change. These processes, coupled with globalisation, population ageing and changes in work organisation, will shape the world of work and raise challenges to public policy in unknown ways.

OECD analyses have begun to understand the relationship between digitalisation, jobs and skills, the magnitude of potential job substitution due to technological change, the relationship between globalisation and wage polarisation, as well as the changes to the organisation of work. With a focus on policy, the OECD is looking at the challenges these trends place on the labour market, skills and social policy. This work has resulted in research summarised in policy briefs on the impacts of automation on independent work and skill implications of the digital transformation. (www.oecd.org/employment/future-of-work.htm).

These highlight the following insights:

- Digitalisation is reducing demand for routine and manual tasks while increasing demand for low- and high-skilled tasks and for problem-solving and interpersonal skills. Despite the replacement of some work by digitalisation, aggregate job demand has not been impacted.

Box 1.2. The future of work in a digital economy *(cont.)*

- Digitalisation raises questions on technology's potential to substitute work. Estimates based on the Survey of Adult Skills (PIAAC) show that on average across countries, 9% of jobs are at high risk of being automated, while for another 25% of jobs, 50% of the tasks will change significantly because of automation.

- Digitalisation has opened the ground for new forms of work organisation (e.g. outsourcing, shared services). Although the "platform economy" (Uber, AirBnB, etc.) may bring efficiency in matching workers to jobs and tasks, it also raises questions about wages, labour rights and access to social protection for the workers involved.

- ICT is profoundly changing the skill profile of jobs. Skill development policies need to be overhauled to reduce the risk of increased unemployment and growing inequality.

- Among the adult population, 56% have no ICT skills or have only the skills necessary to fulfil the simplest set of tasks in a technology-rich environment. Young people, however, are much more ICT proficient than older generations.

- To thrive in the digital economy, ICT skills will not be enough, and other complementary skills will be needed, ranging from good literacy and numeracy skills through to the right socio-emotional skills to work collaboratively and flexibly.

- Digitalisation will provide new opportunities to many but will raise challenges for others, with the risk of growing inequalities in access to jobs and their quality and career potential. More rather than less policy is needed to allow workers to grasp new opportunities and respond to challenges.

- Skills policies should seek to: strengthen initial learning, anticipate and respond better to changing skill needs, increase the use of workers' skills, and improve incentives for further learning

*Source*s: OECD Future of Work Initiative: www.oecd.org/employment/future-of-work.htm.

OECD (2016b), Skills Matter: Further Results from the Survey of Adult Skills, OECD Publishing, Paris, http://dx.doi.org/10.1787/9789264258051-en.

OECD (2016c), Automation and Independent Work in a Digital Economy, Policy Brief on The Future of Work, OECD Publishing, Paris.

The civil service is one actor among many, but a central player in a public value chain

A networked approach to government calls for new measures to address the production and delivery of public value. For example, rather than treating individual services and processes as discrete elements that can be optimised outside any context, thinking of them in terms of a value chain to deliver public services provides a model for considering strategic alignment, citizens' experiences and efficiency and productivity issues. Further, the public value chain allows policy makers to visualise possible gaps, alignment failures, improved resource sharing (e.g. data, processing) and potential system improvements – all of which may imply changes in stakeholder and user interactions, the role played by different professions, and the reduction of barriers to entry for new actors, which further improves the openness and contestability of public services.

This network approach suggests the boundaries of the public sector in relation to four key policy stakeholders are changing (see Figure 1.3 below). First, the political constituents who are held accountable for their capacity to recognise and achieve the right priorities across service areas, defining the mandate and the legitimacy of the public sector.

Second, the post-crisis trend has seen attempts to reduce the size of the public sector, diminishing or privatising some responsibilities. These changes have affected how governments are engaging with suppliers, including how new markets are nurtured, by outlining the current and future roles in the eco-systems of welfare service delivery. Boundary changes include framing and maturing current and future markets, and maintaining competitiveness and competition.

Third, the sharpened policy priorities also shed light on roles non-governmental actors in general can play to support policy objectives. By building partnerships, including with private business, the public sector can increase its capacity to promote desired policy outcomes, functioning as an orienting platform. Fourth, the increasing engagement and inclusion of users is changing the boundaries of frontline service delivery, creating better targeted personal value added through co-production.

Each of these shifting areas suggests a different interface and/or channel for investing in public value, and therefore an associated set of skills that could be identified. At the top, public value is enhanced through senior civil servants' policy advice to ministers, based on evidence-based analysis conducted by their civil servants. Interfacing with suppliers through contractual arrangements brings the idea of commissioning into focus, along with a set of associated commercial skills required to becoming skilled buyers of public value. Working directly with users requires a skill set linked to engagement, facilitation and co-production. Working in partnership brings networked governance into focus, prioritising a skill set related to coalition building, collaboration, boundary spanning,[1] and risk management.

Figure 1.3. The changing boundaries of the public sector
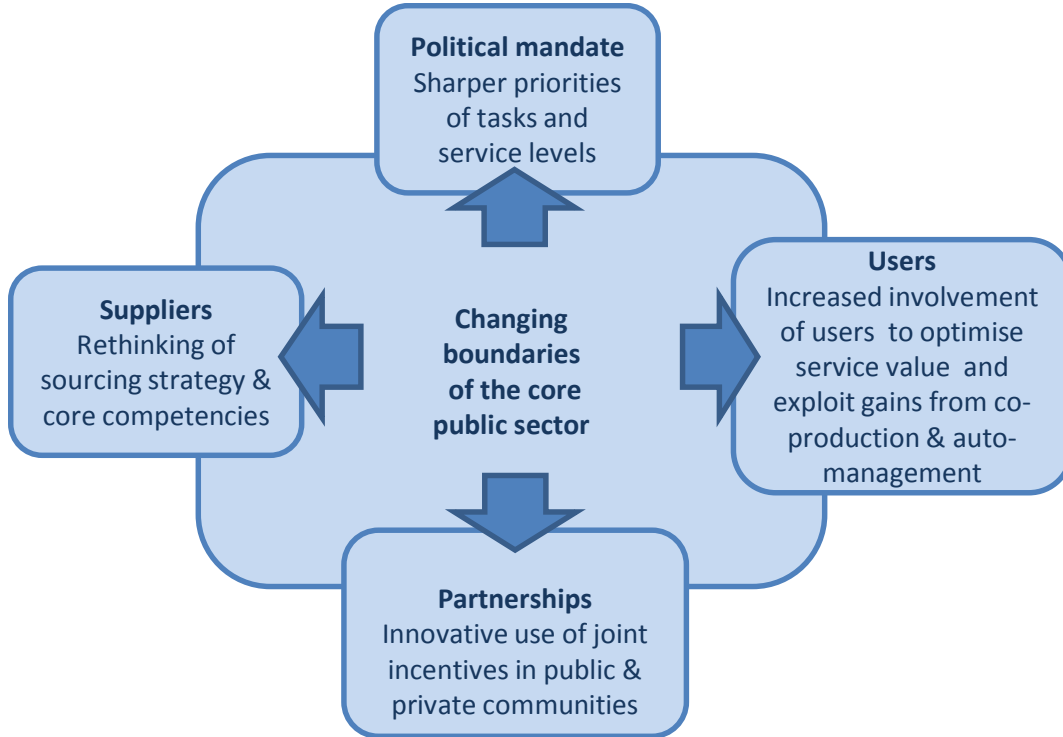
Source: OECD (forthcoming-b), *OECD working paper on digital welfare*, OECD, Paris.

The implications of these changes on the roles, competencies and capabilities of civil servants have rarely been considered from any systematic international perspective. Dickinson and Needham have begun to address these issues in the United Kingdom and Australia. Their 21st Century Public Servant project aims to identify the changing role of public employees at central and local levels, the changing skills required to fulfil these roles, and support and training implications in order to provide insights into the ways central government can support civil servants to meet these changes. Their review of the literature (Box 1.3) supports many of the claims made in this paper, and suggests all of these changes will have a profound impact on the jobs civil servants do and the skill they need to be effective. (Dickinson & Sullivan, 2014).

Box 1.3. Eight lessons about the future of the public service workforce

As part of their programme of work on the future of the public service workforce, Drs. Catherine Needham, Catherine Mangan (University of Birmingham) and Helen Dickinson (University of Melbourne), conducted a search of the literature relating to the public service workforce. This review explored academic and policy literature on public service change, and examined how change is impacting people working in these services. The review outlines eight lessons about the future of the public service workforce:

1. **Future public services will require a different set of workforce roles than in the past**. Whilst professional skills remain important (also see lesson 3) public servants increasingly have a role in negotiating and brokering interests among a broad array of different groups. The public service workforce therefore requires a set of relational skills which aid in forming shared values among a range of competing interests. Crucial in this skill set is the ability to understand services from the citizen or consumer's perspective.

2. **Citizens are changing too**. Citizens are less deferential than in the past and increasingly have higher expectations of what public services should offer. Co-production is a central plank of future public services and there are a diverse range of implications for this in terms of the workforce. There are presently gaps in this respect not only in the skills base of public servants, but also in the development opportunities available to hone these skills and the time and space to practice within organisations.

3. **Generic skills will be as important as technical skills for future public servants**. This lesson is potentially controversial and does not argue that technical skills are not needed. Technical skills are required and there are gaps often reported in these, particularly in relation to contracting and data analysis. However, there are a set of softer and less tangible skills that are becoming increasingly important in relation to communication, digital literacy and person-oriented skills.

4. **Ethics and values are changing as the boundaries of public service shift**. The public sector ethos has been a common reference point in discussions about public service reform for many years. Ethos captures the sense of an intrinsic motivation to service the public, distinctive from extrinsic motivations such as material reward or fear of sanctions. In a context of increased outsourcing, there is a question of whether public sector ethos can survive. Better understanding the bundle of incentives that motivate people to serve the public is part of the workforce challenge for 21st century public services.

5. **Emotional labour will be a key element of future public service work**. Many public service roles are inherently emotionally demanding, and there is consensus emerging over the need for resilient responses to this as a dimension of public service practice. Research evidence suggests that emotions are important constituent components, not just of the caring professions, but also in any roles that involve the spanning of boundaries. If the future of public service roles is to involve greater boundary spanning, then this is likely to become even more important to public servants.

6. **Permanent austerity is catalysing and inhibiting the emergence of new roles**. Recent UK literature has much to say about the impact of austerity on public service workforces. The evidence suggests that in some places, austerity is severely inhibiting the emergence of new roles, whilst in others, organisations are using this opportunity to fundamentally transform their services. Understanding the contexts under which successful transformation might take place within circumstances of fiscal constraint is clearly an important task.

Box 1.3. Eight lessons about the future of the public service workforce *(cont.)*

7. **Hero-leaders aren't the answer**. When leadership is spoken about in the media and in literature it is often focused on individual heroes or heroic models of leadership. However, the evidence suggests that there is a need for a new kind of public sector leader to respond to the changing context, in which leadership beyond boundaries and beyond spans of authority will become important. Rather than focusing on individuals it is necessary to think about forms of distributed or dispersed leadership.

8. **Many professions are coming to these conclusions, but are tackling the issue separately**. A striking feature of the policy literature is that many different professions are coming to the same conclusions, but there is little dialogue between service sectors about how to share lessons and encourage staff to work across boundaries. Whilst these individual conversations have immense value, there may be benefit from bringing together these contributions and thinking about public service issues in a broader way.

Sources: Needham, C., C. Mangan, & H. Dickinson (2013), *The 21st Century Public Service Workforce: Eight Lessons from the Literature,* University of Birmingham.

Dickinson, H. & H. Sullivan (2014), *Imagining the 21st Century Public Service Workforce,* Melbourne School of Government, Melbourne.

The OECD's recommendations on public governance set high expectations for civil servants

The OECD Council has developed a range of recommendations to which civil servants are expected to comply and aspire. Taken together, these create a complex body of principles intended to provide guideposts for effective governments and public institutions. Each of these recommendations implies needs for certain groups of skills in the civil service, in some more explicitly than others. For example:

- The **recommendation on regulatory policy and governance** presents regulatory policy and governance as a whole-of-government activity integrated in the policy cycle of regulatory design, enforcement, review and evaluation supported by appropriate institutions. It emphasises the importance of co-ordination, consultation communication and co-operation throughout the policy cycle. Adhering to this recommendation will require civil servants with skill sets related to a broad range of impact analysis, risk assessment, and strategic foresight to conduct ex ante regulatory impact assessment and ex post evaluation; as well as communication and engagement skills to build buy in and clarify policy challenges (OECD, 2012a).

- The **recommendation on principles for public governance of public-private partnerships (PPPs)** covers the governance pre-conditions for the successful use of PPPs regarding the institutional framework and the skills and competence of the relevant authorities; how to assess, select and manage PPPs to boost value for money; and the use of the regular budget process to minimise fiscal risks and create long-term sustainability. The recommendation makes direct reference to the need for in-depth financial, legal, economic and project management skills. Skills alluded to include assessment of value for money, risk management, commercial, contract management and commissioning skills (OECD, 2012b).

- The **recommendation on the governance of critical risks** promotes a comprehensive, all-hazards and transboundary approach to country risk governance to serve as the foundation for enhancing national resilience and responsiveness. The principles of this recommendation suggest a highly responsive networked governance with the foresight needed to minimise the negative impacts of risk and hazard. This implies skill sets related to broad engagement and network management, top down and collaborative leadership, data foresight and evidence analysis (OECD, 2014a).

- The **recommendation on effective public investment across levels of government** offers a whole-of-government approach that addresses the roles of different levels of government in the design and implementation of public investment, contributing to both national and sub-national development and long-term growth. Skill sets implied to adhere to this recommendation include assessment of risk and uncertainty, negotiation and co-ordination, community engagement and network management. Section 7 of the recommendation explicitly calls for effective human resource management (HRM), knowledge development, relationship management, and a specific focus on capacity at sub-national levels where, in some cases, professional skills may be lacking (OECD, 2014b).

- The **recommendation on budgetary governance** gives countries guidance for designing, implementing and improving budget systems to meet the challenges of the future. The overall intention is to provide a reference tool for policy makers and practitioners involved in the budget process, and help ensure public resources are planned, managed and used effectively to make a positive impact on citizens' lives. It explicitly recommends promoting the integrity and quality of budget forecasts, fiscal plans and budgetary implementation through various activities, including continuous investment in the skills and capacity of staff to perform their roles effectively. These include a range of deep financial analyses, such as performance assessment, value for money, financial risk, forecasting and foresight (OECD, 2014c).

- The **recommendation on public procurement** reaffirms the role of public procurement as a strategic function and provides clear and effective guidance on how to implement a public procurement system that employs state-of-the-art tools and techniques to apply public funds sustainably and efficiently. It explicitly recommends the development of a procurement workforce with the capacity to continually deliver value for money efficiently and effectively. This includes professional standards, attractive and competitive merit-based career options for procurement officials, and promoting collaborative approaches with other knowledge centres to improve skills and competencies (OECD, 2015).

- The **recommendation on digital government strategies** helps governments adopt more strategic approaches for a use of technology that spurs more open, participatory and innovative governments. It posits that values of transparency and citizen engagement need to be explicitly built into how ICT is deployed, which requires a basic understanding of digital opportunities and challenges. The recommendation underscores the need to rethink the concept of traditional civil service skills in light of the digital transformation. It calls for the creation of a data driven culture in the public sector and for the reinforcement of institutional capacities by investing in digital and project management skills (OECD, 2014d).

- The **recommendation on public integrity** provides a new strategic approach for countries to move away from distinct frameworks and develop a coherent integrity system for the public sector that integrates related policies and practices in a mutually supportive way. Thirteen principles are organised in three pillars: 1) building a coherent and comprehensive public integrity system; 2) cultivating a culture of public integrity; and 3) enabling accountability and transparency. This recommendation highlights the need for: skills related to values-based ethical leadership; skills concerning the exercise of appropriate judgement in matters where public integrity issues may be involved; and information, training**,** guidance and timely advice for public officials to apply public integrity standards in the workplace (OECD, 2017c).

- The draft OECD **recommendation on open government** recognises that open government principles are progressively changing the relationship between public officials and citizens in many countries, making it more dynamic, mutually beneficial and based on reciprocal trust. The recommendation will aim to provide a comprehensive overview of the main tenets of the governance of open government strategies and initiatives in order to help countries improve their implementation of open government strategies and initiatives and their impact on peoples' lives. This recommendation calls for adequate human, financial, and technical resources, together with adequate professional incentives and the required skills to design and implement successful open government strategies and initiatives, while promoting a supportive organisational culture (OECD, forthcoming-c).

Taken together, this rich body of normative agreements begins to establish a series of common competencies required of civil servants. Cross-cutting themes that emerge include financial analysis, forecasting and foresight, cross sectorial co-ordination and collaboration, citizen/third sector engagement, commercial skills, and project management - all of which are within the context of public service ethos and values.

Not all civil servants will need to be experts in PPPs, regulatory policy, risk governance and digital transformation, but it is expected that almost all government organisations will need some level of competence in all of these areas, and that most civil servants will need some awareness of the concepts and be fluent in the language of their guiding principles. This leads to questions regarding the kinds of skills that exist and that should be prioritised in civil service workforce development, as well as how these skills are organised and managed, whether centrally or dispersed.

Skills, competencies and capability: Some considerations

Despite the broad use of the concept of "skill" in OECD, academic and governance literature, there is no universally agreed definition. At its most basic, a skill is an ability to do something acquired through training and/or experience. Although most people probably have a sense of the word, there is a debate about how wide the definition should be applied. Should it include only measurable, observable skills, or also qualities related to personality and mindset? This can have policy implications related to, for example, the ability to teach and develop some skills, versus behavioural traits which may appear to be harder to teach.

Another challenge to the concept of skills is to define not only the what, but also the how. Moving from simple abilities (typing, reading) to the way these are combined to

achieve impact in a job setting means moving from skills into competency. For the purposes of this report, the concept of skill includes competency, as the focus is on the essential attributes of employees (knowledge, skill, behaviour, mindset, etc.) required to achieve outcomes in the public sector/civil service context.

A further discussion around skills regards their contextual nature. Workplace skills exist in a workplace and are only useful when they interact with the tools, people and culture of that workplace. This is certainly the case when thinking about impact – skills alone will not translate into capacity and capability at an organisational level – only when they are combined and used effectively (competency) within an organisational context (team, resources, tools, etc.) that allow them to be mobilised.

Another related factor is motivation, which also brings values into focus. Values are "goals or criteria that we use to determine the desirability of certain actions of motives in our lives" (Lyons, Duxbury, & Higgins, 2006, p. 605). The existence of public service motivation suggests individuals who choose careers in the public sector do so because they value the public interest and are motivated to contribute to social change and shape policies that improve society. A recent OECD report shows how values congruence (between employee and employer) and values-based leadership and management contribute to employee engagement, which in turn contributes to performance, productivity and innovation in public organisations (OECD, 2016d).

Wu, Ramesh and Howlette (2015) present a useful model for contextualising policy-related skills within broader organisational and systems perspectives. Using the example of policy analysis in public agencies, they argue that consideration is required at three levels:

1. Individual: what governments will be able to do depends first on whether they have people with the skills required to analyse problems and consider solutions. (This is the focus of this report.)

2. Organisational: in order for people with these skills to accomplish their tasks, they need resources provided to them by organisational systems. This could include, for example, information and data management systems and the availability of other ICT resources and tools.

3. The system level: the organisation itself sits within a wider system. To follow the policy analysis example, capacity can depend on how information and knowledge is generated, shared and mobilised among public and private organisations.

Much of the work to date on public governance has been done at the second and third level of this analysis. Taking the recommendations outlined above as an example, the principles focus mainly on the organisational process and system-level preconditions for success. While most recognise the need for skilled employees, the human resources recruitment and development implications tend to remain vague. This report begins to address this gap.

Box 1.4. Future competencies

The OECD's 2011 report, "Public Servants as Partners for Growth" discusses how employees' competencies and the integration of human resource (HR) policies and practices with business strategies play a central role in sustained competitive advantage and suggests that countries are witnessing a shift from "people as workforce to people as competitive force" (Prastacos et al., 2002: 67). Strategic thinking, innovation, creativity and business sense are absolute requirements for succeeding in almost any kind of job, and that drives the need to define and develop new competencies. Any changing policy environment has a significant impact on both the public service workforce and the range of skills it needs for the future.

The report highlights the future competencies governments have identified to face the challenges of the 21st century. The sources of these competencies are speeches and statements from politicians and senior officials, policy notes, reports on the civil service, annual reports, and local experts' perceptions. Based on these lists, eight "key" future competencies clustered into four meta-competencies are identified:

- creative thinking (creativity and innovation)

- flexibility (flexibility and change management)

- co-operation (work collaboratively across boundaries and relationship building)

- strategic thinking (vision and future orientation).

Sources: OECD (2011), Public Servants as Partners for Growth: Towards a Stronger, Leaner and More Equitable Workforce, OECD Publishing, Paris, http://dx.doi.org/10.1787/9789264166707-en.

Prastacos, G.P., K.E. Soderquist, Y. Spanos and L. Van Wassenhove (2002), "An Integrated Framework for Managing Change in the New Competitive Landscape", *European Management Journal*, Vol. 20, pp. 55-71.

Skills in a professional, strategic and innovative civil service

In the OECD's recent report on fostering innovation in the public sector (OECD, 2017b), the OECD began to outline the possible contours of three different and complementary approaches to civil service management (Figure 1.4). A professional civil service emphasises transparent, fair and merit-based management to ensure integrity and capacity. This is considered to be fundamental and foundational. The strategic view emphasises forward-looking planning, data to understand current capacity, and agility to ensure human resources can be allocated efficiently to areas of high and emerging need. A third layer, innovative HRM, looks at mechanisms to harness the creative potential of knowledge workers in the public sector to contribute new ideas and make innovation happen. Each of these may emphasise a different way of thinking about the skills, competencies and capabilities in the public sector.

Figure 1.4. An HRM for public sector innovation?
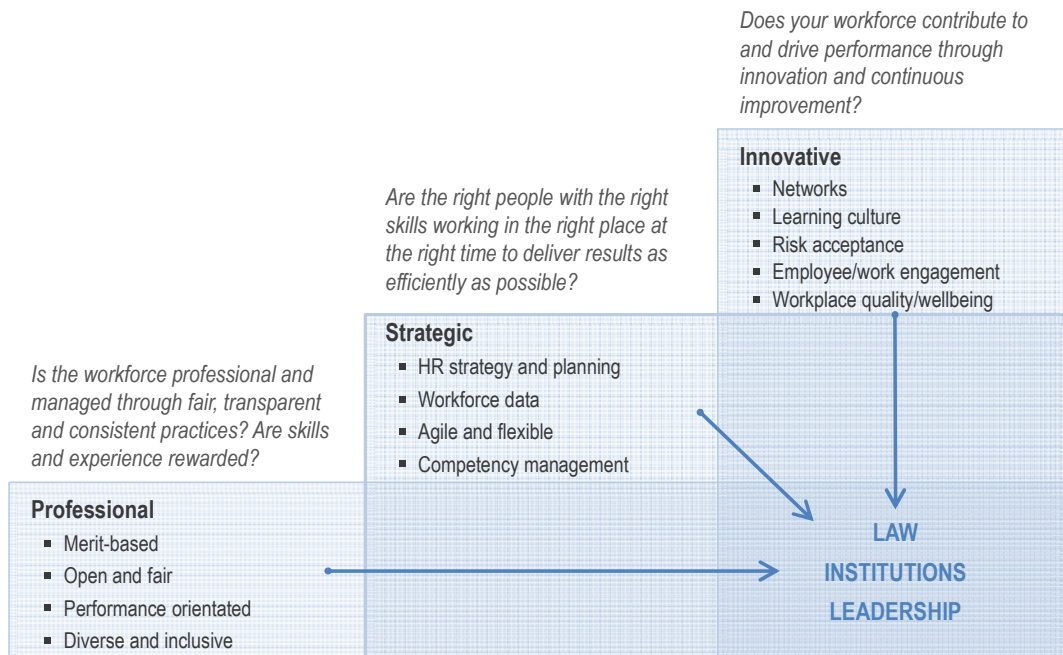
Source: OECD (2017b), *Fostering Innovation in the Public Sector,* OECD Publishing, Paris, http://dx.doi.org/10.1787/9789264270879-en.

According to Susskind and Susskind (2015), "members of today's professions, to varying degrees, share four overlapping similarities: 1) they have specialist knowledge; 2) their admission depends on credentials; 3) their activities are regulated; and 4) they are bound by a common set of values" (p. 15). Civil servants in a professional civil service are expected to be qualified, independent of political influence, values-driven and ethical. Skills in a professional civil service may be thought of as the basic building blocks of each of the various professions that make up a civil service. In most countries, these may traditionally include various combinations of professionals, such as economists, lawyers, statisticians, political scientists, policy experts, and communications specialists. More recently, civil services may also emphasise professional skills, such as ICT, data science, design, STEM (science, technology, engineering and mathematics), HRM, project management, and acquisitions/procurement. Each of these would have the associated training, experience and body of knowledge. These skills can be taught in universities and/or acquired in previous positions.

If professional skills are the building blocks of an independent, values-based and capable civil service, then strategic skills are those that enable professionals to create impact and improve public value for their citizens and clients. Strategic skills emphasise future-oriented and evidence-based problem solving, often by collaborating across professional skills and competencies. They suggest skills related to risk management, foresight and resilience. Strategic civil servants must be networked and able and ready to draw on a range of research, insight and experience beyond their own immediate workplace to inform policy ideas and service delivery outcomes.

Moving to innovation skills requires looking at how civil servants approach their day-to-day work, and their capacities to redesign the tools of governance to develop novel

solutions to persistent and emergent policy challenges. The OECD's Observatory for Public Sector Innovation has defined six skills areas needed in public sector organisations to drive more innovation (Figure 1.5). The first three are of a technical nature. Innovative civil servants need skills to approach their work in iterative ways that generate learning and adaptation over short periods of time. They need some data skills in order to be aware of the potential of data and how to structure projects that can collect and use data to inform and drive change. They need skills to be citizen-centred and to use a broad set of tools and methods to interact with their stakeholders and direct beneficiaries to understand their reality and design a service that meets their needs. The next three skills areas are of a cognitive/behavioural nature. Innovative civil servants need to be: curious in order to search out opportunities to expand their own knowledge and understanding; storytellers, ready to leverage a range of tools to communicate with various stakeholders in ways that they can understand and engage with; and insurgents capable of effecting change in the systems within which they work, able to know when to push, how to negotiate, fight and/or compromise. (see Annex for more details on the OECD's innovation skills framework).

Figure 1.5. Six core skills areas for public sector innovation
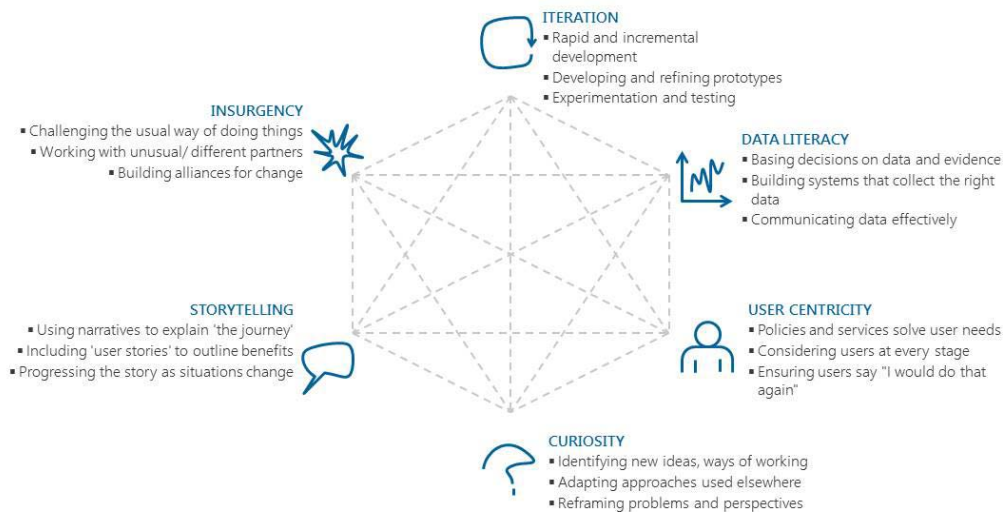
Source: OECD Observatory for Public Sector Innovation (OPSI).

Towards a framework for skills in the civil service

The axes of change described above: increasingly wicked, multi-dimensional problems; increasingly pluralistic and interconnected societies; and the changing/blurred boundaries of the public sector (increasingly open and networked governance), leads to the question of what skills are required in governments today to maximise public value and meet the high expectations presented by the recommendations of the OECD Council.

One way to approach this question is to look at how public value is created and consider the skills implied. Following the changing boundaries of the public sector as described in Figure 1.1, public value can be created through four main channels: policy development in the political sphere, service delivery directly to and with citizens, commissioned delivery through contracted suppliers, and delivery through collaborative partnerships and networks. Each of these may suggest different, although complementary and overlapping, bundles of skills:

- **Policy advisory skills**: leveraging technology and synthesising a growing range of evidence-based scientific insights (e.g. behavioural economics, data science, strategic foresight) and a diversity of citizen perspectives for effective and timely policy advice to political decision makers.

- **Engagement skills**: working directly with citizens and users of government services to improve service experience, legitimacy and impact by leveraging the "wisdom of the crowd" to co-create better solutions that take into account service users' needs and limitations.

- **Commissioning skills**: designing and overseeing various contractual arrangements (outsourcing, PPPs, service level agreements, etc.) and managing projects to achieve impact through organisations (public, private, not-for-profit) that are best placed to deliver services due to their expertise and/or local position.

- **Network management skills**: collaborating with a range of independent partners to address complex/wicked policy challenges by developing a shared understanding of the problem, collectively identifying potential solutions and co-implementation. If money and legal contracts are the currency of supplier management, communication trust and mutual commitment is the currency of network management.

These four areas are combined into a framework model displayed in Figure 1.6, in which skills-driven network interactions deliver public value. Policy making and policy skills are at the top of the triangle and represent the moment an issue makes it onto the political agenda and some level of decision is taken regarding the best course of action to address the issue. This course of action is represented by the continuum along the lower bar of the triangle, which may include direct delivery to the citizen (right side), or a contractual relationship with a third party delivery organisation (left side). Between the two is a zone of networked governance, which represents a variety of multi-organisational arrangements in which the government plays a partnership and/or platform role to advance a common agenda and build public value. Each of the four skills groups are discussed in the next sections.

Figure 1.6. Civil service skills for public value: a framework
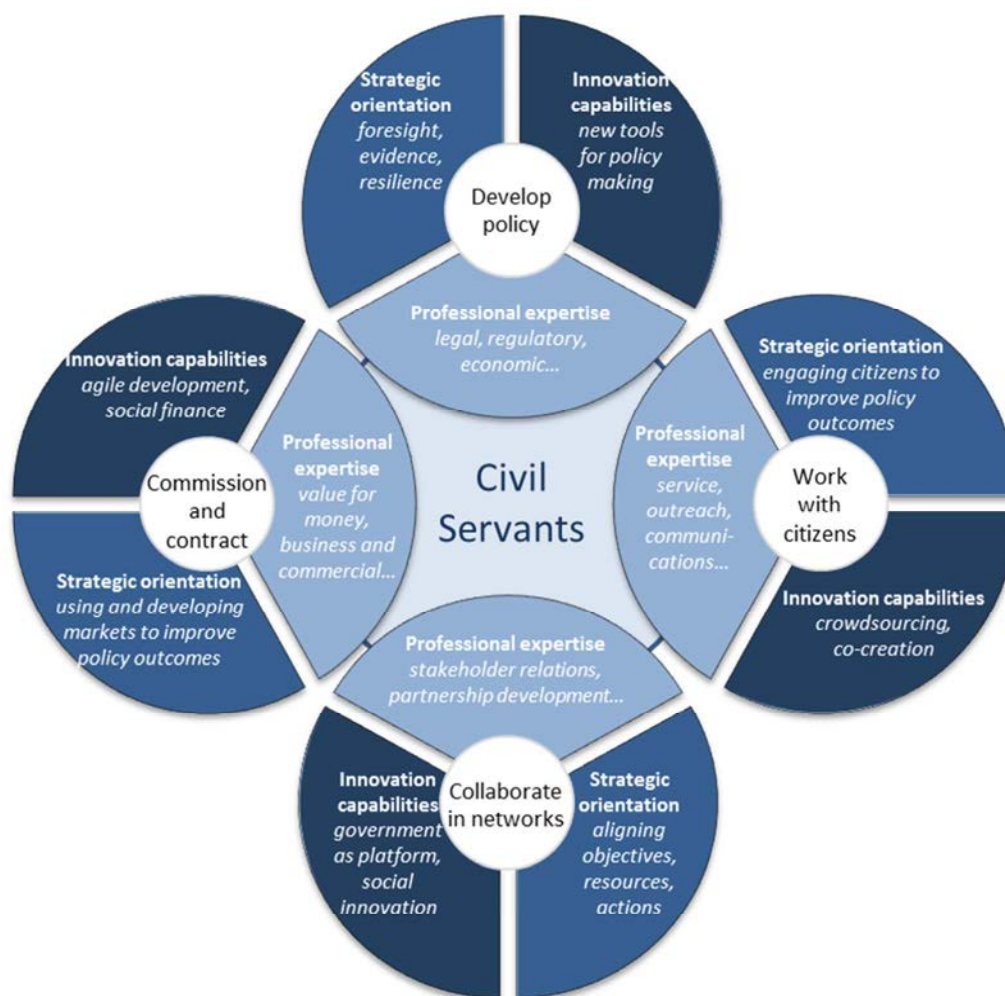
Skills for developing policy

What are the skills?

Providing evidence-based, "frank and fearless" policy advice is a long-standing civil service function in most OECD countries, and the traditional principles of evidence-based, balanced and objective advice to ministers remain fundamental.

Policy analysis skills have traditionally been based on a cost-benefit analysis of multiple options for addressing a particular situation. Such analysis should, it has always been thought, be done with scientific objectivity, with a view to identifying the trade-offs among policy tools and options (e.g. regulation, spending programmes) and isolating an optimal choice. This requires a multidisciplinary skill set to draw evidence and data from a wide range of scientific and technical fields, including economics, sociology, environmental sciences, law and engineering.

The traditional policy cycle approach would expect time to competently research and analyse a policy problem, design a policy through long chains of consultation and approval processes, implement the policy, and then wait for years to run an evaluation and determine whether the policy has achieved its goals. Each of these functions would be carried out by separate people, with specialised skills in each of these areas. This not only leads to a process which can, in many cases, no longer keep pace with the changing speed of society, but it has also led to significant disconnects that have hindered good policy making due to gaps between evidence, policy and implementation.

Kingdon (1984) suggests policy making is not a linear cycle, but results from an alignment between problems, available solutions and actors that come together at particular moments to make policies politically viable. These factors, detailed below, may help to provide a structure to map the kinds of skills required of civil servants who advise ministers and decision makers in policy matters.

- **Problems**: (diagnostic skills) detecting and understanding the root causes of complex policy problems requires analytical skills that can synthesise multiple disciplines and/or perspectives into a single narrative.

- **Solutions**: (design skills) civil servants need an understanding and awareness of a wider range of policy solutions. Traditionally this would include the main policy instruments of government: regulation, taxation, and spending.

- **Political timing**: policy advice is inherently political and although civil servants in most countries espouse political neutrality as a core value, they cannot be tone deaf to the tune of politics. Policy windows open at moments in political cycles, or as the result of shifts in public opinion and perception. This requires skills related to timing, and designing policy proposals in a way that responds to the needs of the moment.

New Zealand has recently brought together policy professionals to develop a common framework showing the kinds of policy skills required today in its civil service (Box 1.5).

Box 1.5. New Zealand policy skills project

The Policy Skills Framework (PSF) is a common description of the knowledge, skills and behaviours required of the modern policy professional. Rather than focusing on competencies, the framework outlines the mix of skills policy that practitioners need. It allows for varying levels of experience in each component (from developing to expert/leading), acknowledging that individuals have different strengths (skills breadth and depth).

On the demand side, the skills framework will help policy managers articulate the skills mix they require when recruiting, and help them to map the overall skills profile of their teams and any gaps and overlaps.

It also provides the foundation for the senior policy community to agree on levels (developing, practicing, expert/leading) for each component in the skills framework and expectations for key levels of the policy workforce (analyst, senior analyst, principal analyst and beyond). It could enable a more collective approach to training (both formal and on-the-job).

The PSF has the potential to support and signal diverse policy career pathways. It provides a platform for a future articulation of "policy archetype" – deep analytical expert, engagement specialist, policy innovator/entrepreneur – reflecting the growing consensus that the policy community requires diversity, not a one-size-fits-all conception of the policy analyst/advisor role.

Box 1.5. New Zealand policy skills project *(cont.)*

On the supply side, a common skills framework will allow individuals to show their skills and experience profile –. Individuals have different strengths and may be operating at different levels depending on the skill domain. For example, an individual could be expert at engagement and collaboration, but less skilled at project management. The PSF allows individuals to show their breadth and depth and where they can contribute most to a policy team/process.
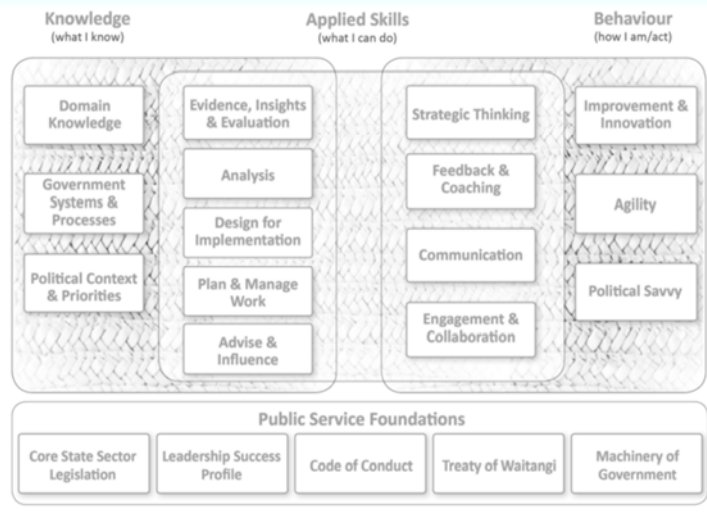
Source: New Zealand Department of the Prime Minister and Cabinet (2016), *Policy Skills website*, www.dpmc.govt.nz/policyproject/policy-skills (accessed 01/08/2017).

How are these skills changing?

Expectations for open and innovative government, technological transformations and other societal forces are significantly changing the traditional skills of policy analysis and advising. Charting all of these changes is not simple, partly due to the fact policy analysis draws from so many disciplines, which makes it challenging to define a policy "profession" with clearly defined and specialised knowledge and expertise.

Furthermore, the field of policy advice appears to be increasingly diverse and competitive. Current OECD research on policy advisory systems (OECD forthcoming-d) underlines the broad skill set that is needed to develop policy advice. In this context, governments often rely on either permanent or ad hoc policy advisory bodies, which are operating at arms' length from core government departments, to help frame policy options. These bodies offer an opportunity for greater inclusiveness and for engaging with a range of either political parties or social and economic partners. These publicly-mandated advisory bodies operate themselves in a full and open context, where other think tanks, academia and various research institutes can also be active.

The civil service often provides the secretariat for such bodies, which can still benefit from greater input and a varied membership. This work is often complementary and upstream, compared to the more direct and downstream policy advice function of policy advisors operating within government departments or in ministers' cabinets. The fact the civil service is operating in a broader, more open and diverse context than in the past may

have led to some questioning the central function of the civil service in terms of its privileged position as a supplier of policy advice. In a context of open data, diverse and inclusive societies, this may imply that developing policy advice can no longer be a monologue within the civil service that is behind the doors of government departments. While the policy advisory skills of the civil service remain essential, they have to operate in a more dynamic and open environment, where civil servants are plugged in to broader policy communities and networks in order to understand the most recent research and arguments being developed, where they come from, and the political agendas of those responsible for their development. The capacity to exert influence will also be connected to the capacity to listen and integrate a set of various voices in the context of policy design.

Returning to Kingdon's three streams, technology and openness influence the kinds of policy skills required to understand problems, design solutions and be politically proficient.

- **Problems**: (diagnostic skills) Pluralistic societies interpret policy situations differently and demand that problem definition no longer be undertaken in a closed environment by experts. Opening up policy making means problems are often raised to the attention of civil servants by citizens and politicians. However, initial problem statements often require refocusing and reframing through, for example, an exploration of data, consultations and discussions with multiple stakeholders, horizon scanning, scenario development and other tools. One of the most important steps in all cases is to identify the right stakeholders and the right experts. This requires civil servants who are networked into broader policy communities beyond their own civil services. The digital transformation provides opportunities to understand the complex interactions of the policy sphere as never before through, for example, bigger and more interlinked data sets and opportunities to engage the public and crowdsource insights. This suggests skill sets related to data science, network analysis, social networking and social media, crowdsourcing and foresight techniques, in addition to more traditional methods of analysis, forecasting, and community outreach and consultation.

- **Solutions**: (design skills) Traditional cost benefit analysis quickly finds its limits in an open society which contests many of its basic assumptions (e.g. the financial value of life, the environment, forecasting accuracy). Today's policy advisers need an understanding of what has worked well in the recent past and how these successes can be adapted and scaled to current problems, while responding to the local context. They need skills to design solutions informed by advances in behavioural economics, social finance, sociology and ethnography, and the range of services delivered through networks of actors. Civil servants need foresight skills to understand potential future scenarios to find solutions that are future proof, i.e. resilient to future uncertainties and sustainable over time. They need systems and design thinking to understand the interactions among the various actors (third party service delivery organisations, other levels of government etc.) and tools to influence their roles in solution creation and implementation when governments don't manage an entire service production system. This includes an understanding of the range of online methods available for delivery solutions, and the skills needed to measure success and adjust along the way. They also need to move from being sector experts to being able to confront and blend different sector expertise.

- **Political**: Balancing the often short-term and urgent needs of politicians for policy solutions with the democratic and evidence-based values and capacity of the civil service is a long-standing challenge that is becoming more difficult given the speed at which politics progresses. Civil servants need skills to understand the timing of how to deliver analysis in a quick and agile way that responds to the needs of the moment. It also means recognising and managing risk and uncertainty. Similarly, the tools for communicating policy ideas to elected officials have significantly advanced to enable more compelling visual presentations and storytelling.

The United Kingdom is working on a project to professionalise its policy function, and has developed three clusters of skills and capabilities it wishes to reinforce through learning in order to define career paths for policy professionals. The three groups reflect roughly those mentioned above: analysis and use of evidence, politics and democracy, and policy delivery (Box 1.6).

Box 1.6. Professionalising the policy function in the United Kingdom

The UK Policy Profession Support Unit aims to create a career path for civil servants involved in policy advising and to assure a level of skill consistency across departments. Through a process of broad consultation they have created a framework of 18 skills, each with three levels:

- Level 1: Identify and attain the working-level knowledge required to operate effectively in a policy environment.

- Level 2: Progress from awareness to active demonstration of policy-making skills.

- Level 3: Demonstrate they are fully competent at a high level in the relevant skills and are leaders of exemplary behaviours across the civil service.
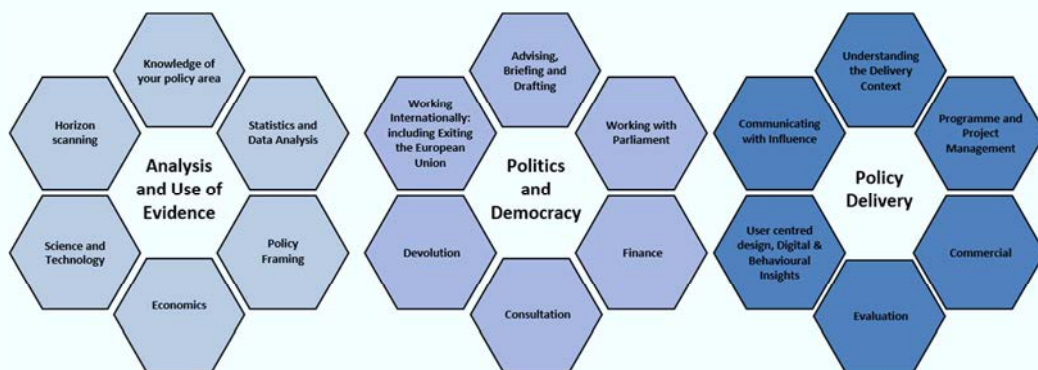
Source: Provided to the OECD by the UK Cabinet Office.

When applying the professional, strategic and innovation lenses described above: professional skills provide a foundation for policy making and advice, strategic skills are mobilised to ensure policy is future oriented and sustainable, and skill sets related to innovation in the public sector help to rethink the tools and processes of the policy making process itself. While not an exhaustive list, some ideas are found in Table 1.1 below.

Table 1.1. Policy skills

Professional	Traditional building blocks of policy making and advice include professionals with expertise in law and regulation, economics, political science, public administration, statistics, etc.
Strategic skills	Designing new policies and refreshing old ones by bringing multiple perspectives to a problem, using foresight techniques to test different scenarios, and building resilience into policy design from potential shocks and unforeseen events.
Innovation skills	Rethinking the tools of policy making, through, for example, experimental policy design, (big) data-driven policy development, open policy making (including the use of ICT for crowdsourcing), design/systems thinking, and behavioural insights.

Why should governments invest in this skill set for civil servants?

The civil service does not have a monopoly on policy analysis and advice. Policy advisory systems extend far beyond the public ministry charged with overseeing the policy field to include a range of actors specialising in specific fields with their own sets of values and agendas. In some cases, the public sector may appear to play a diminished role in policy advice, and may be in competition with these other actors. The case for investing in policy-making capacity in civil services depends on the kinds of challenges a country faces, the extent to which it has invested previously in the analytical capacity of its civil service, and the system of governance. Some of the advantages offered by civil servants are as follows:

- **Focus on the public good and the public sector ethos**: many in the policy profession outside government have a particular ideological perspective on policy development, or exist to promote the advancement of certain groups. As much as possible, independent and professional civil services provide evidence-based advice in the interests of the public good, finding the balance between different interests and voices. This serves to build public trust in government and in government policies.

- **Accountability and integrity**: public sector organisations are generally held to a higher standard of transparency, accountability and integrity than private sector or not for profit organisations, with a clear statement of values and commitment to defensible policy analysis.

- **Longer-term horizon**: while many policy players will be motivated to propose policies that fit the government of the day, it is the civil service's responsibility to implement the policies on a sustainable basis, and it should therefore have an intrinsic motivation to ensure long-term implications and sustainability are properly considered. Similarly, a civil service represents a wealth of institutional memory that can be leveraged to design policies that take into account lessons from earlier administrations.

- **Understanding of delivery and implementation**: many policy advisors see their job as ending the moment a law is passed or a policy announced. The implementation experience developed within the civil service represents an added value that can be used to design policies that can be implemented on time and on budget.

- **Ownership of data**: governments and the public sector have the potential to collect a huge amount of data that can be mobilised to inform policy and service design. With the movement towards open data, this is increasingly being made

accessible to others, but the ability to choose which data is collected in the first place remains a core civil service function.

- **Presence and size**: governments have extensive reach into communities across a country, and can therefore be "on the ground" and connected to the realities faced by citizens. This means the potential for a broader range of research methods, and the ability to understand variation across geographic regions. This implies a need to network across levels of government.

Skills for citizen engagement and service delivery

What are the skills?

Engaging with citizens has long been undertaken by governments in one form or another at various stages of policy and service development. It is also a common component of almost every recommendation the OECD Council has developed related to public governance. Input from citizens can help to design better and more cost-effective policies, as well as build the community ownership for policy and service solutions required to ensure sustainable impact over a long term.

The quality of interaction with citizens varies, depending on the purpose. Government employees who interact regularly with citizens to provide services require service skills. These employees are physical ambassadors of the state and their service competency can have a direct impact on the perception that citizens have of their government, including their trust in public institutions and services (Heintzman & Mason, 2005).

Employees involved in service management, design and/or policy making require skill sets that enable input from citizens into these processes. This is often represented as a spectrum, from informing at one end, to collaborating (making decisions together) at the other, for example (OECD, 2016c). Each of these may imply a different set of tools and skills that emphasise different combinations of communication, consultation, outreach and facilitation. Part of the challenge includes knowing which tools to apply to which situations, and an awareness of which voices to engage in the process and how to avoid such processes being captured by organised interest and pressure groups.

How are these skills changing?

While service delivery, communication, consultation and engagement have long been part of the government toolkit, three trends are changing the skills required. The first is an increasingly complex service delivery landscape in many countries. The second is technological change which results in new channels and tools for engagement. The third is the push for more open and innovative government, which means civil services are expected to incorporate meaningful input and participation at a greater number of stages of the policy/service design process.

The complexity of public service delivery has grown in most countries as the channels for service delivery increase and services are increasingly delivered by networks of agents who may or may not be directly employed by the government. In many ways, client-facing employees are required not only to provide services, but also to help citizens to find their way through these complex service systems to get the help and service they need. This means client-facing public employees need to be more than transactional, and also need to act as guides or pathfinders to help citizens navigate complex webs of services, entitlements, benefits and eligibility requirements.

Client-facing employees have a direct impact on the quality of the service experience and, by extension, overall trust in government services. However, to serve well requires a detailed knowledge and awareness of the community and the government – skill sets which are not always easy to find or to develop. This implies a need for high-level communication skills, empathy and reflection, as well as a level of discretion and empowerment to resolve issues. In some governments, frontline positions are considered entry-level or even outsourced to private service providers. The risk is that citizens will quickly discover the limits of the information and knowledge possessed by these employees, resulting in an inadequate service experience.

When Service Canada was established as a cross-governmental portal for government services, it recognised that effective HRM and the development of a service excellence culture was essential for achieving its ambitious goal of transforming service orientation towards a citizen-centred rather than programme-centred service. This was achieved through training initiatives and a career development programme in service excellence co-ordinated through the Service Canada College, the inclusion of service excellence as a competency for employees, and awards to recognise service excellence among employees. (Flumian, Kernaghan, & Coe, 2007)

The digital transformation in governments is resulting in an ever increasing number of ways in which civil servants can interact with citizens to identify problems and design better policy and service solutions. Social media can allow governments to crowdsource ideas from citizens and can provide platforms for policy discussions and debates to overcome geographical and time-related barriers. Managing social media is a particular skill set that is not usually combined with policy expertise, and that requires a new and constantly updated skill set to maximise potential. However, most OECD countries have not developed strategies or plans to develop social media skills (Mickoleit, 2014).

User centricity is also a recognised ingredient of public sector innovation, as highlighted in the innovation skills annexed to this report. At its most basic, this means designing policies and services with a specific end user in mind and actively working to understand how the intervention will positively impact their lives. Human-centred design principles emphasise how people interact with systems and processes, while behavioural science can help to analyse the way people think and respond to different situations. The OECD has compiled 112 case studies of the use of behavioural insights from around the world, and conducted a survey which shows only 45% of institutions involved in behavioural insights employ behavioural scientists and/or experts (OECD, 2017d).

To develop effective user-centred services and policies, officials must adopt participative approaches that involve users throughout the life of the project. This may be as simple as undertaking user research at different stages (to identify needs and test prototypes, alpha, beta, and live versions) through to deep participatory exercises such as the co-production of a policy or service which aims to foster a sense of joint ownership between officials and users. Specific skills in this regard involve facilitation and design skills, ethnographic research skills, and online consultation and engagement skills.

Applying the professional, strategic and innovation lenses described above, professional skills provide a foundation for service and engagement, strategic skills are mobilised to ensure these skills are used to achieve results, and skill sets related to innovation in the public sector help to rethink the tools and processes of interactions with citizens. While not an exhaustive list, some ideas are found in Table 1.2 below.

Table 1.2. Skills for citizen engagement and service delivery

Professional	Traditional building blocks of service and engagement skills include professionals with expertise in public relations, communications, marketing, consultation, facilitation, service delivery, conflict resolution, community development, outreach etc.
Strategic	Using engagement skills to achieve specific outcomes to inform, for example, better targeted interventions, or nudging public behaviour towards desirable outcomes, such as healthier eating habits or smoking reduction.
Innovative	Innovation skills applied to engagement to expand and redesign the tools themselves through, for example, co-creation, prototyping, social media, crowdsourcing, challenge prizes, ethnography, opinion research and data, branding, behavioural insights/nudging, digital service environments and user data analytics.

Why should governments invest in these skills?

Bringing insights from the public into the design of better policies and services is one of the main challenges facing public servants in today's modern governance environment. In 2010, the OECD conducted a study on the co-production of public services and found that developing the knowledge and skills of government in this work is a key success factor. Conversely, a lack of knowledge and skills in this area was among the most commonly identified barriers. Similar findings re-emerged in 2016 from the survey conducted on open government (OECD, 2016c): the skills knowledge and abilities of civil servants were consistently rated among the highest barriers countries faced in meeting their open government objectives. The digital government agenda has provided a renewed focus on the potential for putting citizens at the centre of service design.

Engaging with citizens is not something that can be easily outsourced, as meaningful insights generally come from the quality of the interaction between designers, decision makers and service users. As governments find themselves under increasing pressure to be open to new ideas and innovation, public employees who may have previously worked primarily behind closed doors will find themselves increasingly interacting with an informed and demanding public. Handing over the engagement work to private consultants may reduce the impact of the engagement activities by reducing the interaction between citizens and government, while also opening up more potential for capture by particularly well-organised interest groups.

Skills for commissioning and contracting services

What are the skills?

Increasingly, civil services establish contractual relationships with third party service providers to deliver services to citizens on their behalf. This can take many forms, from service contracts, grants to non-profits, social impact bonds, and PPPs. The OECD recognises the importance of providing guidelines for managing these relationships in the form of the recommendation on public procurement and PPPs. Expectations are that civil servants will be able to conduct complex impact assessments, cost benefit analysis, risk management, forecasting and foresight, and assess value for money.

This implies a range of commercial, legal and regulatory skills that go far beyond most countries' expectations of traditional procurement agents. They include knowledge of markets and the ways firms operate, how to design and manage contractual relationships in a way that provides value to all parties (and especially the public) and how to regulate markets. This implies not only commercial skills to set up and manage contracts, but also the ability to set market-based policy frameworks and design systems

for providing feedback on how the various actors (regulators, commissioners, providers) are achieving policy objectives (Blatchford & Gash, 2012). Finally, public employees setting up and managing contracts need to have skills related to integrity and managing conflicts of interest.

Box 1.7. What competencies do contract managers need?

Don Kettle charts the growth of government "contracting out" in the United States and suggests that today, much of the government's substantive work is done by contractors. This requires public employees to manage a range of contracts, for which Dr. Kettle believe many are poorly prepared. He suggests that in order to manage such contracts effectively, public employees require the following competencies:

- They must have strong substantive backgrounds so that they can understand the issues that bubble up from the contractors.

- They must be quick students in complex areas, so that they can steer contracts in the direction that governmental policy requires.

- They must be adept negotiators.

- They must be good financial managers, for control of the money flow is typically the strongest control of programmatic results.

- They must be good auditors to ensure that money ends up going where they intend.

- They must be able to evaluate the outcomes of these complex relationships among government, contractors and subcontractors, so that they can assess whether government is getting its money's worth.

- They must, in short, be experts in steering complex processes.

Source: Kettl, D.F. (2010), "Governance, Contract Management and Public Managemnet", in S. P. Osbourne, *The New Public Governance? Emerging perspectives on the theory and practice of public governance,* Routledge, London.

How are these skills changing?

The significant increases in commissioning amounts and complexity, the high levels of public funds implied, and the potential for high profile failure push the skill set for commissioning into the spotlight. Furthermore, the shift towards increased transparency and accountability for government spending has led many to question how the government is able to account for the impact of such spending. This means a need not only to design a contract and oversee its management, but also to conceive of performance indicators that are able to track value for money, and investment instruments that are flexible enough to adjust when indicators suggest a need for change. Technological change provides new opportunities for contracting, but also increases the complexity of the project and technical risks involved. There is a sense that in many cases an information asymmetry challenges government to be a smart buyer and manage the associated risks.

One challenge that has been outlined by the Office of Management and Budget (OMB) in the United States is to increase both the capacity of the "acquisition" workforce in terms of skills and numbers and to strengthen the linkages between contracting officials and the programmes they contract for. This implies the need for some level of

contracting and commercial skills within the broader programme analyst profession in order to "1) describe requirements in a way that generates interest from capable sources and robust competition; 2) support them in negotiating lower prices, favourable contract terms, and the right incentives for contractors to control their costs and perform efficiently; and 3) perform day-to-day contract management as the contracting officer's technical representative (COTR) to ensure that contractors perform as they promised" (US Office of Management and Budget, 2011). The challenge is that most programme and policy specialists are not contracting or commercial specialists.

This is similar to the UK's broad interest in improving commercial skills across its civil service workforce. According to the 2013 capabilities plan, obtaining better value from the GBP 45 billion spent each year on goods and services requires commercial skills across the whole civil service, not just in the procurement profession. The challenge is ambitious: "how to plan and engage with the market to obtain most choice and innovation; how to procure and contract intelligently; and how to manage the delivery of goods or services so that our expectations are met" (UK Cabinet Office, 2013).

Box 1.8. Commercial capabilities in the UK civil service

The UK Capabilities plan recognised that value is obtained during three phases of commercial engagement, and argues that civil servants overly focus on the procurement phase. It calls for all civil servants involved in policy development and delivery (not only procurement specialists) to do the following:

- **Pre-procurement**: Develop better skills to specify needs confidently, clearly and concisely, while not being overly prescriptive, in advance of commencing a formal procurement. This will allow for meaningful, planned and competitive engagement with the whole market.

- **Procurement**: Understand the underlying economics and contracting aspects of suppliers' tenders, including pricing techniques, margins and open book arrangements, as well as basic contracting terms, such as contract changes, intellectual property rights and termination. Knowing how to negotiate a good deal and applying commercial judgment is as important as understanding the procurement process.

- **Post-contract**: Understand and apply commercial techniques to ensure that suppliers deliver to meet (contractual) expectations in order to maintain best value, and be able to negotiate with suppliers when they do not deliver, including competently and confidently handling disputes.

Source: UK Cabinet Office (2013), Meeting the Challenge: A Capabilities Plan for the Civil Service, Cabinet Office, London.

Applying the professional, strategic and innovation lenses described above, professional skills provide a foundation for commissioning based on value for money, strategic skills use markets to achieve policy objectives, and skill sets related to innovation in the public sector help to rethink the tools and processes of commissioning and interaction with delivery organisations. While not an exhaustive list, some ideas are found in Table 1.3 below.

Table 1.3. Skills for commissioning and contracting services

Professional	Building blocks of commissioning skills include professionals with expertise in value for money, contract design and management, procurement, business management, commercial law and economics, finance and investment, audit and control, project and risk management etc.
Strategic	Using commissioning skills and techniques to increase medium term policy impact; working with the market to develop innovations; using commissioning to achieve secondary policy objectives, such as building a greener economy; and supporting small and medium-sized enterprises (SMEs) and social enterprises, etc.
Innovative	Rethinking the processes of commissioning through approaches and financial tools that support innovation in and outside government such as agile development, data-driven key performance indicators (KPIs), early market engagement and partnerships, instrument selection, social finance, impact investing, social impact bonds, vouchers, etc.

Why invest in these skills?

Many OECD countries have seen a rapid growth in government contracting and commissioning for the delivery of services in recent years. The money spent on goods and services used and financed by OECD governments (intermediate consumption) is, on average, almost equal to that spent on public employment (Figure 1.7). In the United States, government contracting has almost tripled since 2000, and the Government Accountability Office's concerns about the lack of capacity to manage complex contracts places the issue on its high-risk list (US Government Accountability Office, 2015a). In some government areas, commissioning is the primary delivery vehicle for government services. This represents a significant shift in the roles of civil services and civil servants, from delivering impact to buying the impact they seek to achieve. However, the skill set involved in managing contracts, PPPs, and service level agreements is rarely prioritised in the civil services of OECD countries.

Figure 1.7. Production costs as a percentage of GDP, 2015
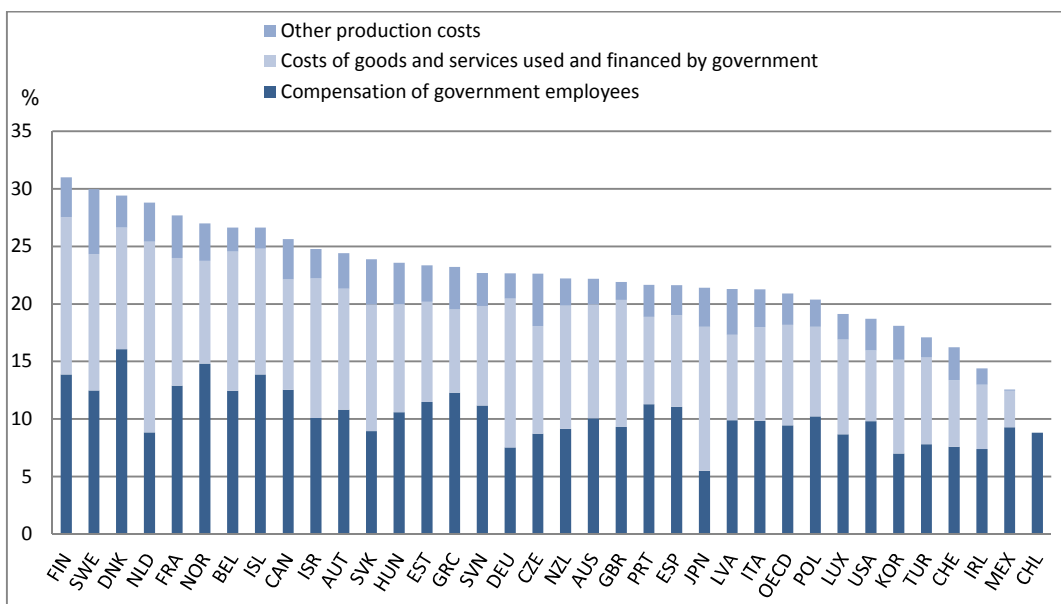
Notes: Data for Australia are based on a combination of National Accounts and Government finance statistics data provided by the Australian Bureau of Statistics. Data for Chile and Turkey and are not included in the OECD average because of missing time series or main non-financial government aggregates.

Source: OECD National Accounts Statistics (database).

In an extreme sense, if governments move closer towards outsourcing all functions, the one function that must remain is the outsourcing function itself. In this sense, the skill set implied may be the most core of all, but is often sidelined in government agencies. In many countries, commissioning is not considered to be a highly skilled and well-paid function, despite the significant amount of money spent. Slow and ineffective commissioning threatens the quality of the services the government pays for, and ultimately the impact these services will have on the ground. Contract managers need to understand much more than the rules of the procurement and contracting system. They need keen management, policy and business sensibilities, which are skills that are particularly difficult to come by in many civil services. Therefore, many observers agree that contract oversight skills are a significant, high-risk gap. Some point to the lack of attractiveness, stature and career paths for this type of work in government agencies, for example, (Kettl, 2010); (Durant, Girth, & Johnston, 2009); (US Government Accountability Office, 2015b); (UK Cabinet Office, 2013).

Skills for managing in and through networks

What are the skills?

Somewhere between working directly with citizens and working through contractual relationships there exists a modality that is receiving increased attention: collaboration and adaptive management through networks. There are many examples of collaborative partnerships and networks that combine multiple government agencies and various private and not-for-profit organisations to collectively address common problems. Some suggest this is the primary governance model of the future as collaborative networks can tap into a wider body of knowledge, perspective and technology than any one organisation, and can help to generate consensus around problems, definitions, potential solutions and collective implementation (see, for example, (Williams, 2012); (Osborne, 2010); (Agranoff, 2007); (Goldsmith & Eggers, 2004)).

Managing networks requires a mix of information and relational skills, and ultimately depends on trust within the network participants. Key skills in the literature on networked governance include trust building, systems thinking, high-level interpersonal skills (coaching, mediation, negotiation, facilitation, diplomacy), building consensus and joint problem solving, brokerage and political entrepreneurship, risk analysis, project management, flexibility and adaptability, bridge-building, feedback loops, communication skills, and creative problem solving. This is the realm of boundary spanners and implies a very different approach to leadership and solutions development. Williams (2012) studied boundary spanners functioning in public networks, and identifies four roles, each with their own competencies (Table 1.4).

Table 1.4. Boundary spanners' roles and competencies in public administration

Role	Dominant images	Main competencies
Reticulist	Informational intermediary, gatekeeper, entrepreneur of power	Networking, political sensitivity, diplomacy, bargaining, negotiation, persuasion
Interpreter/Communicator	Culture breaker, frame articulator	Interpersonal, listening, empathising, communication, sensemaking, trust building, conflict management
Co-ordinator	Liaison person, organiser	Planning, co-ordination, servicing, administration, information management, monitoring, communication
Entrepreneur	Initiator, broker, catalyst	Brokering, innovation, whole systems thinking, flexibility, lateral thinking, opportunistic

Source: Williams, P. (2012), *Collaboration in Policy and Practice: Perspectives on Boundary Spanners*, Policy Press, Bristol.

How are these skills changing?

Of the four areas, managing in networks may be the least studied and therefore represents a newer skill set, at least in the way it is presented. Collaborating in networks was not emphasised in Weberian hierarchical bureaucracy. New public management emphasised contractual, market-oriented relationships which align with the commissioning skill set described above. Managing in networks may best align with the emerging model of governance – be it new public governance, new public service, or other labels which analyse the role of government regarding civil society (the difference between government and governance) and emphasise a broad array of alternative delivery mechanisms, cross-sector collaboration and citizen engagement. "[The role of] public managers goes well beyond that in traditional public administration or new public management; they are presumed able to help create and guide networks of deliberation and delivery and help maintain and enhance the overall effectiveness, capacity, and accountability of the system" (Bryson, Crosby, & Bloomberg, 2014, p. 448). "The neutral, competent servants of the political executive must now master the skills for managing the complex, non-routine issues, policies and relationships in networks; that is, meta-governing, boundary spanning, and collaborative leadership. The task is to manage the mix of bureaucracy, markets and networks" (Rhodes, 2016, pp. 640-641).

Box 1.9. Systems thinking in the public sector

Systems thinking is an emerging approach in both innovative service delivery and public sector reform. The OECD has analysed the methodology in a recent report: "Working with change: Systems approaches to public sector challenges". The term "systems approaches" is used to describe a set of processes, methods and practices that aim to affect systemic change. These include systems engineering, systems innovation, systems thinking and design thinking. While systems approaches are not new, their use in the public sector is recent and still largely unexplored. Nevertheless, system thinking has great potential to affect transformative change within the public sector in areas where institutions are outmoded by 21st century problems stemming from interconnectivity, cyber threats, climate change, changing demographics and countless other factors. Rather than just looking at policy problems and accepting the immediate issue, systems thinking encourages looking at where that problem is situated, and seeks to explore where the actual cause of the problem might be. Thus, systems thinking does not only address the resilience or robustness of public sector systems, but helps to redefine the functions and purpose of systems to respond to new realities. As such, systems approaches help government confront, in a holistic way, problems that span current administrative and territorial boundaries.

Box 1.9. Systems thinking in the public sector *(cont.)*

While systems approaches can be very complex, not all public servants have to become systems thinking specialists. Using these approaches to initiate wide-scale systems change in the public sector usually necessitates expert help. However, as systems thinking implies transformative change in the face of complexity, it requires new types of skills, (adaptive) capacities and ways of working for public servants to be effective in the public sector. Consequently, using systems approaches in the public sector implies "reflection-in-action" and "learning by doing", because in areas where systems thinking is most effective, uncertainty is high and there may not be an evidence base to fall back on. Thus, in addition to being aware of systems approaches, public managers should start to monitor (develop feedback systems from implementation) and evaluate complex processes continuously to be able to identify and work on problems. Policy experts within specific fields should have more precise knowledge of how their policy systems work, who the stakeholders are, and the possible causal relationships within the system or types of uncertainty the system faces.

Source: OECD (2017a), *Working with Change: Systems approaches to public sector challenges*, OECD Publishing, Paris, www.oecd.org/governance/observatory-public-sector-innovation/library/28.02%20systems%20thinking%20schedule%20FINAL.PDF.

While this has implications for skills throughout the civil service, leadership is particularly implicated. Collaborative leadership is a growing field and provides a counterbalance to the top-down transactional and transformational leadership styles emphasised in bureaucracies and new public management. Collaborative leadership emphasises leadership as a trait projected horizontally. Leaders catalyse and facilitate collective action, and leadership roles are generally dispersed among different levels of an organisation and multiple stakeholders (for a good discussion, see Head and Alford, 2015; or Sorensen and Torfing, 2015). Nevertheless, leaders at the top remain of key importance as they establish the culture of trust and frameworks for delegation and accountability.

Applying the professional, strategic and innovation lenses described above, professional skills provide a foundation for network management, strategic skills are mobilised to ensure these professions are used to achieve policy objectives, and skill sets related to innovation in the public sector help to rethink the tools and processes of networking and partnering with others. While not an exhaustive list, some ideas are found in Table 1.5 below.

Table 1.5. Skills for managing networks

Professional	Building blocks of network management skills include professionals with expertise in stakeholder relations, partnership development, knowledge management and sharing, project management and co-ordination.
Strategic	Using partnerships and networks to establish common objectives, align responsibility and resources, and effect positive change.
Innovative	Rethinking the processes of government through approaches and tools that support innovation in and outside government, incubating social innovation, leveraging government as a platform, building partnerships around open government data, systems thinking and analysis, framing issues around results, identifying and engaging new actors, change narrative, alternative regulation (e.g. behavioural insights), etc.

Why invest in these skills?

Answering the call for open, innovative and agile government will require more than adequate citizen consultation, good contract management, and effective policy design. The blurring of the lines between public, private and third sectors is increasingly profound, and governments must respond. The idea of collaboration and co-operation is more and more common in public sector leadership frameworks in recognition of the fact public policy dilemmas are too complex for governments to solve on their own.

Recognising the benefits of working in networks, and the fact this is happening, does not lead to a de-skilling of the civil service, but the recognition that there needs to be investment in this skill set. Kettle (2009) looks at a range of case studies and concludes, "policy problems define processes, goals drive interactions, and leaders co-ordinate across multiple boundaries" (p.13). The network is an empirical reality, but because they tend to be policy driven and context specific, this skill set is particularly hard to define. What is clear is it requires a different approach to leadership – one which reduces the reliance on the heroic model and instead emphasises collaboration (Wilson, 2013). Rhodes (2016) suggests it may be more of a craft than a science "to accept the importance of experiential knowledge as well as formal knowledge" (p.642).

However, skills alone won't be enough

Moving from professional to strategic and innovative level skills needs to be matched by a change in the way they are organised, managed and led. For example, the traditional policy cycle view has often led to organisational separations in the policy and delivery functions, which many have reduced the intended impact of policies and services. These kinds of silos are often reinforced by traditional heroic and transactional command and control leadership styles. Innovative skills will need to be matched by a more innovation-oriented and dispersed approach to leadership that values collaboration, bottom-up expertise and horizontal sharing of knowledge and insight. This implies moving from a compliance view of management to a values-based model, where common values and trust enable autonomy and debate. These ideas are further developed in the OECD's report, "Engaging public employees for a high performing civil service (OECD, 2016d) (see Box 1.10).

Box 1.10. Leadership in a professional, strategic and innovative civil service

According to Bass (1997, 1985) the transactional-transformational leadership paradigm is a proven universal phenomenon in all cultures. At its most basic, leaders and followers enter into an exchange through a process of negotiation. Leaders then reward or punish followers depending on the level and quality of their achievements. This is transactional leadership. This may be emphasised in a professional civil service.

Moving towards a **strategic** civil service may require transformational leadership, which recognises the role of motivation and human emotion in the leader-follower relationship. "Authentic transformational leaders motivate followers to work for transcendental goals that go beyond immediate self-interests" (Bass, 1997). Bass identifies the following components of transformational leadership:

- **Idealised influence** (charisma): leaders display conviction; emphasise trust; take stands on difficult issues; present their most important values; and emphasise the importance of purpose, commitment, and the ethical consequences of decisions.

> **Box 1.10. Leadership in a professional, strategic and innovative civil service** *(cont.)*
>
> - **Inspirational motivation**: leaders articulate an appealing vision of the future, challenge followers with high standards, talk optimistically with enthusiasm, and provide encouragement and meaning for what needs to be done.
>
> - **Intellectual stimulation**: leaders question old assumptions, traditions, and beliefs; stimulate in others new perspectives and ways of doing things; and encourage the expression of ideas and reasons.
>
> - **Individualised consideration**: leaders deal with others as individuals; consider their individual needs, abilities, and aspirations; listen attentively; further their development; advise; teach; and coach.
>
> While the transactional–transformation paradigm appears to have dominated leadership discussions in recent years, researchers and observers are beginning to ask whether even transformational leadership is appropriate for the challenges facing the public sector today and in the future. Sorensen and Torfing (2015) suggest that collaborative innovation in the public sector requires a different kind of leadership and management. They argue that, "Transactional and transformational leadership continue to be important to ensure an efficient implementation of predefined goals through well-described bureaucratic practices, but they have limited value when it comes to rethinking goals and practices and changing the way that problems and challenges are reframed and new practices are designed, tested and adjusted." They point instead to the discussions and debates around "adaptive" and "pragmatic" leadership:
>
> - **Adaptive leadership** aims to determine which public activities to maintain and which to adapt and transform. It then seeks to develop new practices by crafting and testing prototypes and by aligning people across an organisation in order to ensure effective execution and to facilitate the integration of new with old activities.
>
> - **Pragmatic leadership** aims to transform the culture of public organisations in ways that enhance double loop learning and use existing tools to solve problems by changing established practices – including transformative learning that develops new metaphors and narratives that help frame what is difficult to comprehend, expand knowledge and toolboxes, and change identities and roles.
>
> *Sources:* Adapted from OECD (2016d), *Engaging Public Employees for a High-Performing Civil Service*, OECD Publishing, Paris, http://dx.doi.org/10.1787/9789264267190-en.
>
> Bass, B. (1997), "Does the Transactional-Transformational Leadership Paradigm Transcend Organizational and National Boundaries?", American Psychologist, pp.130-139.
>
> Bass, B. (1985), Leadership and Performance Beyond Expectations, Free Press, New York.
>
> Sorenson, E., & J. Torfing (2015), "Enhancing Public Innovation through Collaboration, Leadership and New Public Governance", in A. J. Nicholls, & M. Gabriel (eds.), *New Frontiers in Social Innovation Research*, Palgrave Macmillan.

Civil servants do not need to be masters in all of the above skill sets, but will likely need a basic understanding of them as they develop their careers towards leadership positions. Specialists in each will need to be organised so they can provide their skills when and where appropriate in order to provide the right mix and balance as the situation requires.

Bringing these various elements together requires bringing the skill sets together organisationally and in practice. It requires bold new ways of approaching policy and

service experimentally so interventions can be tested and adjusted in real time as they are incrementally implemented. It also means building feedback loops across all areas of the framework above to ensure that insights from users of services, organisations that make up the delivery networks and contractors can feed into the evidence base. This kind of flexibility and adaptive management is not part of a traditional approach to policy making.

The next section of this report will tackle these organisational issues more directly by looking at how civil services in central public administrations are organising themselves to attract, develop and manage skilled civil servants. It looks at the use of workforce planning processes to assess what skills are needed and to determine skills gaps, how these gaps can be filled through recruitment and development, and how people with these skills are organised to ensure the best use of their skill sets.

Notes

[1] Williams (2012) defines boundary spanners as, "individuals who have a dedicated job role or responsibility to work in collaborative environments such as, partnership co-ordinators, crime and community safety officers, anti-poverty co-ordinators and health promotion managers who co-ordinate, facilitate and service the processes of collaboration between a diverse set of interests and agencies. These boundary spanning posts occur at different levels in the organizational hierarchy – at a senior level with posts combining health and social care, at a middle management level for example in relation to partnership co-ordination, and at the frontline with responsibility for special cross-cutting programmes." (p.19)

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Chapter 2.

Towards a highly skilled civil service

Building and managing a civil service with the right skills requires a new look at public employment and management policies and frameworks, and at how people are managed in civil service. This chapter looks at the results of a recent survey on civil service management and reform to identify current practices and promising innovations in public sector people management. This includes specific focus on tools and methods to understand and identify skills gaps in the civil service, and ways to fill these gaps through targeted recruitment by promoting strategic learning and development. This chapter also looks at ways to ensure a highly skilled public sector workforce finds a home in organisations which are ready to put those skills to use.

The Statistical data for Israel are supplied by and under the responsibility of the relevant Israeli authorities. The use of such data by the OECD is without prejudice to the status of the Golan Heights, East Jerusalem and Israeli settlements in the West Bank under the terms of international law.

The first part of this report identifies four broad skills groups required for civil services to be effective: skills for policy development, for serving and working with citizens, for developing contractual relationship with third party service provides, and for managing through collaborative networks. Moving from skills definition to skills management requires a new look at public employment and management policies and frameworks, and at how people are managed in civil service. This part of the report is organised around four themes (Figure 2.1). The first step is to determine what tools and methods are available to understand and identify skills gaps in the civil service. Once gaps are identified, they can be filled through either bringing people with these skills into the organisation (focus on recruitment) or developing these skills within the existing workforce. A highly skilled public sector workforce will only produce results if people with the required skill sets find a home in organisations ready to put those skills to use.

Figure 2.1. Managing civil service skills

1. Determine
- What are the needed skill sets and where are the gaps? How can they be defined?

2. Attract and Select
- How can the right people with sought-after skill sets be attracted to jobs in the public sector?

3. Develop and nurture
- How can public organisations create a culture of learning for a dynamic and fast-changing world?

4. Use
- What kind of public organisation is required to allocate skills and put them to their best use?

Source: Author's own design.

The bulk of this section will be supported by the analysis of data extracted from the 2016 survey on strategic human resource management in central/federal governments of OECD countries (SHRM, Box 2.1), and case studies collected through the OECD's Public Employment and Management Working Party over the summer/autumn of 2016.

Box 2.1. 2016 survey on strategic human resources management in central/federal governments of OECD countries

The OECD has traditionally collected quantitative and qualitative data in the fields of public employment and human resources management (HRM). These data have been in high demand and have been used by both national governments and international organisations for comparative purposes. These data are unique at the international level, and fundamental in creating a solid basis for comparative analysis across OECD member countries in the field of government HRM and civil service reform strategies. The survey constitutes a strategic input to all OECD work on public employment and management. The data also constitute a significant part of Government at a Glance and are seen as increasingly strategic by OECD countries.

A new version of the survey was run in 2016 in order to address new demands from member governments. The main focus was HRM practice and institutions in central public administration at the federal/national government level. It was complemented by two additional surveys: one on civil service composition and one on compensation of civil servants. All of these surveys will contribute to the 2017 version of Government at a Glance.

In 2016, the SHRM questionnaire was completed by senior officials from ministries/agencies with responsibilities for public employment and management of the civil service in all OECD countries, and three accession countries (Colombia, Costa Rica and Lithuania). Following data collection, the secretariat undertook a process of data cleaning to ensure that data were valid.

Determining skills needs and gaps: Competency management and workforce planning

Determining the skills needed to meet current and future priorities, and assessing the gaps in the current workforce, are fundamental steps for strategic workforce planning. However, there are many challenges. A good analysis of current workforce capability is necessary to identify strengths and weaknesses, and while most OECD countries have defined a common skills and competency profile for their civil servants, it is not apparent if they are able to clearly map which of these skills are abundant, where they are distributed, and where gaps exist. This suggests a need to map and track skills availability through, for example, skills audits and capability reviews, employee databases, and the definition of professions.

Bringing a future-oriented view of skills into human resource (HR) planning raises a second set of challenges. As discussed above, the digital transformation, calls for open and innovative government, and the speed at which citizens expect results today require different skill sets from those needed in the past. As activities such as tax collection are transferred to online systems, associated skill sets become increasingly digital. The balance of work may move from lower skilled claims processing to jobs higher on the value chain, such as complex case resolution and fraud detection, in addition to the skills needed to design and run the IT systems. Simply doing succession planning means organisations replicate the skills they needed in the past without preparing for the future.

This section will look at how OECD countries are identifying current and future skills needs and assessing their current workforce's capabilities against these needs. It makes the following key points:

- Most OECD countries have articulated a strategic and forward-looking vision for their public sectors that recognises the need for highly skilled civil servants to drive public sector performance.

- The use of competency frameworks is a clear trend in OECD countries, with a primary focus on leadership, behavioural and cognitive competencies. These are important cross-cutting competencies that should be complemented by professional expertise in specific subject matter areas.

- Bringing these themes together in future-oriented workforce planning remains a core challenge for public sector HRM. Workforce planning driven by skills and competencies, instead of numbers and costs, is essential to ensure both capacity and capability considerations are factored into HR decision making. This suggests the need to develop better data on workforce skills, which are rarely available in civil services of OECD countries, as well as foresight capacity in order to ensure that the workforce keeps pace with the fast pace of technological and social change.

Civil service strategic vision

In 2016, a significant majority (27) of OECD countries reported articulating a strategic medium to long-term vision for the civil service. The most common element mentioned in these visions was the need for a skilled and high capacity civil service (Figure 2.2). While these statements and strategies do not go into much detail, they often include references to ethics and probity, performance orientation, openness in terms of accountability and mindset, and common culture and values. This is often framed within the context of digital transformation, and the role of the civil service in developing a more open, innovative state (see Box 2.2 below).

Figure 2.2. Elements mentioned in civil service vision statements (OECD 35, 2016)
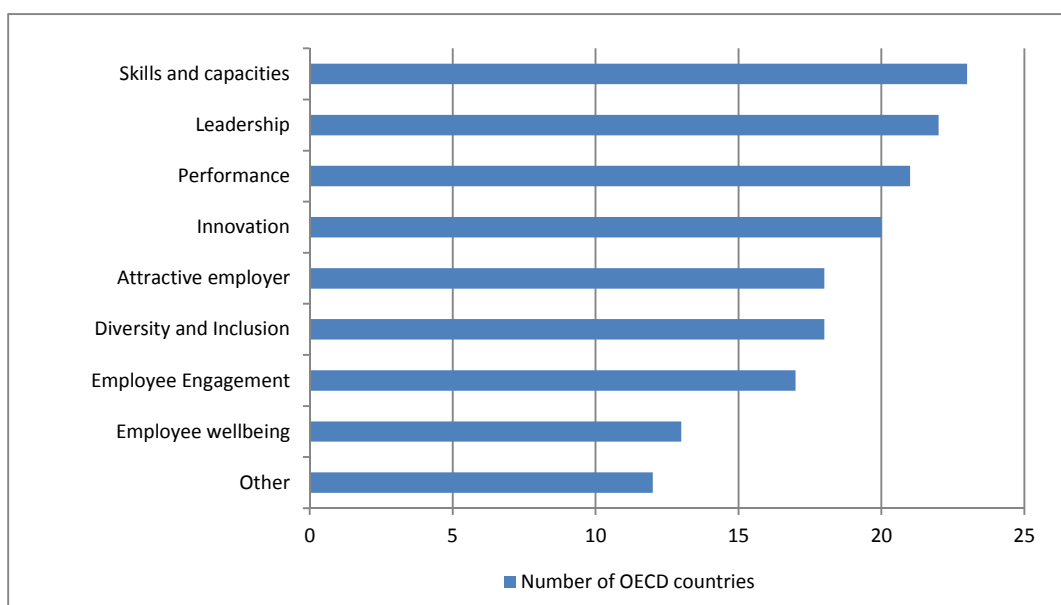
Source: OECD (2016a), Survey on Strategic Human Resources Management in Central/Federal Governments of OECD Countries, OECD, Paris.

Box 2.2. Civil servant attributes highlighted in government strategies

Chile's presidential instruction on good labour practices regarding personnel development aspires to a modern and innovative state and calls for civil servants who are prepared to contribute their experience and motivation to improve processes, goods and services of the state. The statement expresses a need to revalorise public service by implementing good people management, to ensure that the public workforce is abundant in attributes such as merit, efficiency and performance, innovation, responsibility, probity and commitment to democratic principles www.serviciocivil.gob.cl/sites/default/files/gabpres_001_2015_instructivo_bpl.pdf.

Estonia's white paper on personnel management calls for a civil service this is:

- Open (includes mention of ethical behaviour, transparency and accountability, relates to judgment, probity, and abilities to organise information and communication in proactive and simple ways to citizens).

- Effective and efficient, (includes mention of professional and dedicated staff, leadership, motivation).

- Competitive and adaptable (includes mention of competitive employer, able to retain talent, balance of job security, values orientation, innovation).

- Unified (includes mention of policy coherence, diversity, common core competencies across ministries).

Finland's 2001 government decision in principle on state personnel policy line identifies basic values of the state administration as: effectiveness, quality and expertise, the service principle, transparency, trust, equality, impartiality, independence and responsibility. The strategy recognises the digital transformation as a key driver that requires skills orientation to people management, alongside mobility and innovation. The strategy is likely to be updated in the near future.

Ireland's Civil Service Renewal Plan strives to achieve a civil service that is:

- Unified: implies cross-cutting skills and collaborative skills to achieve joined up solutions.

- Professional: looks at the skills needed and their balance, particularly through diversity and inclusion, and a reinvestment in the development of skills for civil servants.

- Responsive: looks at strengthening professional expertise in corporate functions, expanding career and mobility opportunities, investing in project management capacity and expanding ICT capacity to be more agile and flexible.

- Open and accountable: suggests a civil service that learns from others, communicates, and accounts for its actions.

Lithuania's 2030 progress strategy calls for performance-driven civil servants who have the skills to develop and implement strategies, continuously monitor global trends, and creatively apply best practices. It calls for a governance culture that is performance and efficiency driven, based on the principles of co-operation and consensus.

Mexico's National Development Plan: Programme for a Close and Modern Government, positions a skilled workforce as essential for better service delivery and productive, efficient and effective governance. It calls for HRM to develop and incentivise professional, committed, and productive civil servants who are oriented towards a new culture of service to society that reinforces the credibility, stability and efficiency of the government.

> **Box 2.2. Civil servant attributes highlighted in government strategies** *(cont.)*
>
> **Sweden's** public sector employer strategy highlights development and innovation, attractiveness and leadership, and seeks to strengthen these attributes in an agile, flexible and values-driven civil service. Innovation suggests the need to emphasise openness and learning; attractiveness highlights the need to attract the right skills to the public sector; and leadership emphasis active collaboration and the ability to manage change.
>
> **The United Kingdom's** civil service workforce plan presents a range of actions linked to support three broad priorities for the civil service by 2020: increase commercial capabilities, be world leading in terms of digital transformation, and improve diversity and inclusion. There is an emphasis on collaboration and on opening up jobs in the civil service to people with more private sector experience. This is supplemented with a leadership statement focused around being inspiring, confident and empowering.
>
> *Source*: OECD (2016a), Survey on Strategic Human Resources Management in Central/Federal Governments of OECD Countries, OECD, Paris.

In most OECD countries (21), these strategies are endorsed at the political level, and their development usually takes into account internal and/or external forecasting. In addition, countries such as Estonia and Finland involve senior management in the development of the strategy, while 11 countries, such as the Netherlands (Box 2.3), Slovak Republic, Sweden and the United States, go further by including input from all civil servants (Figure 2.3). Once established, the strategy is reported on in most countries, while only 11 countries hold senior management directly accountable for results.

Figure 2.3. Development and follow up of civil service strategy (OECD 35, 2016)
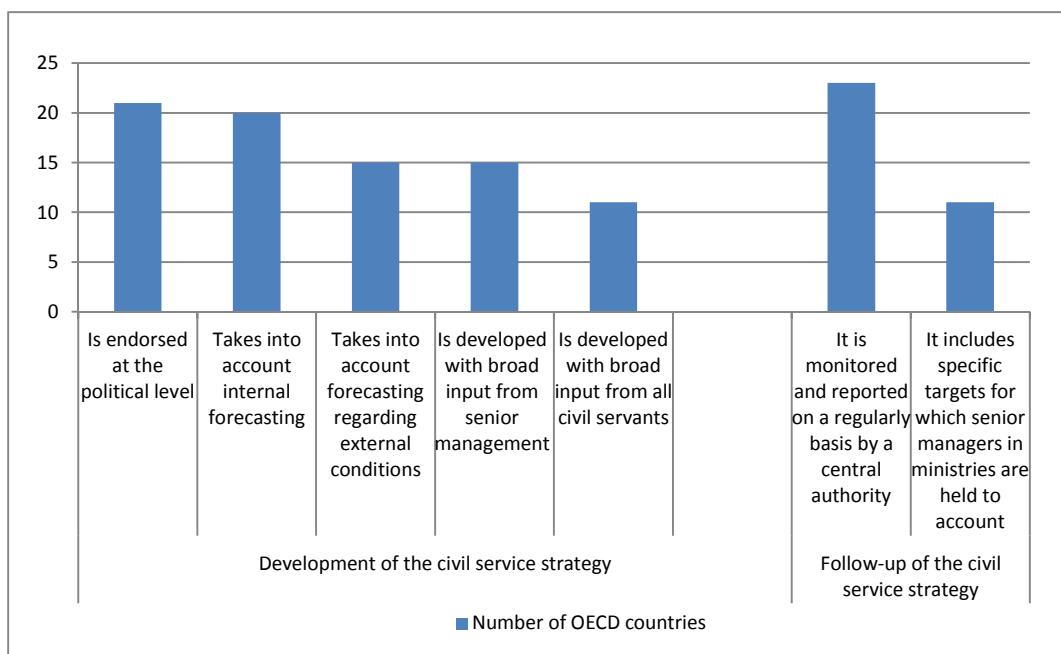
Source: OECD (2016a), Survey on Strategic Human Resources Management in Central/Federal Governments of OECD Countries, OECD, Paris.

Box 2.3. Developing the civil service vision in the Netherlands

In the Netherlands, the HR Strategy 2020 for Central Public Administration was developed in an interactive process between October 2011 and March 2013. The highlights were included in the reform agenda of the new Minister of Housing and Central Public Administration in May 2013.

The process of development started with an in-depth analysis of internal trends and forecasts of personnel development, and external economic, social and technological trends. These included labour market, labour relations and labour conditions, as well as trends that would influence the policy areas and operational management of central public administration.

The Directors of HR and Organisational Development of all ministries, chaired by the director of the central department for civil service of the Ministry of Interior, were responsible for the development of the Strategy 2020. This group met monthly during the first half of 2012 to discuss various areas related to the strategy. Each meeting was prepared by the programme leader from the Ministry of Interior, together with members of this group and external experts. One of the meetings was with the strategic advisors on policy areas of the ministries. The secretaries-general of the ministries and their directors for operational management were asked in individual interviews for their image of the future, and were involved in steering boards for their agreement during several phases of the process.

The strategy began to take shape as a PowerPoint presentation with a lot of background analyses and information, and focused on the main challenges and basic assumptions for future HR-policy development for specific areas. In summer 2012, groups of experts from the ministries and agencies further developed each area to come up with shared ideas and to identify the policies in each area and the inter-connections across areas that needed to be successful.

The evolving presentation was adjusted and expanded in order to be used internally by each ministry. In September 2012, a group of young people from outside the public administration was asked to critically reflect on the draft HR-strategy 2020. In October 2012, the final draft interactive presentation of the HR Strategy 2020 was approved by the directors of HR from all ministries, their directors of operational management and the secretaries-general.

A draft policy paper on the HR Strategy 2020 was developed and posted on the internal website of central public administration in order to engage all civil servants in discussions on the strategy.

Individual civil servants, as well as groups or departments from all over the central public administration, works councils and unions, sent their responses and suggestions.

Finally, the (political) highlights became part of the reform agenda in May 2013. A flyer and a video were made to inform all civil servants.

The HR Strategy 2020 continues to provide the framework for policy development in specific HR areas or topics, and after several years a process to update the strategy will be launched.

Source: Provided to the OECD by the Ministry of the Interior and Kingdom Relations, Directorate General for Public Administration, Department for Civil Service.

Competency frameworks

While civil service strategies provide a long-range vision of the kind of civil service needed (e.g. open, innovative, professional, ethical), most countries have established a competency model or framework that translates these broad ambitions into the common skills, knowledge and behaviours required of civil servants to achieve these ambitions.

Since the OECD published a report on competency management in 2011 (OECD, 2011), a significant majority of OECD countries have moved towards the competency management of their civil servants.

Developing competency profiles and integrating competency management is a way of managing the workforce in terms of skills, competencies and capability, as opposed to numbers and costs. Furthermore, developing a common competency system across government ministries and agencies can help to establish a common language around capability, which can lay the groundwork for mobility and talent management. Once the right skills and competencies are identified, these can provide the basis for the assessment of individual civil servants and can inform their development and career progression. Furthermore it can provide the basis for organisational capability assessments as an input into workforce planning and development strategies.

In OECD countries, common competency frameworks are being used, especially for the highest levels of leadership: 23 OECD countries have a common competency framework that highlights the kinds of leadership skills expected from public managers, compared to 17 OECD countries that report having one centralised competency framework for all civil servants (Figure 2.4). This is part of an ongoing trend in OECD countries to manage the senior executive group as a separate and centrally managed cadre, and to reinforce the transversal leadership qualities expected from this group.

Figure 2.4. Common competency frameworks in OECD countries (OECD 35, 2016)
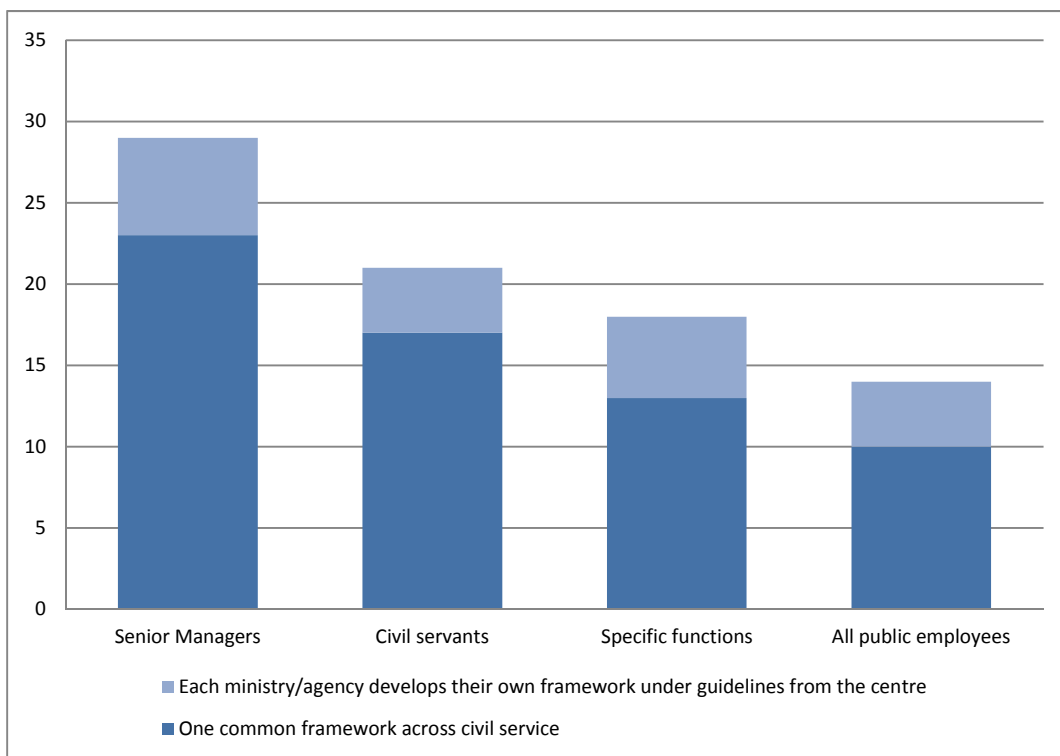
■ Each ministry/agency develops their own framework under guidelines from the centre

■ One common framework across civil service

Source: OECD (2016a), Survey on Strategic Human Resources Management in Central/Federal Governments of OECD Countries, OECD, Paris.

The most frequently mentioned competencies suggest all civil servants are expected to be ethical, action-oriented leaders who can work strategically through teams and

communicate to solve problems (Figure 2.5). This shows an increasing number of OECD countries are expecting their civil servants to take a proactive approach to their jobs, and is a departure from the traditional view of the compliant bureaucrat who dutifully applies the law.

Figure 2.5. Competencies highlighted in competency profiles (OECD 35, 2016)
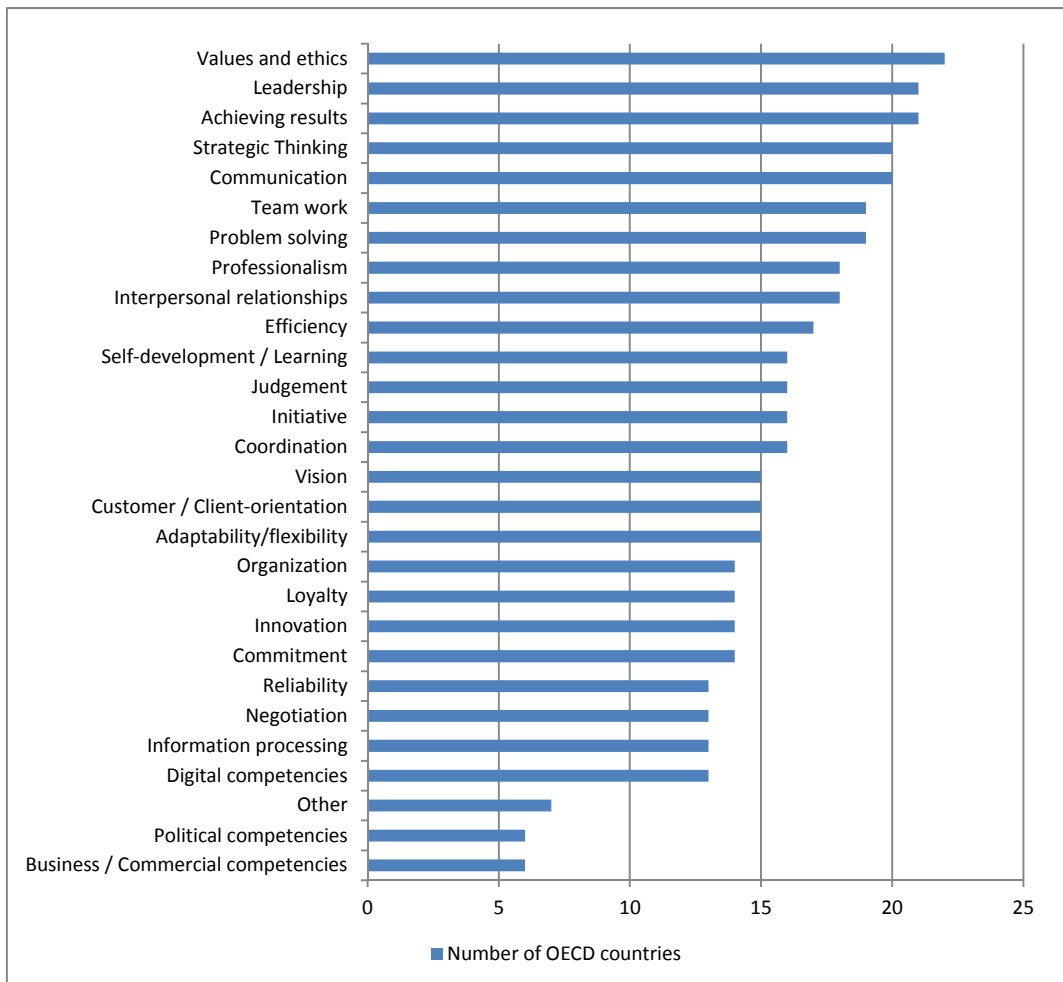
Source: OECD (2016a), Survey on Strategic Human Resources Management in Central/Federal Governments of OECD Countries, OECD, Paris.

While the competencies highlighted suggest a welcome focus on behaviours that challenge traditional notions of bureaucracy, many of the skills highlighted in the first part of this paper are found less often in such frameworks. Only six countries identify commercial or business skills within their competency frameworks (Chile, France, Israel, Switzerland, United Kingdom, United States), and six identify political competence (Chile, Estonia, Korea, Netherlands, Switzerland, United States). This may reflect the nature of most competency frameworks, which tend to focus on cross-cutting behavioural and cognitive skills, such as teamwork and strategic thinking. Nonetheless, including competencies related to political awareness and commercial understanding can help to send clear signals about expectations to civil servants. Box 2.4 shows how Switzerland structures its competencies, which include many commonly found across all countries, as

well as "effective action in the political context", "entrepreneurial thinking and action", and "networked thinking".

Box 2.4. Competencies for civil servants in Switzerland

The competency model of the Swiss federal administration is made of up of 10 competencies grouped under management, personal and social competencies as follows:

- **Management competencies**: leadership, people management, effective action in the political context, strategic thinking and action, change management, entrepreneurial thinking and action.

- **Personal competencies**: personal responsibility, loyalty, focus on objectives and results, ability to cope with stress, self-reflection, capacity for learning and changing, analytical and conceptual thinking, networked thinking.

- **Social competencies**: ability to communicate, ability to deal with criticism and conflict, ability to work in a team, service orientation, diversity management.

Each competency is printed on a card that includes a definition of the competency, various dimensions which give the competency tangible relevance, and a statement of the kinds of behaviours that demonstrate this competency. For example:

Effective action in the political context:

Effective action in the political context refers to the ability of individuals to analyse the political context in its full complexity, to recognise opportunities for taking action, and to consider and take advantage of the dynamics of political processes to achieve the goals that lie within the scope of their own responsibility

- Dimensions: Political sense, ability to act in the political process, ability to forge consensus and compromise, focus on stakeholders, public appearance skills.

- Behaviors: Analyses the political context and takes advantage of opportunities to act. Considers political processes in order to achieve objectives within scope of own responsibility.

- Keeps up with political developments and deepens own understanding of events.

- Takes the political process into account in the performance of own tasks.

- Puts forward own suggestions to help reach a consensus or compromise.

- Knows the needs and expectations of political stakeholders, networks effectively with the political environment.

- Represents own administrative division plausibly in wider political and media circles.

Source: Confédération Suisse (2013) Competency Model of the Swiss Federal Administration. Accessed electronically, 01/08/2017: www.epa.admin.ch/dam/epa/fr/dokumente/dokumentation/publikationen/370_k ompetenzmodell_e.pdf.download.pdf/370_kompetenzmodell_e.pdf.

Competencies and skills in workforce planning

As more countries move towards competency management in recognition that the quality of the workforce is as important as the quantity and cost, a key question is whether civil services are able to map the skills and competencies that exist within their

current workforce to understand current capability and identify gaps. This is a core task of strategic workforce planning, and while OECD countries continue to use these tools, there is little evidence that competencies and skills are being incorporated into workforce planning in a systematic and co-ordinated fashion. For example, it seems few countries have the means to understand the composition of their workforce in terms of skills. Many OECD countries do not have access to aggregated data on the education levels or specialisation of their workforce, let alone skills acquired through experience or less formal learning. While some countries have expressed a desire to build a "skills inventory" of their civil service workforce, it is not clear what criteria would be used to develop this tool. The French government has developed a common dictionary of competencies that aims to break down all government jobs with a view to eventually mapping the public sector workforce (Box 2.5).

Box 2.5. The French Interdepartmental Directory of State Occupations and competencies dictionary

The French Interdepartmental Directory of State Occupations (Rime), created in 2006 and updated in 2010 and 2017, aims to precisely identify the jobs that enable the state to carry out its mission to serve its citizens. All of the state's jobs are listed, which represents 2.5 million people. It includes jobs occupied by the incumbents, as well as those held by contract workers, whether civilian or military. This tool is very valuable for initiating the predictive management of jobs and skills and defining the strategic HR policy actions to be carried out to accompany the foreseeable evolution of missions and professions. One of the major objectives of the 3rd Rime edition, published in 2017, is to make jobs of the state even more understandable at an interdepartmental level, and to establish a common language for all the state's services. This new edition lists 282 reference jobs divided into 28 functional domains. For each reference job there are the associated skills, competencies and knowledge required. Managerial skills and relational skills (*savoir-être*) were newly added in this 3rd version.

To further enhance the use of the Rime in personalised HRM, it was supplemented in 2011 by an inter-ministerial dictionary of the competences of the trades of the state (DICo), which brings together all of the skills appearing in the Rime. The dictionary can have multiple purposes, according to the user:

- For the recruiter, the dictionary gives guidelines to write a job card or to receive a candidate.

- For the career counselor, it is useful to establish the skills profile of the interviewee.

- For the manager, it is an interesting contribution to the assessment of skills in the annual professional interview.

- For any agent wishing to build his/her professional career to be better positioned in terms of skills needed to evolve.

Skills are grouped into three sub-groups: 102 conceptual know-how competencies (*savoir-faire*), 21 relational skills (*savoir-être*) and 40 contextual knowledge categories (*rubriques de connaissances*).

The DICo will be updated within the second semester of 2017 in order to correspond to the last Rime edition.

Source: Provided to the OECD by France's Directorate General for Administration and Public Service (DGAFP).

Strategic workforce planning continues to be a central process to identify and address skills needs and gaps, although more and more OECD countries appear to be developing the capacity for planning within each public organisation. Only 8 OECD countries apply a centralised process to workforce planning, while 20 countries leave the design of the framework to the discretion of the different organisations. (Figure 2.6).

Figure 2.6. Workforce planning processes (OECD 35, 2016)
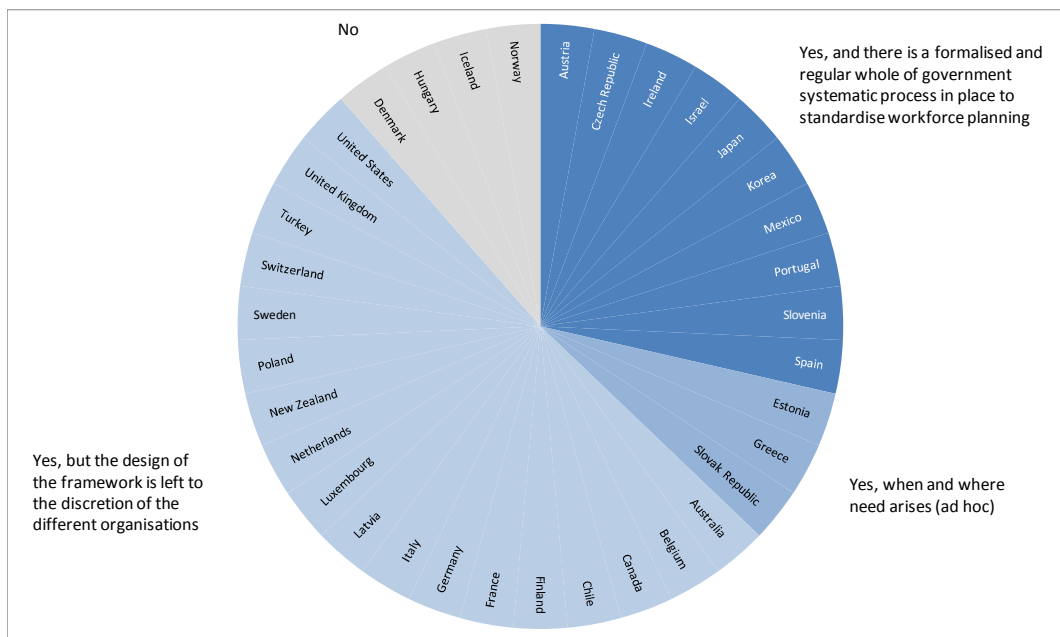
Source: OECD (2016a), Survey on Strategic Human Resources Management in Central/Federal Governments of OECD Countries, OECD, Paris.

Workforce planning in the majority of OECD countries begins with an analysis of an organisation's strategic objectives, assessment of current HR capacity, and possibilities for restructuring and recruitment. Only around half of OECD countries actively consider the impact of technological changes on their workforce as part of the planning process, and even fewer take into account the possibilities for outsourcing, the availability of skills in the national labour market, or co-ordination across various government organisations, for example, to share skills that are in short supply (Figure 2.7). This raises questions as to whether workforce planning is being done with foresight of future shifts both in terms of demand for skills (shifting skills needs, technological change) and in terms of supply (national labour market, outsourcing, etc.). Furthermore, few countries appear to link their planning processes to training and development opportunities, suggesting that in many countries, workforce planning may still be driven primarily by headcount and budget, rather than the quality and skills of the workforce.

Figure 2.7. Workforce planning aspects explicitly considered (OECD 35, 2016)
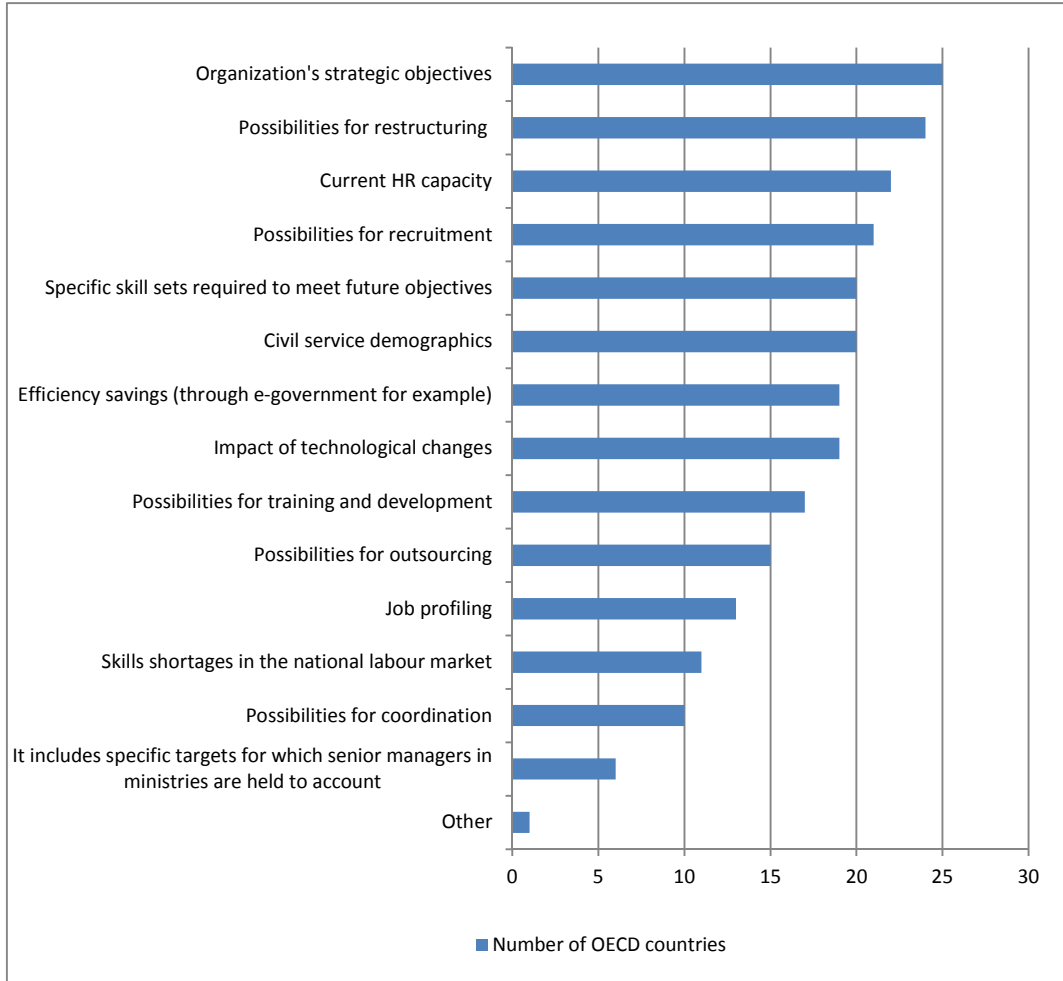
Germany has made a significant effort to assess the demographic changes both within the civil service and across its citizens and residents. This has resulted in a government-driven, but broadly participative effort to develop demographic strategies for its workforce, including in the civil service. The civil service component of this strategy is discussed in Box 2.6 below, and presents an example of how one country is integrating workforce planning with much broader societal changes, including ageing and diversity, with a view to securing long-term capacity and capability.

Box 2.6. Demographic HRM strategy at the German Federal Ministry of the Interior

"In order to secure a skilled workforce and to recruit the next generation of qualified workers we need a demographics-based jobs and personnel policy, modern and family-friendly working conditions as well as partnership-based staff representation."

This is the wording used in the Coalition Agreement to describe the tasks and objectives for the German federal public service in the coming years. "Demographics-based" actions point to the pressure facing public service employers who must react to demographics-related changes in their personnel structures and in the broader workforce. By 2030, Germany is expecting a 27% increase in population over 67 years old, and a decrease of 6.9% of the working age population. Germany's population is also becoming more ethnically diverse. Within the Federal Administration, the average age of employees is also rising, and a high level of retirement is expected by 2030. This presents challenges and opportunities for Germany's labour force and its public employment systems.

The Federal Government of Germany has taken on this challenge: In 2011, it presented a report on demography, and in 2012 it published a comprehensive demographic strategy. The report described the demographic change and its impacts on Germany in the medium and long term. The demographic strategy, "Every Age Counts", aims to take advantage of the opportunities offered by population trends. It described for the first time all the fields of action that are important for making policy in response to demographic change. On this basis, the Federal Government launched a dialogue with representatives from every level of government, from the private sector, social partners, the research community and civil society. Joint working groups formulated concrete approaches and presented their initial results to the public at the Federal Government's demography summit in May 2013.

On 14 January 2015, the Federal Government decided to follow up on this approach and further develop its demographic strategy under the heading "Greater prosperity and better quality of life for all generations". In doing so, the Federal Government increased co-operation with its partners in a total of ten working groups, including one focused on "the public service as an attractive and modern employer". The key objectives of this working group are:

- Ensuring that the strengthening of knowledge in public administration occurs promptly.

- Expanding family-friendly work practices.

- Ensuring that employees' ability to work is compatible with different stages in life.

The process has been evidence-informed, drawing on, for example, employee surveys, workforce data and statistics, and surveys of students preparing to enter the workforce. In this context, the following actions, among others, are being advanced with the intention of ensuring the timely transfer of knowledge and promoting the potential of employees, their skills and expertise:

- Strategic personnel planning aligned to demographic requirements.

- Establishment of a central job pool of all federal ministries and rotation programmes to promote a diversity of assignments, employee development and more workforce agility.

- A greater focus on training, opportunities for further education, skills development and information learning through work assignments or e-learning.

- Increased recruitment of skilled employees (joint web portal for all three levels of government) with an additional emphasis on increasing the number of employees with migrant backgrounds. This also includes a focus on workplace inclusion policies.

Box 2.6. Demographic HRM strategy at the German Federal Ministry of the Interior *(cont.)*

- Optimise family friendly work conditions by ensuring flexible working conditions are available (part time, tele and mobile working).

- Raise the retirement age to 67, and invest in health promotion at work, including a pilot project on long-term working accounts.

Source: Provided to the OECD by the German Federal Ministry of the Interior.

Assessing skills gaps and training needs

The assessment of training and development needs in OECD countries provides additional insight into how countries assess their civil service capacity and skills gaps. Figure 2.8 suggests a majority of OECD countries identify training needs from the priorities and programmes of government, and through performance evaluations of employees. In some countries, self-assessment supplements this analysis. Few countries go beyond this basic approach to link training to workforce planning, or take into consideration the views of stakeholders beyond the civil service. Only four countries (Australia, Belgium, Canada and Hungary) report using horizon scanning to inform skills development. Training and development is further discussed below.

Relying on performance evaluation as the primary method of identifying training needs can have the negative effect of positioning training as a remedy for low performance, instead of as a fundamental component of a future-oriented learning culture. Similarly, an assessment of current government programmes and priorities focuses on immediate short-term needs, and suggests most training is linked to updating information (e.g. informing staff of a new policy) rather than on developing employee's broader skill sets. More future-oriented approaches linked to workforce planning and horizon-scanning appear to be used less often.

Figure 2.8. Methods to identify training needs of public employees (OECD 35, 2016)
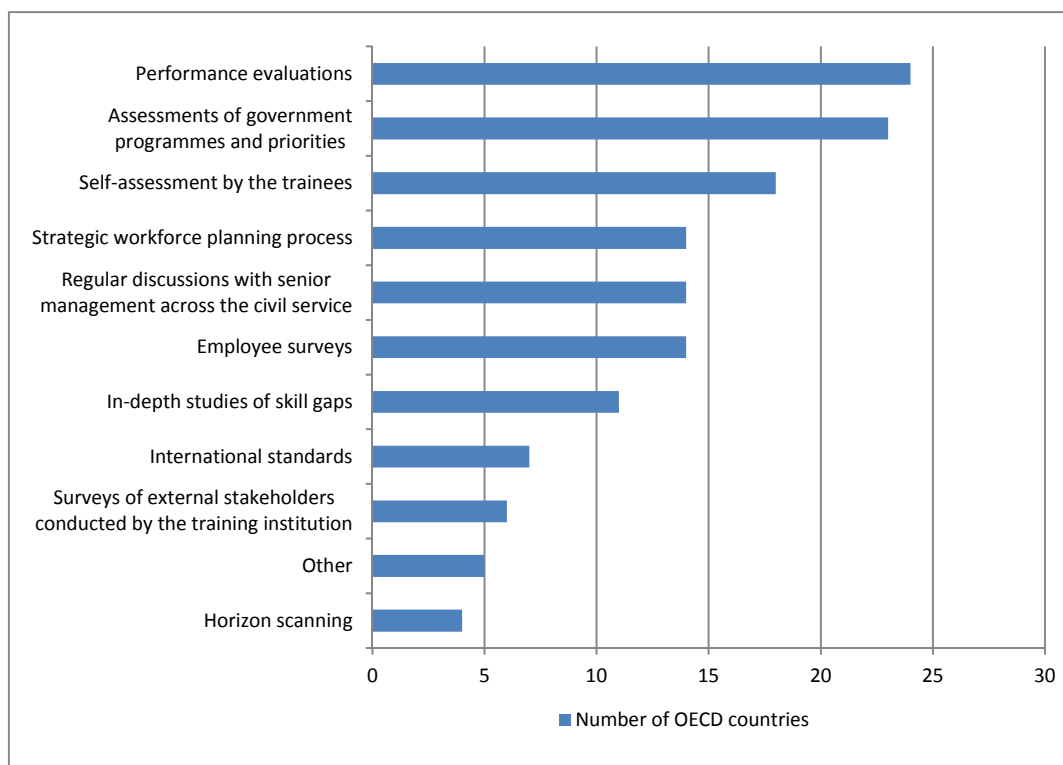
Source: OECD (2016a), Survey on Strategic Human Resources Management in Central/Federal Governments of OECD Countries, OECD, Paris.

The United States and the United Kingdom have both recently looked at their skills shortages and undertaken an institutional analysis of the gaps and potential approaches to their resolution. In the United States, the Government Accountability Office's (GAO) 2015 report reviews progress made on closing mission critical skills gaps and considers additional steps needed to better identify and address skills gaps (US Government Accountability Office, 2015). This review results in recommendations on the methodology, data and metrics necessary to better identify and address skills gaps across the US federal government.

Box 2.7. Closing skills gaps in the US Federal Administration

The US Government Accountability Office (GAO) first added strategic human capital management to their high-risk list in 2001. In their 2015 update, they noted that while the Office of Personnel Management (OPM) and agencies had made strides in developing an infrastructure for identifying and addressing skills gaps, they needed to do additional work to more fully use workforce analytics to identify their gaps, implement specific strategies to address these gaps, and evaluate the results of actions taken so as to demonstrate progress in closing the gaps. Mission critical skills gaps were also a factor in making other areas across government high risk. Of the 34 other high-risk areas covered in the GAO's 2017 report, 15 areas,[1] such as IT management, acquisitions, and management of oil and gas resources, had skills gaps that played a contributory role.

Box 2.7. Closing skills gaps in the US Federal Administration *(cont.)*

The OPM has introduced various measures in recent years to address skills gaps concerns, including a data-driven multi-factor model for identifying government-wide skills gaps in mission-critical occupations. This model looks at indicators such as two-year retention rates, quit rate, retirement rate and applicant quality for various occupations to categorise risk levels from 1 to 5. This approach identified six groups of high risk mission critical occupations (MCO): acquisition, audit, STEM (science, technology, engineering and mathematics), HR, economist and cyber. Actions intended to address identified skills gaps include:

- **Leadership commitment**: The Chief Human Capital Officers (CHCO) Council is made of up CHCOs from 24 federal administrations to advise and collaborate with the OPM and other stakeholders to create human capital management strategies that attract, develop and retain a high performing, engaged and diverse federal workforce. The OPM has worked with the CHCO to provide the strategic direction necessary to close over 48 unique agency-specific gaps. Activities have included the establishment of governance structures, four-year assessment cycles, agency specific action plans, cross collaboration networks, and quarterly monitoring processes.

- **Capacity**: Agencies have dedicated over 150 personnel from across government to work on the skills gaps effort, organised into Federal Action Skills Teams (FASTs) supported by the OPM. Each agency and government-wide MCO has a dedicated FAST in place with regular meetings. Each member of the FAST has specific responsibilities, such as staffing and hiring, and training and development. The OPM has encouraged agencies with similar high-risk MCOs to share best practices, and has provided guidance and training on the multi-factor model, root cause analysis, developing an action plan, developing metrics, and quarterly reporting.

- **Action plan**: The OPM has required agencies to develop and submit action plans with strategies linking to root cause analysis and milestones with outcome-oriented performance metrics. The OPM developed an action plan template that agencies must use when submitting action plans to ensure that the requirements are met.

- **Monitoring**. The OPM Director meets quarterly with the Government-wide MCO CHCOs and Occupational Leaders to ensure that they are meeting their milestones and metrics. Agencies are also required to submit a quarterly report to OPM on their progress. OPM has been providing on-going data support to all agencies and the Government-wide teams. OPM also briefs the CHCO Council regularly on agency progress and uses the quarterly reporting template submitted by agencies to monitor barriers or issues that may be affecting progress.

- **Demonstrated Progress**: it is still early, and evidence for demonstrated progress is minimal, but the strategies that have been put in place are expected to lead to demonstrated progress at the end of the four-year cycle. OPM has put in place mechanisms to monitor agency-specific efforts and progress towards achieving goals.

Sources: Provided to the OECD by the US Office of Personnel Management.

US Government Accountability Office (2017) Strategic Human Capital website, www.gao.gov /highrisk/strategic_human_management/why_did_study (accessed 01/08/2017).

US Government Accountability Office (2015a), OPM and Agencies Need to Strengthen Efforts to Identify and Cose Mission-Critical Skills Gaps.

In the United Kingdom, the House of Commons conducted its own enquiry into the progress of the UK Capabilities Plan, which aims to "transform the civil service into a high-skilled, high-performance organisation that's less bureaucratic and more focused on delivering results" (see Box 2.8). Their analysis results in recommendations to develop and carry out standardised skills audits of civil service organisations and articulates support for the creation of a national Civil Service Leadership Academy.

Box 2.8. Skills and capability in the UK civil service

Since 2012, the UK civil service has been taking steps to align their skills strategy with their civil service strategic vision. The 2012 Civil Service Reform Plan identified capability gaps that must be addressed in order to meet the plan's objectives of reducing public expenditure while meeting citizen's growing service expectations. The plan called for a rethinking of the way services are delivered, with more services commissioned from the outside and a much stronger emphasis on digital. It recognised that implementation would depend on effective project management and leadership. In 2013, the UK civil service published a capabilities plan for the whole civil service which identified four priority skills gaps central to supporting the 2012 civil service reform:

- **Leading and managing change**: the UK civil service annual staff engagement survey (the People Survey) results indicate a need to be better at leading change. Change is a constant feature of the modern civil service. The plan seeks to improve the management of these changes and ensure that teams are equipped to embrace new ways of working.

- **Commercial skills and behaviours**: ensuring that many more civil servants feel confident and competent in a world where services are increasingly commissioned from the private and voluntary sectors. The plan encourages civil servants to take decisions and assess risk based on knowledge of markets, and be judged on whether taxpayers' money has been spent wisely to deliver the right outcome.

- **Delivering successful projects and programmes**: increasing the ability to deliver the government's priorities, "right first time", drawing on project management disciplines and methodologies to achieve predictable, consistent, robust results.

- **Redesigning services and delivering them digitally**: ensuring that the civil service is equipped to redesign services around the user in order to improve delivery, value for money and agility for the future, using the power of digital.

The 2013 plan lays out ways to build, buy and borrow the capabilities needed. Building internal capabilities through learning and development, buying through contracting and/or recruiting, and borrowing through loans between departments and secondments with the private sector.

These strategies are reinforced in the UK's civil service plan 2016-2020, which sets out five areas for action. The first looks at opening up recruitment across the civil service, to attract and retain people of talent. The second looks to build career paths through professional development frameworks, to map out key skills and experiences and ways to aid their development. Leadership is the third area of focus, and the civil service will develop a Leadership Academy to address this challenge. The fourth area focuses on employee inclusion with a goal for the civil service to become the most inclusive employer in the United Kingdom. Finally, the civil service is looking at pay and rewards frameworks with a view to increased flexibility for market attraction of scarce skills.

Source: UK Cabinet Office (2013), *Meeting the Challenge: A Capabilities Plan for the Civil Service*, www.gov.uk/government/uploads/system/uploads/attachment_data/file/536961/civil_service_workforce_strategy_final.pdf.

Other OECD countries have also undertaken skills gaps analyses at various points in their civil service strategy development or workforce planning. Australia, through its leadership and core skills strategy, provides a framework for organisations to conduct skills analysis, supplemented by expert reports as needed. Canada is combining high-level consultation with a focus on common business systems and data-driven departure forecasting to better integrate skills into its workforce planning and assessment. Finland has conducted surveys to identify skills gaps related to digital skills, and Trento in Italy has implemented various consultative and participative steps to identify skills requirements and develop a new competency model for its public employees (Box 2.9). These examples show the range of approaches taken and suggest the need to think systemically to combine multiple tools of analysis.

Box 2.9. Skills gap studies and practices in Australia, Canada, Finland, and Trento, Italy

For the past five years, the skills needs and gaps of the **Australian** Public Service (APS) have been identified through broad consultation and research underpinning the APS leadership and sore skills strategies. The strategies seek to understand cross-APS skills needs and gaps by speaking to a wide range of stakeholders and using academic research and peak body insights to support and expand on these findings. Government reports, reviews and white papers provide insight into the skills needs and gaps of the APS. Skills needs are also determined through targeted initiatives for improvement. Examples include gender equality and diversity strategies.

The Government of **Canada** is currently taking steps to strengthen its ability to identify current and future skills requirements at the enterprise level, with deputy heads responsible for their own departments and agencies. Work is being done to advance the analysis to identify common future skills in some key domains (e.g. policy, science/regulatory, external/internal service delivery), and to complete a baseline analysis of common skills in specific occupational groups.

The adoption of the Common Human Resources Business Process (i.e. standardising processes across the public service), progress toward automation of transactional functions (e.g. simple staffing requests), and skills development within the human resources community itself will strengthen integrated business planning and allow human resources staff to focus more on planning, forecasting and analytical capacity to better support business objectives and outcomes. The Government of Canada is assessing the feasibility of expanding its current departure forecasting methodology to include occupational groups and departments to inform succession planning, and is in the process of identifying positions belonging to specific functional communities in order to identify potential knowledge gaps and develop future recruitment strategies. In addition, mature functional communities with dedicated resources exist for many occupational groups, where identified skills gaps and requirements inform both recruitment strategies and learning and development activities.

In 2016, the **Finnish** Ministry of Finance implemented a survey to assess agencies' current skills and map needed skills. Target respondents were civil servants working within digital government or with insight into needed skills. Findings of the survey included the wide gap of skills level among government agencies, the importance of managerial skills in digitalisation, and the need for more training and skills development. The results will be used for diverse HRM and HR Development purposes, including updating the list of shared skills within the government, and the development of top managers.

Box 2.9. Skills gap studies and practices in Australia, Canada, Finland, and Trento, Italy *(cont.)*

The **Italian** public administrations are undertaking a spending review, and the Public Administration of Trento's (PAT) new HRM strategy seeks to promote a way of working that can save costs as well as enhance flexibility, work-life balance of workers and their well-being at work, particularly in the context of an ageing workforce. Trento's Strategic HR Development Plan (2015-2018) contains various actions to address these challenges, one of which is developing HR through skills audit and skills gap studies (competency management) to promote the mobility, flexibility and retraining of employees. One of the actions of this plan is to prepare a framework of competencies. To do this, the PAT conducted a survey for all permanent employees in 2015, which achieved a response rate above 80%, to identify and map technical and professional skills and attitude and behavioural competencies to different job titles and professional families. The work group then defined a scale to rate the mastery of competencies (from 1 to 5) in order to measure the gap between the level required and the actual situation. A set of measures are to be carried out to close this gap (for instance ad hoc training programmes).

Source: Information provided to the OECD by Delegates of the Public Employment and Management Working Party.

Attracting and selecting skills: Employer branding and targeted recruitment

Workforce planning can help to identify skills needs and assess skills gaps, and can result in a plan to fill these gaps, usually through the development or reallocation of the current workforce, or the acquisition of new employees with the required skills. Until recently, most OECD countries had implemented hiring freezes in the wake of the 2008 crisis (OECD, 2016b). Prolonged hiring freezes cause strain on organisations, which have little opportunity to renew their workforce to ensure the appropriate skills mix (OECD, 2011).

As OECD economies emerge from these difficult times and face high levels of retirement, many budgetary constraints remain. It is likely central government workforces will remain leaner than in the past. This suggests an urgent need to ensure hiring is undertaken with a careful assessment of the right skill sets needed to boost public sector capacity and productivity, and civil services and public administrations are able to attract people with these skill sets to their workplace. This section will look at the issues related to bringing in new employees to fill skills gaps. It makes the following key points:

- Although most OECD civil services indicate that they remain relatively attractive employers in the current job market, they also report difficulty competing for specific skill sets with the private sector. Understanding what attracts people to careers in the civil service can help to brand the civil service as an employer of choice.

- Merit-based recruitment processes have been a bedrock of professional civil services in most OECD countries for many years. However, some civil services may need to update their processes to open up possibilities for recruitment at all levels, quicken the speed of the process, and ensure selection is well attuned to future-oriented skills and diversity requirements. Fast track programmes are one way to reach out to specific skill sets which may be lacking. Some governments

are moving towards competency-based selection processes instead of relying on educational qualifications as the primary indicator of merit.

- Another fundamental aspect of attraction and recruitment relates to the terms and conditions of employment. Many civil services use common employment frameworks across various categories of employment. While this reinforces internal equity, there may be benefits in bringing an evidence-based and principled approach to the design of specific employment terms and conditions for specific positions or professions. This can be done to align aspects of the employment value proposition, such as pay and job security, with the requirements of the job and the conditions of the broader labour market.

Attractiveness and employer branding

In order to bring in new skills from the labour market, a first requirement is that people with these skills are attracted to the jobs available. Attractiveness of positions in the civil service is based on complex interactions between national and local labour markets, government compensation packages, and the overall perception of government as an employer and as a positive force in society. The SHRM survey asked respondents to indicate whether any trend can be identified in the overall attractiveness of their civil service as an employer. In general, the results are optimistic. Only 3 countries report decreases in civil service attractiveness over the last five years, while 11 report increases. Many countries base their statements on an increased number of applications for open positions, while others look to the results of independent assessments which identify and rate the top employers in a country.

A broad indicator of civil service attractiveness will mask attraction issues related to specific professions, functions, skills or organisations. Seven OECD countries report specific challenges attracting suitable senior level managers to posts, and most countries (25) report specific challenges in key professions. The most commonly cited gaps are people with specific technical skills in, for example, IT, health, engineering, commercial, and law. These generally reflect a difficulty in competing with the private sector for skill sets that are in demand by both sectors. It therefore appears that while many jobseekers see the public sector as an attractive employer, the public sector remains challenged when forced to compete with the private sector in tighter labour markets. As countries continue to move from crisis to recovery and labour markets begin to tighten again, these challenges may worsen.

In the context of tight resource constraints, the attractiveness of the civil service needs to be managed through active employer branding. Recognising the labour market competition for talent, civil services compete with all sectors for the best and brightest, especially in hard-to-recruit areas. Many of the skills highlighted in the framework above (business skills, network management, high-level service orientation) are exactly the skills in demand in private sector companies. Just over half of responding countries report having employer branding strategies and actively reaching out to potential recruits in a variety of ways. It appears most countries appeal to applicants' sense of duty to public service by highlighting meaningful and interesting jobs that contribute to the public good. Integrity and ethics, diversity and inclusion, learning opportunities and work-life balance are other features highlighted by a majority of countries in their recruitment material. Elements of the employer value proposition traditionally associated with public sector employment, such as job security, benefits and pensions appear to take a backseat, which

suggests the public sector is undertaking a rebranding in many OECD countries (Figure 2.9).

Figure 2.9. Elements highlighted in civil service recruitment material (OECD 35, 2016)
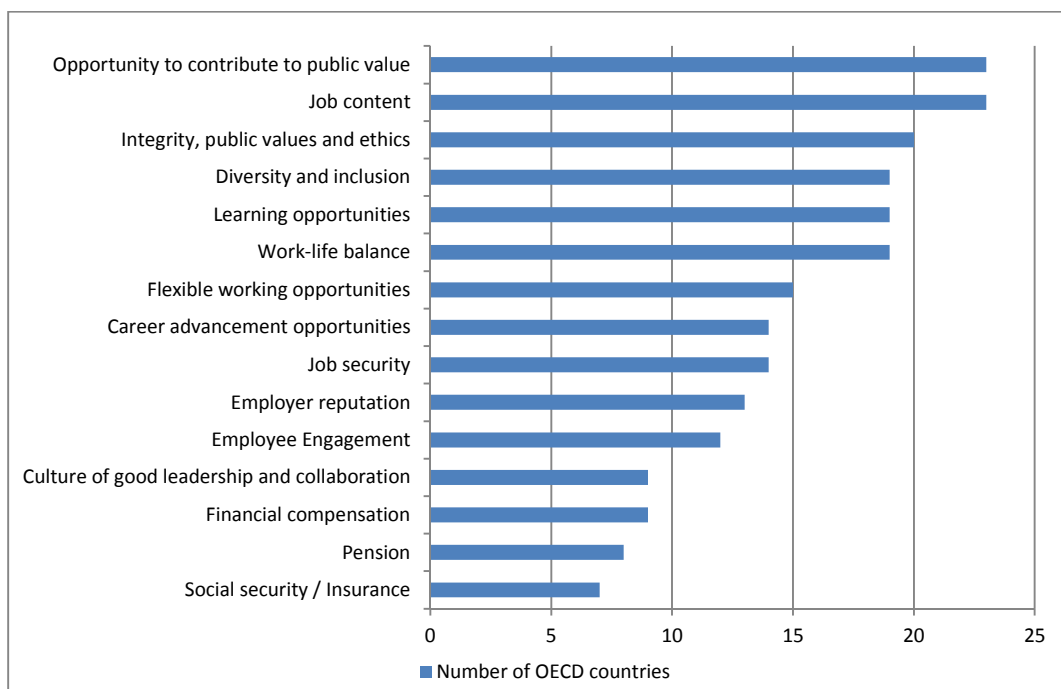
Source: OECD (2016a), Survey on Strategic Human Resources Management in Central/Federal Governments of OECD Countries, OECD, Paris.

Belgium's SELOR (Selectie Bureau van de Overheid) is responsible for central recruiting on behalf of over 150 employers, mostly at the federal level of the Belgian government. It develops an evidence-base through surveys to better understand the value proposition of their employment, to target the right candidates to the right messaging, and to support individual agencies in better designing recruitment programmes that fit their needs (Box 2.10).

Box 2.10. SELOR and employer branding in Belgium

SELOR is the Belgian federal administration's central recruitment agency which acts on behalf of over 150 employers. It is therefore a major player in employer branding at the federal level.

Since 2000, SELOR has conducted studies to better understand their employer value proposition (EVP), focusing on transversal elements within the federal functions. The annual comprehensive survey measures which building blocks are responsible for the fact that a candidate chooses a certain employer, or why somebody is eager to work for a current employer. The most recent study highlights the following top five factors:

1. **Competitive wage package**: SELOR conducts studies on the remuneration of federal civil servants in comparison to the private sector, with an aim to provide competitive wages, or to be aware of the wage difference, which can help inform other elements of the EVP.

Box 2.10. SELOR and employer branding in Belgium *(cont.)*

2. **Pleasant working atmosphere**: SELOR conducts an annual inquiry into employer branding of the federal administration. The answers of federal employees are compared to the answers of those who are not yet a federal employee. The 2016 survey puts pleasant working atmosphere in third place when the question is asked "what attracts one to the job": 70% or more of those respondents who are already civil servant states this element as vital, compared to 60% of the non-civil servants.

3. **Job security**: The public administration is one of the most secure employers in the national labour market. This factor is always rated as highly important to current and future employees.

4. **Interesting job content**: The societal relevance of public office is an asset. The 2016 employer branding survey puts this in fourth place when asked "what attracts one to a job": 60% of civil servant respondents state interesting job content, compared to 70% of those who are not (yet) a civil servant. Candidates want to do something "useful" and to work to support the public interest

5. **Good work-life balance**: The public administration scores highly in this respect. Many administrations work accordingly to the NWOW principles (new ways of working – including flexible work times and places). The 2016 employer branding survey puts this in fifth place: 70% of both civil servants in service or those not yet civil servants state this as important.

Source: Information provided by the Belgian Federal Administration.

Recruitment and selection practices

Most OECD countries have long installed merit-based recruitment systems that set common standards for civil servants to meet through, for example, standardised testing. These systems were designed to ensure a high degree of professionalisation (as opposed to politicisation) of the civil service, and to ensure all applicants are provided with equal opportunities. While such systems respond to values of professionalism and equal access, they may underperform in a context of competition for particular skill sets. For example, standardised testing remains a common mechanism in a majority of OECD countries, but the question is whether the testing is appropriately adapted to the skills needed today. Can these common recruitment mechanisms be applied to specialist skills, or does their use prioritise generalist profiles? It is also not clear how good these mechanisms are at testing for the kinds of behavioural, social and cognitive competencies increasingly prioritised by OECD countries.

Merit systems developed in many OECD countries can also be rather slow to fill vacant posts. Among OECD countries, 17 report it taking, on average, longer than three months to fill vacancies at senior management levels; 15 countries report the same at middle management and 14 at professional levels. This has a negative impact on business planning and continuity, and when competing for talent in the labour market. Civil services are increasingly competing with other employers for the best and brightest, and it is possible many countries are losing out to organisations that can make quicker job offers than civil services.

Box 2.11. Government-wide efforts to attract skills in Korea

Since 1999, the Korean government has established an HR database (www.hrdb.go.kr) to support government-wide HRM. Currently, data of over 290 000 persons are accumulated, covering academic background, job career, permit, publications, and papers. The Ministry of Personnel Management (MPM) is in charge of updating and making use of the database, targeting the profiles of civil servants (above grade 4-5), high-level staff in public institutions and private companies, professors, and experts in diverse fields. Central and local governments, and public institutions may ask the MPM to suggest candidates for their vacancies, or they may directly search the database under MPM's approval.

After the MPM was established in 2014, the Korean government strengthened its efforts to attract talented skills into the government. The MPM hired a civilian expert as the manager to find the talented candidates demanded by ministries. The candidates hunted by the MPM were either encouraged to apply for job openings, or scouted to appointments by ministries. For example, lawyers with a professional background in the field of fair trade and international business were respectively recruited by the Korean Fair Trade Commission and the Ministry of Foreign Affairs. In 2015, the Korean government launched a portal (www.injae.go.kr) which combines over 11 200 government bodies' posting information, and the recruiting information began to be provided through major private job portal companies from 2016.

Source: Information from the Korean Ministry of Personnel Management.

The SHRM survey asks about measures taken to have more or less external recruitment. At the most senior levels, 11 countries are taking measures to encourage more, compared to only four countries that are actively reducing external recruitment. At lower levels of the hierarchy, most OECD countries are taking measures to increase or decrease levels of external recruitment. This is likely influenced by the ongoing impact of the crisis, and suggests the need to ensure the external recruitment taking place is done so with a clear strategy to address skills gaps, particularly skills that are harder to develop from within.

Recruitment will only help to address skills gaps if the merit-oriented systems are aligned and tuned to the specific skills needed. To do this, most countries (26) link recruitment to workforce planning. For example, in Australia, before considering any recruitment action, agencies must undertake a careful and objective analysis to identify whether the position needs to be filled, if it can be accommodated within the agency's budgetary limits, and if it is classified correctly. There are also issues around how increased expectations of diversity and representation impact merit-oriented recruitment systems. It is beyond the scope of this report to address all of these questions, but some hints may be readily available from Canada (Box 2.12).

Box 2.12. Targeting recruitment strategies in the Government of Canada

The Government of Canada has identified three strategic goals to guide its recruitment activities in support of a strong and productive workforce.

First, in response to the growing numbers of millennials shaping the workforce, the government is targeting young recruits who are reflective of the full diversity of Canada. Some key actions include:

- Strengthening post-secondary recruitment through a more co-ordinated and targeted annual campaign.

- A new web presence to strengthen the public service brand and support recruitment and retention.

- A high-flyer programme to attract top talent (e.g. Recruitment of Policy Leaders programme see Box 2.12).

Second, the government is encouraging innovation in recruitment and staffing through the introduction of new internship programmes, simplifying the job application process, and piloting new assessment tools. Embedded in these and other actions is the overarching goal of strengthening diversity by attracting and retaining larger numbers of Indigenous Canadians and other employment equity groups.

Third, the government is strengthening onboarding and retention through improved orientation and training sessions, networking, mentoring and immediate feedback from new hires. Under the Blueprint 2020[1] initiative to help guide the evolution of Canada's public service as a world-class institution, the government is making continued progress to harness modern workplace tools (e.g. mobile technology, collaborative workspace) and embrace new ways of working to support the goal of being agile, creative and innovative.

[1.] Blueprint 2020: www.clerk.gc.ca/eng/feature.asp?pageId=349.

Source: Information provided by the Office of the Chief Human Resources Officer, Treasury Board Secretariat of Canada.

Attracting talent through special programmes

Skills gaps are also addressed through specific recruitment programmes which seek to identify the best and brightest in certain professions for higher-intensity development and faster progress up the hierarchical ladder. Across OECD countries, 17 report the existence of fast track or high-flyer programmes (Box 2.12); there is a great deal of diversity across these programmes. Some focus primarily on bringing new talent into the civil service, while others look within to identify promising talent for eventual promotion to management levels.

These programmes are often examples of the application of talent management principles to civil services. Talent management is defined by the Chartered Institute of Personnel and Development (CIPD) as "the systematic attraction, identification, development, engagement/retention and deployment of those individuals who are of particular value to an organisation, either in view of their 'high potential' for the future or because they are fulfilling business/operational-critical roles" (quoted in Australian Government, 2015: 1). In many ways, talent management builds on the common practice of performance management, but takes a future-oriented perspective. This requires identifying future potential as a separate element from past performance (Table 2.1).

Table 2.1. Managing performance vs. potential

Performance	Potential
An assessment of what has already happened in a past role or what is happening in a current role: Actual achievements Actual behaviours	A prediction of what might happen in the future in a more complex, ambiguous, larger role: Likelihood of success in delivering outcomes Likelihood of appropriate behaviours Likelihood of surviving and thriving

Source: Australian Government (2015), *Australia Public Service Talent management Guide*, www.apsc.gov.au/publications-and-media/current-publications/talent-management-guide.

These talent management programmes differ in size and scope. The UK example takes a broad scope with a view to supplying talent to a wide range of professional streams in the UK civil service. It offers 15 different schemes ranging from generalist to digital, economic, project delivery and HR specialists. The UK programme admits around 1 000 new recruits annually. Denmark's programme, on the other hand, takes on 16 current employees who have already demonstrated high potential for senior leadership positions. In all cases these programmes are highly competitive and thereby may ensure civil services remain attractive to top talent. For example, Chile's internships programme received over 5 000 applications for 371 positions; Poland's fast stream programme received 367 applications for 35 positions; while the United Kingdom receives, on average, 20 000 applications annually. The risk with all talent management programmes is it creates elites in the system to which greater opportunities are offered for development and advancement. Furthermore, tracking the success of these programmes remains a challenge. Box 2.13 summarises the key feature of fast track programmes in select OECD countries.

Box 2.13. Development programmes to attract talent in various OECD countries

The **Flemish** public service**'**s HR agency initiated an internal fast-track talents programme in order to prepare civil servants for a job in middle management. Once employees with the ambition to become head of division put forward their candidacy after an interview with their manager, they were invited to several development-based tests. Based on the results of the tests and the candidate's portfolio, 25 talented employees were selected after discussion among management committees and the government organisations. Through a mix of learning activities, the participants were offered a learning experience lasting a year. Participation offers no guarantee of a job, and a selection process remains mandatory. However, it was the first time that a potential detection was undertaken on such a large scale by the Flemish Public Service. Women were especially encouraged to take part due to an important diversity aim to increase the number of talented women in middle management jobs within the Flemish Public Service.

The **Canadian** Recruitment of Policy Leaders (RPL) initiative focuses on recruiting exceptional professionals with diverse achievements and experience into mid and senior-level policy positions across the Government of Canada. Anyone with a post-graduate degree, record of academic excellence or policy experience can apply online during the campaign period. Making it into the pool does not guarantee a placement. However, the RPL has a very successful rate of placement as the candidates are assigned a mentor to guide them through the final stages of the hiring process. Mentors help candidates plan their timeline to begin work, explore options to find the right job, and even arrange meetings with the hiring managers responsible for making an official offer of employment to candidates.

Box 2.13. Development programmes to attract talent in various OECD countries
(cont.)

Since 1991, **Poland's** Lech Kaczyński National School of Public Administration has been tasked with the training and preparation of members of Poland's civil service corps, as well as more generally the cadre of higher-ranking officials in the country's administration. The school annually accepts up to 40 students who have passed four stages of examination on knowledge/skills, language, motivation/competencies assessment and interview. In addition, during the examination process a survey on voluntary activities is conducted to promote candidates experienced in unpaid work for the common good. After the 19 month training programme, the graduates are guaranteed employment in public administration at specific key posts identified by the Prime Minister. While attracting many university graduates, the government not only hires young talent, but has also earned an image as a good employer. It facilitates co-operation between politics and administration as the school's graduates work at all levels of governments, including both administrative and political positions.

Denmark's topleader programme selects and develops top leader talents in the Danish state, so that they, in turn, can ensure through their leadership a public sector that is more efficient, productive and results-oriented. The programme is custom-designed for top leader talent, and includes in-class learning, inter-module projects and individual coaching. Pre and post-assessment tests track the uptake of programme learning, and objectively measure whether and how each and every participant has progressed. The programme consists of 10-16 module days, and each module includes a variety of learning methods such as classroom teaching, case studies, team exercises, group coaching and/or field trips.

Estonia: The Management Talents Programme (fast-track programme) was created with the aim of attracting young talented graduates from universities to start their career in the public service and help them grow towards becoming a future leader. The pilot programme was conducted in 2012-2014, and the second programme took place between September 2015 and May 2017. The participants are hired to their home ministry, pass several rotations to other organisations, participate in group development activities (an extensive development programme based on the competency framework of Estonian top civil servants, shorter training, workshops), and individual development activities (mentoring, coaching, job shadowing).

France: The Interministerial Cycle of State Management aims to create a talent pool of future top managers and to train senior deputy directors who are potentially able to become directors in the short term. It is developed by the ENA (Ecole Nationale d'Administration) and supervised by the Secretray General of the Government and Directorate General for Administration and Public Service (DGAFP). Participants are trained during 7-8 months to develop their management skills. Specific modules include becoming a director; managing efficiency and change; innovation and digital; communicating and convincing; and motivating, leading and developing a team.

Israel: The Civil Service Cadet Programme intends to build and train a management cadre that will catalyse change in the civil service. Each year, this cadre is identified, screened, and recruited into a six-year training and placement track, after which each cadet is placed in a key position in the civil service. This experience is characterised by an opportunity for the cadets to learn topics theoretically in the classroom, and afterwards be able to observe, experience and acknowledge these topics on the ground accompanied by various methods, such as study visits all over the country and abroad, encounters with people, organisations, perspectives and ideas within the society, simulations, case studies, workshops, and peer learning. After a two-year period, cadets are placed in a government ministry to work in two positions of influence over four years, during which time they build their network and work with other cadets and people in positions of influence, authority and leadership to catalyse change. Currently, cadets are placed in more than 20 ministries and sub governmental organisations on five different content clusters: HRM; social (health, welfare and education); regulations and economy; environment; and governance and macro. For more info see (OECD, 2017).

Box 2.13. Development programmes to attract talent in various OECD countries
(cont.)

United Kingdom: The Fast Stream is one of the largest graduate development programmes among OECD countries. In 2015, 21 135 applicants competed for 967 appointments in 12 different specialist and generalist streams. Once selected, the programme equips participants with the knowledge, skills and experience they need to be the future leaders of the civil service. Fast Streamers' personal development is achieved through a programme of carefully managed and contrasting postings, supplemented by formal learning and other support such as coaching, mentoring and action learning. The UK Fast Stream programme promotes diversity and inclusion and produces an annual report with data and analysis showing the range of applicants. This is a good example of data-driven HR analysis. In 2015, a report was produced to understand the factors behind the socio-economic patterning in the Fast Stream and why applicants from lower socio-economic backgrounds are less likely to apply and less likely to succeed. The research provided insight for the wider civil service and evidence to build on and make recommendations to improve socio-economic diversity. The report included recommendations to, among others, introduce a new, enhanced approach to measuring and monitoring socio-economic diversity, establish clearer accountability for socio-economic diversity in the Fast Stream, and introduce enhanced data insights to adjust attraction and recruitment strategies (The Bridge Group, 2016).

United States: Since 1977, the Presidential Management Fellows (PMF) programme has matched outstanding graduate students with federal opportunities. The PMF programme is a leadership development programme at the entry level for advanced degree[1] candidates that has gone through many changes over the years. The programme attracts and selects the best candidates possible, but is designed with a more narrow focus: to develop a cadre of potential government leaders. It provides some sustenance during the first years of employment and encourages the development of leadership capabilities. The PMF programme aims to create a lasting bond as well as a spirit of public service, ultimately encouraging and leading to a career in the government.

[1] Advanced degree means a professional or graduate degree (e.g., master's, Ph.D., J.D.) (www.pmf.gov).

*Source*s: Case studies submitted to the OECD from delegates of the Public Employment and Management working party, and/or submitted through the 2016 Survey on Strategic Human Resource Management in Central/Federal Governments of OECD countries.

The Bridge Group (2016), *Socio-Economic Diversity in the Fast Stream*, www.gov.uk/government/publications/socio-economic-diversity-in-the-fast-stream-the-bridge-report (Accessed 01/08/2017).

OECD (2017a), *Fostering Innovation in the Public Sector*, OECD Publishing, Paris, http://dx.doi.org/10.1787/9789264270879-en.

Core civil service vs. flexible work contracts

In many countries, the central public administration employs workers under a variety of contractual relationships – not all who work in the central public administration are necessarily employed as civil servants, and not all civil servants are employed under the same arrangements. The kinds of protections and arrangements for civil servants differ from country to country. For the purposes of this discussion, civil servants are those employees who are covered under a specific public legal framework or other specific provisions.

Some countries report only civil servants employed at the central public administration level[2] (Canada, Italy, Korea, the Netherlands, Poland, Switzerland), whereas countries such as Sweden and Denmark prefer to hire the vast majority of their

public employees through private labour regulations. Given this diversity of contractual relationships, it may not be rare to find civil servants working side-by-side with employees on temporary contracts or on loan from other departments.

Significant differences exist in the way civil servants and other public employees are managed. Civil servants are generally subject to more job security (19 countries), more vigorous recruitment processes (19 countries) more opportunities for career advancement (18 countries) and different pay scales (17 countries).

These features were traditionally justified by the kind of work civil servants undertook in the name of the "public good", which demands higher standards for accountability, transparency, and ethics to reduce the risk of corruption and/or perceived conflicts of interest. Furthermore this requires some level of protection from political interference in staffing decisions to ensure that the civil service is able to "speak truth to power" and maintain legitimacy in the eyes of the public. For these reasons there has traditionally been a focus on transparent, merit-based recruitment and high job security to protect from politically motivated firing. This would suggest the assignment of civil service status should be based on principles related to the nature of the job (e.g. level of risk of corruption, political exposure) as opposed to the nature of the employer.

In some countries, there is evidence the kinds of contracts offered are based on a clear assessment of whether these jobs are core to the civil service and require the kinds of protections and obligations that come with such positions. Jobs that bestow the holder a certain level of public trust (e.g. managing significant public funds) and/or require policy advisory skills to "speak truth to power" would more naturally fall under civil service protections. There may be very good reasons for identifying certain types of skills that would be best contracted through different, more flexible, mechanisms. However, it is unclear whether strategic reasoning is driving the variation amongst contracts, or whether it is a more haphazard approach based on the historical development of public employment.

Figure 2.10. Civil servants or other public employees by role and function (OECD 35, 2016)
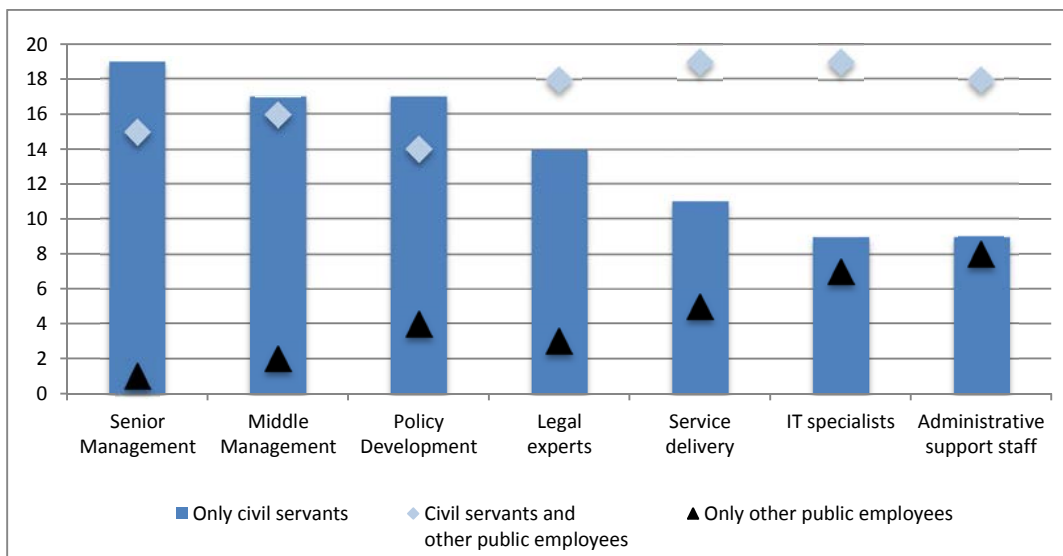
Source: OECD (2016a), Survey on Strategic Human Resources Management in Central/Federal Governments of OECD Countries, OECD, Paris.

While it is very difficult to find comparative indicators for these kinds of complex systems, the OECD asked countries which types of employees (civil servants or other public employees) filled which roles (Figure 2.10). The results suggest that in many countries, there are few principles which clearly define roles for civil servants, and roles for other public employees. For example, at senior management levels, 15 OECD countries report both civil servants and other public employees in these posts, while 19 countries reserve these positions for civil servants. Policy development roles are reserved for civil servants in only 17 countries. Legal experts, service delivery employees, IT specialists, and administrative support staff can be employed as civil servants or other public employees in most OECD countries. This kind of blurring of functions and employment contracts suggests that in many countries, the work undertaken may be less of a determinant of an employment contract than other factors, such as historical precedent or administrative efficiency.

The allocation of employment terms and conditions is still a very under-researched phenomenon, and data is scarce; although there is evidence from the SHRM survey that 12 countries report the use of "other public employees" for specific functions as an increasing trend. Estonia and Denmark both present examples of a principle-based approach to determining employment relationships. Estonia distinguishes between core functions and support functions. In Denmark, civil servants are confined to senior managers and judges (see Box 2.14).

Box 2.14. The use of "other public employees" in Estonia and Denmark

In **Estonia**, in 2013, a new Civil Service Act entered into force, which also amended the definition of an official. According to the new act, staff responsible for "core functions" (policy making and implementation) are considered officials. Staff responsible for support functions are regular employees, whose employment relations are regulated in the Employment Contract Act. The support functions include accounting, human resource work, records management, activities of procurement specialists, activities of administrative personnel, activities of information technologists and other work in support of the exercise of official authority. The implementation of the new law entailed the decrease of the number of officials as support staff are now considered regular employees.

Persons working in the central government in **Denmark** are, in general, employed under collective agreements or as civil servants. Some individual personnel groups are employed according to regulations, and in a small number of cases, employment is based on individual contracts. Since 1 January 2001, appointment as a civil servant is confined to positions specified in a circular of 11 December 2000, amended by a circular of 17 June 2009, on the application of civil servant employment in the state sector and the national church. Accordingly, it is typically senior managers, judges and police and prison staff who are employed as civil servants. Other groups are typically employed on collective agreement terms. Consequently, over the years there has been a significant drop in the number of appointments as civil servants.

Source: Submitted through the 2016 Survey on Strategic Human Resource Management in Central/Federal Governments of OECD countries.

A number of countries have also developed special mechanisms to bring highly skilled individuals into the government at senior levels to work on special projects. The White House Fellows programme is a prestigious example that enables highly skilled people, such as doctors, IT innovators, or business leaders, to work with the highest levels of the White House for a year to advance key projects (see Box 2.15).

Box 2.15. US White House Fellows Programme

Adopted in 1965 by the President's Commission on White House Fellowships, the White House Fellows programme is one of America's most prestigious programmes for leadership and public service. White House Fellowships offer exceptional young men and women first-hand experience working at the highest levels of the federal government. Selected individuals typically spend a year working as a full-time, paid fellow to senior White House staff, cabinet secretaries and other top-ranking government officials. Fellows also participate in an education programme consisting of roundtable discussions with renowned leaders from the private and public sectors, and trips to study US policy in action both domestically and internationally. Fellowships are awarded on a strictly non-partisan basis.

Approximately 100 of the most qualified applicants are selected to be interviewed by eight to ten regional panels, which are comprised of prominent local citizens. Based on the results of the interviews, the regional panels and the programme director select approximately thirty candidates to proceed as national finalists. The President's Commission on White House Fellowships then interviews the thirty candidates and recommends 11-19 outstanding candidates to the President for a one-year appointment as fellows.

Source: www.whitehouse.gov/participate/fellows.

Developing skills: Training systems and learning cultures

Employee development is a pillar of any skills strategy that requires significant focus, particularly in civil services with high levels of job security and low overall turnover. Learning opportunities have already been highlighted as an important element of both employer branding strategies and competency frameworks. Investing in learning as a core part of a civil servant's job will only become more important given the high speed of change and technological advancement. Lifelong learning will be essential not only to move forward in a career, but also to maintain skills and impact.

Recent OECD research (OECD, 2016b) suggests training budgets were one of the first things to be cut in the wake of the 2008 financial crisis. While budget constraints were significant, such reactions, if sustained over the long term, risk cutting off the civil service's ability to renew and refresh the skills sets it needs to make good policy and implement new services. Reinvesting in civil service learning will require not only training programmes, but also the embedding of learning in the culture and values of the organisation, making it a core responsibility of every public manager.

This section looks at the role of learning and skills development and makes the following key points:

- Different institutional structures exist to manage and oversee civil service training, and various approaches exist to align training at individual organisational and civil service levels. What is important is that training and development is organised and aligned to the core priorities of the civil service, ideally to the civil service vision and competency frameworks identified above, but also to future priorities such as foresight, innovation, and digital skills.

- Countries that combine individual learning incentives (e.g. learning plans linked to performance management processes) and organisational plans (organisational or civil service-wide plans) are more likely to be able to ensure civil servants receive the training they need, and training provision is effectively co-ordinated.

- Developing a learning culture in the public sector will require much more than well-coordinated training. Leadership development and online training are the two highest priorities for OECD countries in terms of learning and development, and these may help, but countries will also need to use a broader range of tools, such as mentoring, coaching, networking, peer learning and mobility assignments to promote learning as a day-to-day activity integrated into the jobs of civil servants.

Governance of civil service learning

The institutional oversight of skills development in the civil service tends to fall under the responsibility of the central HR authority in most (21) OECD countries, although in many countries the primary responsibility for training and development is delegated to individual ministries and agencies, making it difficult to get a broad snapshot of the wider landscape (Figure 2.15). In Australia, for example, a Secretaries' Board guides the work programme of the Centre for Leadership and Learning, which is the Australian Public Service's central training institution; while oversight arrangements vary for agency-level learning and training. In Canada, some common learning activities are overseen by the Treasury Board Secretariat and the Canada School of Public Service, while individual departments also play a significant role in training within their organisation.

Moving from the oversight function to the promotion, co-ordination and administration of learning, OECD countries split relatively evenly into three groups. Eleven countries report the existence of a single institution within government; for example, the National School of Administration in Italy, or Portugal's Institute for Public Administration. Twelve countries report shared responsibilities by several governmental institutions, while 12 others report delegation to the ministry/agency level (Box 2.16).

Figure 2.11. Body responsible for promoting, co-ordinating and administering learning for the central public administration (OECD 35, 2016)
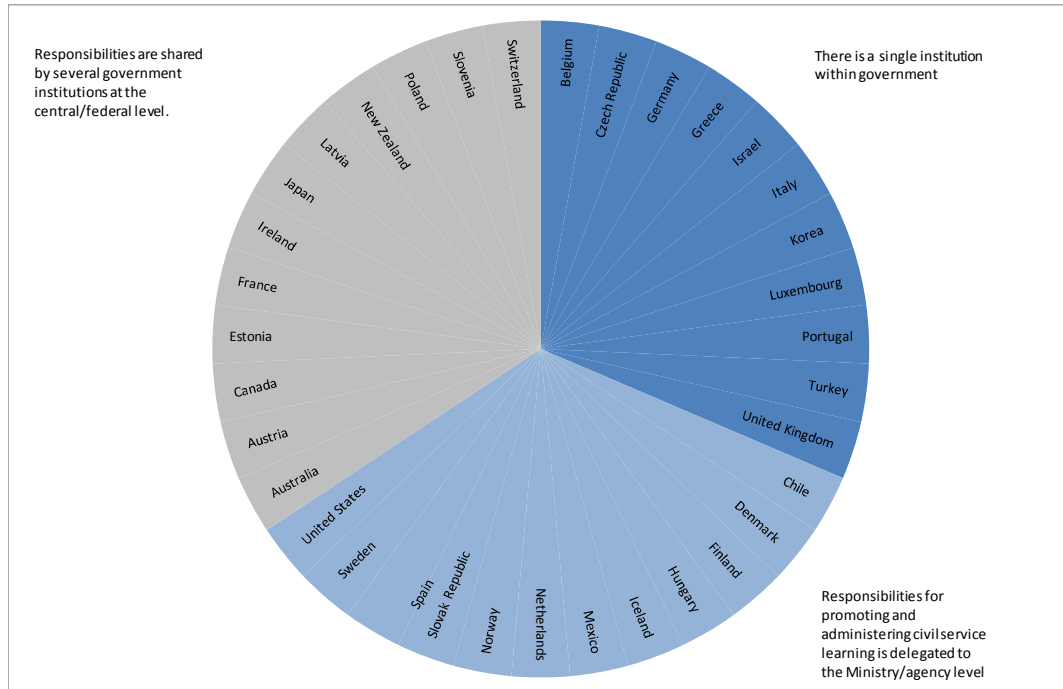
Source: OECD (2016a), Survey on Strategic Human Resources Management in Central/Federal Governments of OECD Countries, OECD, Paris.

Box 2.16. Training institutions in select OECD governments

Australia: The Centre for Leadership and Learning in the Australian Public Service Commission provides learning programmes that develop the capabilities required across the public service. Areas of focus include development leadership capability, management expertise, and core skills for working in government. Agencies choose to use these programmes developed by the Centre for Leadership and Learning on the basis of value for money. Alternatively, agencies may develop their own programmes or engage external training providers.

Finland: The Finnish Institute of Public Management Ltd. (HAUS) is an important actor in the field of training. HAUS trains civil servants and improves their skills; it also participates in different ways in developing state administration organisations. Agencies themselves organise a lot of training, or buy it from private firms. Other methods of HRD are even more important than training, including learning on the job and guidance, such as mentoring and coaching. Some agencies have joined forces and train civil servants together. The Office for the Government and the State Treasury play a horizontal role. "Services to the Government" by the Prime Minister's Office (http://vnk.fi/en/services-to-the-government) has a training role inside ministries.

Hungary: The Ministry of the Interior is responsible for directing the institutional system of further training for public officials, although the National University of Public Services is generally responsible for developing, planning and implementing further training. The annual training plan is made up of training that fits to the job/competence profile of the public officer. It is administered by the university and the desk officers responsible for training who work at the employee's organisation.

Box 2.16. Training institutions in select OECD governments *(cont.)*

Ireland: The Civil Service Renewal Plan aims to establish a new shared model for delivering learning and development for all civil servants, which will be strategically managed by a central Learning and Development Centre. However, until this new centre is established, each department/ministry is responsible for the development of their staff members.

Japan: There are two institutions within the government: the Cabinet Bureau of Personnel Affairs and the National Personnel Authority. The Cabinet Bureau of Personnel Affairs is responsible for the co-ordination and promotion of learning, and the National Personnel Authority is responsible for oversight of learning.

Mexico: The Ministry of Public Administration designs and makes policies, regulations, general criteria and other regulations in training. Individual institutions promote and manage knowledge development.

Portugal: The mission of the Directorate General for Qualification of Employees in Public Functions (INA) is to promote the development and qualification of employees in the civil service through competencies management and the assessment of staff needs regarding the public service mission, objectives, activities and career management. Its roles include, among others: a) co-ordinate human resource development policy implementation in a coherent, integrated and optimised way; b) ensure training planning and management through human resource needs diagnosis; c) define cross-cutting training profiles that promote a diversity of training programmes and styles; d) develop training curricula aligned with services management priorities; e) work with other entities to develop vocational training for public administration to support administrative modernisation. There are also other public and private organisations that administer learning to public employees.

Spain: There are several training centres including the National Institute of Public Administration and the Institute for Fiscal Studies. The National Institute of Public Administration co-ordinates across the various bodies.

Flemish Public Service (Belgium): Agencies and departments within the Flemish Public Service are themselves responsible for the learning/training of their employees. However, the HR Agency monitors learning/training in the Flemish Public Service. The HR Agency also offers agencies and departments services such as: organisation of training, a catalogue with different relevant training/learning opportunities organised by the HR Agency (mainly, but not only, focused on management and HR, primary target audience), provision of advantageous framework contracts with suppliers of training.

Source: Submitted through the 2016 Survey on Strategic Human Resource Management in Central/Federal Governments of OECD countries.

Schools of government may play special roles in overseeing civil service learning and developing future civil servants and/or current and future civil service leaders. An OECD Network of Schools of Government was established to bring together such organisations in OECD member countries and beyond in order to look more specifically at skills needs and development. A survey was completed in 2014 which looked at a variety of indicators, including skills needs and offerings (OECD, 2017b).

Schools of Public Administration, Public Management and Public Policy are another essential group involved with the training of future civil servants. Many of these schools are placing a renewed emphasis on skills related to collaboration and engagement, in addition to traditional approaches to policy making. Box 2.17 highlights a number of collaborations between civil services and universities, ranging from scholarships for PhD

studies in Australia, preparatory programmes in France, and executive Masters programmes in the United Kingdom.

Box 2.17. Partnership between civil service and universities for skills development in Australia, France and the United Kingdom

In **Australia**, a flagship programme encouraging a learning culture for skills development is the Sir Roland Wilson Foundation PhD Scholarship Programne. In partnership with the Sir Roland Wilson Foundation at the Australian National University, these scholarships enable a small number of middle management employees to undertake full time PhD studies. Sir Roland Wilson scholars contribute to the Australian public policy debate and research complex topics of national significance.

In **France**, the Institutes of Preparation for General Administration (IPAG) within the universities, and the Centres of Preparation for the General Administration (CPAG) within the Institutes of Political Studies, are intended to prepare candidates for access to and careers in the public sector through competitive or contractual recruitment. For the past 25 years, IPAG and CPAG have been preparing students and interns for external competitions, internships or other ways of accessing the public service. The results obtained show the effectiveness, relevance and regularity of these preparations, combining theoretical and practical lessons (training, simulations, etc.) and carried out by academics and professionals from the various public administrations. The 28 institutions of the National Conference of Directors of IPAG and CPAG are linked to universities or Institutes of Political Studies and are spread over the entire territory, including overseas. IPAG and CPAG are, for the most part, authorised to issue degrees of higher education at the Bachelor's and Master's level, and some have developed international collaborations. These institutions are in close partnership with the DGAFP, the schools of the civil service (Network of Schools of the Public Service), and in particular the Regional Institutes of Administration.

The **UK** Civil Service has partnered with the London School of Economics (LSE) to develop an Executive Masters of Public Policy degree programme, with an aim to equip senior and high-potential civil servants with "cutting edge" analytical skills. The programme combines LSE academic instruction with practitioner participation from senior civil servants. The partnership model intends to ensure that the programme addresses policy challenges of high relevance to the civil service and to participants www.lse.ac.uk/IPA/EMPP.

Source: Submitted through the 2016 Survey on Strategic Human Resource Management in Central/Federal Governments of OECD countries and as case studies by the PEM working party.

Planning for learning at the system, organisation and individual level

Learning and development can be organised around the development needs of individual civil servants, to address skills gaps in public organisations, or at the whole-of-government level. OECD countries use these three approaches in various combinations: in 25 countries, organisational training plans are systematically produced for all civil service organisations; individual learning plans for each civil servant are required in 16 countries; and in 16 countries there is a civil service training strategy or action plan to co-ordinate and align training across organisations (Figure 2.12). However there is no clear emerging model of how these work together.

Figure 2.12. Planning for learning and development at system, organisational and individual levels (OECD 35, 2016)
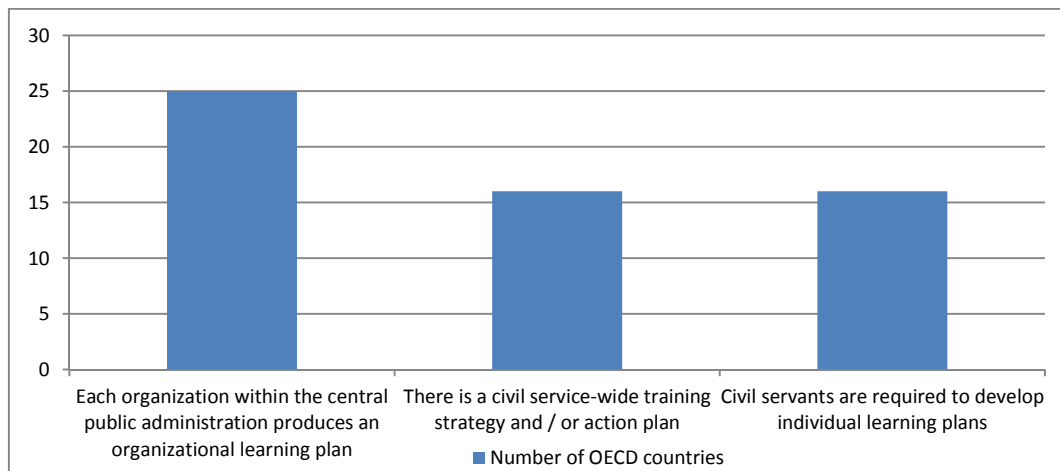
Six OECD countries employ all three tools, which ideally are aligned (United Kingdom, Poland, Korea, Hungary, France and Switzerland), while half employ only one of these planning methods. Only two countries (Greece, Luxembourg) produce civil service wide strategies, while eight countries (Austria, Chile, the Czech Republic, Germany, Latvia, Portugal, Slovenia, and Turkey) require organisational level training plans. Five countries focus on individual level training (Belgium, Denmark, Ireland, Norway, and the Slovak Republic). A number of other combinations exist: seven countries focus on the alignment between a civil service wide strategy and organisational plans (Australia, Estonia, Israel, Italy, Japan, Mexico and Spain), while four countries focus on the alignment of individual and organisational learning plans (Finland, Iceland, Sweden and the United States). Canada is the only country that reports the use of civil service wide strategies and individual level learning plans without organisational plans (Figure 2.13).

Figure 2.13. Training plans at system, organisational and individual levels (OECD 35, 2016)

Note: Canada = Civil Service Wide + Individual.

Distinguishing between these three levels may indicate different attitudes towards training and development across OECD countries. For example, countries that employ individual training plans may emphasise development as a responsibility of employees in the management of their own careers, whereas countries that emphasise organisational plans are likely to have delegated training provision to organisations and see training as a requirement to ensure organisational capacity. A number of countries combine these approaches, looking for synergies based on individual need, organisational capacity to meet that need, and government-wide objectives. Korea's Ministry of Personnel Management is charged with setting standards that trickle down through organisations to the individual civil servant (Box 2.18).

> **Box 2.18. Development planning and co-ordination in Korea**
>
> Since 1973, the Korean government has used a government-wide HRD strategy, which is applied to all civil servants. Related law and regulations require the Korean Ministry of Personnel Management (MPM) to establish a civil service wide HR development strategy which is applied to all central government ministries and their training institutes. The strategy is updated every year and includes HR development goals, priorities on the year's education and training contents, and guidelines on each ministry and training institute's programmes and policies.
>
> Following the MPM strategy, each ministry develops their own training plan based on research and surveys on HR development needs; this began after the 1998 amendment of the civil service HRD law. MPM supports this process by providing HRD research results, sharing HRD models and practices, providing education modules and materials, and even providing consulting staff. The organisational plan contains the details necessary for operating each ministry's annual training programmes, and includes regulations on staff skills development and the development of an individual self-development plan. The ministries' affiliated training institutes also establish an annual HRD plan. Ministries and affiliated training institutes' organisational training plans are reported to MPM early every year.
>
> While following the organisational training plan, each ministry allows each civil servant to draft an annual self-development plan. Individuals set up annual development objectives, which are harmonised with individual career and organisational target and priorities. After consultation with superiors or HRD officers in each ministry, they're invited to participate in offline or online programmes from diverse training institutes, obtain degrees or certificates, join academic or professional seminars, organise or join study groups, and read work-related books. The ministry monitors each individuals' practice twice a year, and performance is reflected in promotion. It is the responsibility of a division head to monitor and provide the necessary support for their staffs' development achievement.
>
> *Source*: Korean Ministry of Personnel Management.

Towards a learning culture in the public sector

Recognising the importance of knowledge in the public service and the speed of change requires the development of a culture of learning in the public service. This means developing organisations that motivate employees to be curious, ask questions, enquire and learn. Organisations must provide quality learning opportunities for all civil servants, and see these as essential components of their profession. Learning must be recognised as part of performance and career advancement.

The amount of training used by civil servants may contribute to a learning culture. Figure 2.14 suggests an overall decline of training time in OECD countries. Between 2010 and 2016, more countries report 1-3 days of training, and fewer report 7-10 days. Many more also indicate that this information is either not available or that it varies considerably across institutions, due, for example, to a decentralisation of this function. Figure 2.14 suggests that as countries recover from the 2008 crisis, training time has not increased. The countries that maintain the highest levels of training time are Sweden (7-10 days), and the United Kingdom, France, Hungary and the Czech Republic (5-7 days).

Figure 2.14. Training days used (2010, OECD 35, 2016)
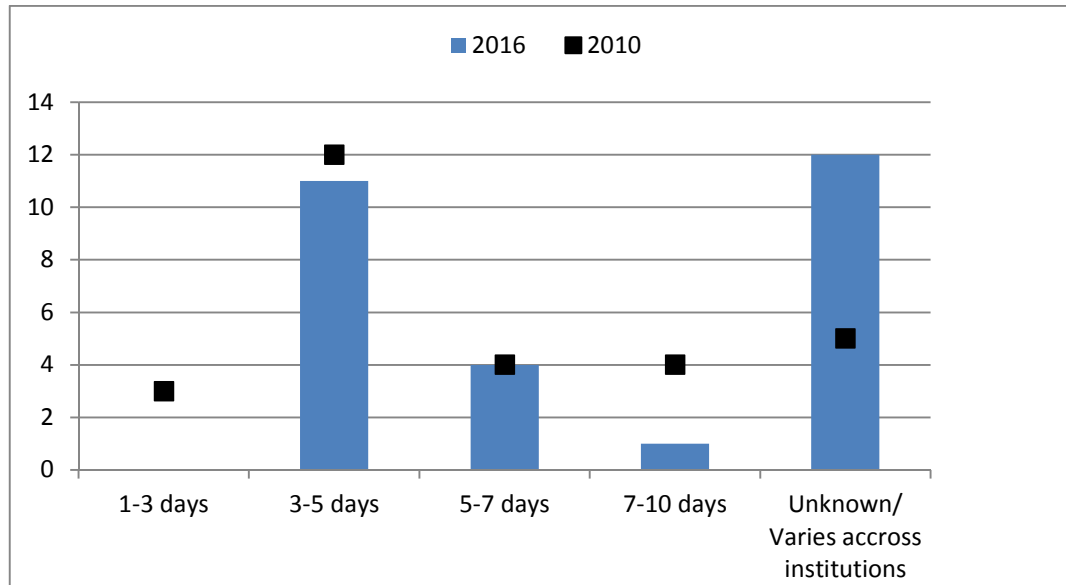
Source: OECD (2016a), Survey on Strategic Human Resources Management in Central/Federal Governments of OECD Countries, OECD, Paris.

A learning culture requires much more than access to formal training, and the elements OECD countries prioritise in the field of civil service training and development provide some further insights into how countries are working towards a learning culture. OECD countries are clearly prioritising executive level training and coaching programmes, as well as online course development (Figure 2.15). A second tier of priority includes training for middle managers and digital skills. This tier also includes co-ordination and monitoring mechanisms.

Figure 2.15. Training priorities (OECD 35, 2016)
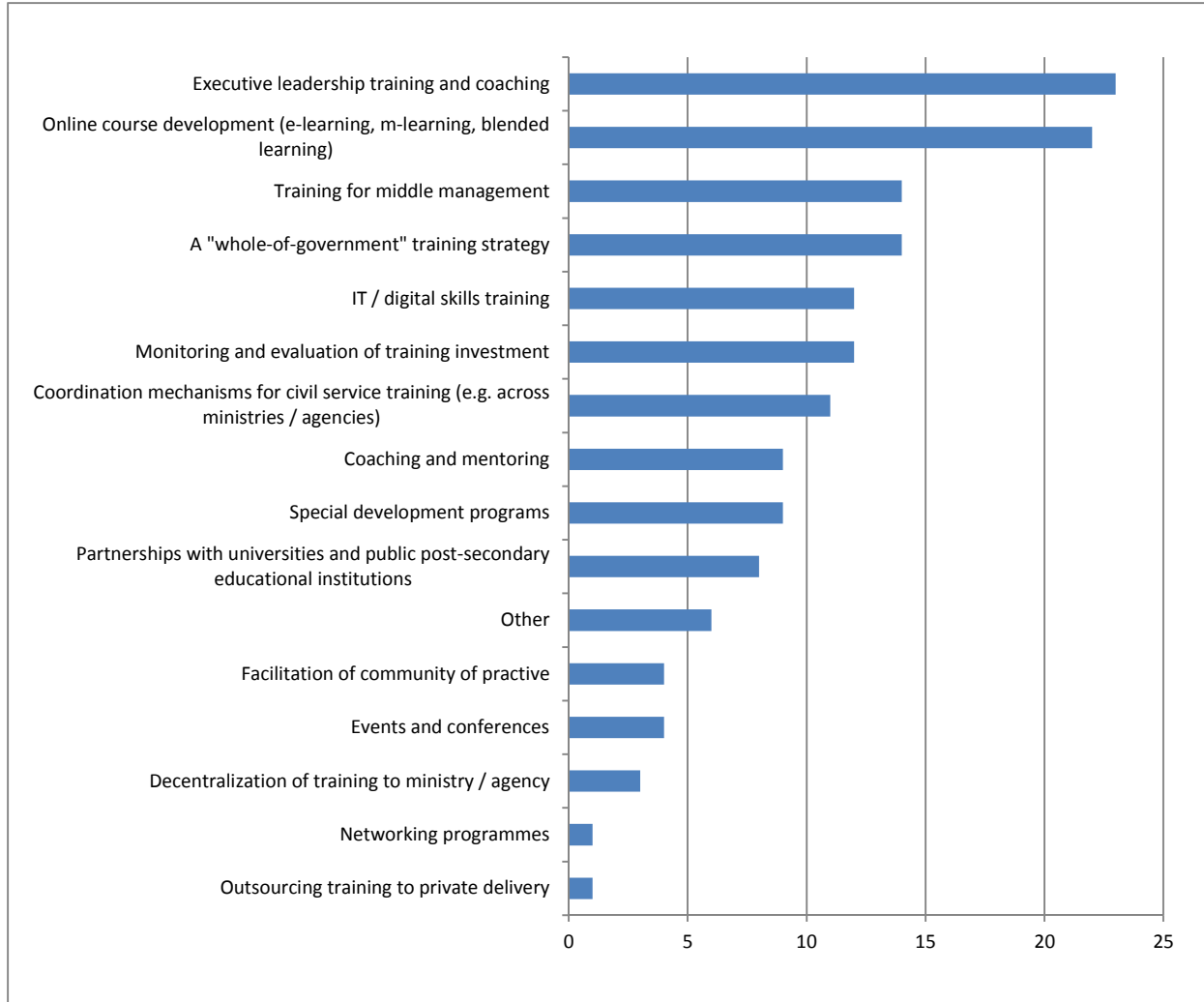
Leadership development is central to all aspects of civil service performance and all four sections of the skills framework described in the first section. It is also consistently identified as a high priority for HRM reform among OECD countries. Executive leadership training ranks top amongst training priorities, and 18 countries report having a specific learning strategy that targets senior managers. Some 23 countries identified leadership development as a top priority for civil service reform overall, with eight countries ranking it as a secondary priority. Only four countries indicated it is not a priority at this time. Prioritising executive leadership training is necessary for building an inclusive high-performance learning culture that makes the best use of skills. Box 2.19 provides examples of the range of programmes offered by various countries, many of which have developed separate programmes targeting middle managers who aspire to senior leadership positions, and those already in such positions.

Box 2.19. Leadership development in select countries

Australia's Centre for Leadership and Learning defines leadership as mobilising others to make progress on challenges and setting the culture of their workplaces. Leadership development is self-transformative learning that supports an individual to understand behaviours and consciously apply practices that expand responses and capabilities. Transforming daily leadership practices requires a shift in self-concept as a leader and of leadership itself. Achieving this shift requires sustained effort, ongoing opportunities for practice and experimentation, and time for reflection.

The Centre offers intensive leadership development for the four most senior levels of the hierarchy. All development offered by the Centre is designed so that it: 1) includes opportunities to reinforce learning over time using a range of interventions; 2) balances opportunities for on-the-job learning, peer-based learning and classroom learning; 3) draws appropriately on the Knowing Doing Being Framework (see the APS Leadership and Core Skills Strategy 2014-15); and 4) draws on the best practitioners in their field whose work is recognised internationally.

Belgium's Training Institute of the Federal Administration (TIFA) offers an intensive development programme to managers at all management levels. Within this programme, TIFA aims to empower managers in their own development process by using co-creation. It aims to explore the wealth of experience and know-how already present within the groups by maximising peer learning. TIFA also aims to create a network of managers within and between federal organisations who support one another, give each other advice and share experiences and best practices. Each year, 210 managers in the federal civil service are chosen and grouped according to the challenges they face. The programme consists of 12 days of classroom training over 12 months, and is tailor made to the needs of the group. In all cases, the programme addresses management and leadership skills, especially coaching and feedback skills; raising self-awareness and self-confidence; and networking and community-building.

Belgium also runs a "mindful leadership programme" called In Vivo. This programme targets 220 high level managers every year and includes: 20 days of learning focused on mindful leadership, group dynamics and group mediation, process facilitation, coaching, and organisational development; 7 days of peer coaching focused on mindful leadership and solution focused coaching; 4 days of mindfulness training; and various individual coaching sessions.

The **Canada** School of Public Service delivers modernised executive development learning and leadership training, including programmes for new and aspiring managers and executives. Two new leadership development programmes, one for senior executives and one intermediate executives, were launched in 2016 to accelerate the development of promising executives, particularly those from under-represented groups, including women, indigenous people, and early-career executives. These programmes combine: on-the-job training, formal and informal learning, experiential learning and community building opportunities. Each participant in these programmes has an individualised plan informed by information from talent and performance management cycles and psychometric assessments (track record interview, 360 evaluation, etc.). Learning includes a common learning component over a 12-month period, and on-the-job learning (or job placement) for some individuals. Both programmes maximise exchange between participants, networking opportunities and mentoring relationships. Additionally, participants teach each other by sharing their learning and insights with other public servants via programmes and events.

Estonia provides training programmes for middle management and for top managers separately. The Newton programme was created and run by the Top Civil Service Excellence Centre to ensure a highly competent and motivated new generation of top executives in the civil service.

Box 2.19. Leadership development in select countries *(cont.)*

The objectives of the programme are: to systematically develop the management competencies of civil servants with leadership potential and to prepare potential future top executives for the Estonian civil service; to encourage the participants to link their future plans with the civil service and increase their readiness to take on more responsibility in their respective areas of work; and to form common values and develop teamwork skills. The target group of previous Newton programmes had been limited to middle-level managers and top professionals in the civil service; however, this is now being expanded to a wider range of public agencies and organisations. The Newton programme is based on the competency framework of Estonian top civil servants and focuses on the challenges faced by the civil service in an international context. The programme combines theoretical/academic and practical approaches to offer participants the opportunity to learn (knowledge), develop their skills (skills) and become a better leader (attitudes). The programme involves people from the public, private and third sectors, from both Estonia and abroad, to share their knowledge and experiences and act as inspiring role models. The approach to topics and the selection of methods is innovative and diverse, with a particular focus on active learning and teamwork. Participants are offered individual support and advice, as well as feedback, during the entire programme. The programme lasts for about a year (160-180 academic hours).

Middle managers are a priority target group because they are the key players in spreading common values and implementing change in a decentralised civil service. The competency framework of Estonian mid-level managers is based on five core competencies that form the basis for their training and development: 1) area development; 2) leadership; 3) personal development; 4) process management; and 5) communication and co-operation. The programme offers a unique combination of development support, practical exercises and training. It also strives to unify the understanding of the middle level manager role by promoting trans-organisational co-operation and creating communication networks. The programme has offered a number of concrete ideas for management improvement in different government institutions. During the programme, participants jointly solve concrete policy-making problems, which contributes to the reforms taking place in real time.

Estonia's Top Civil Service Excellence Centre of the Government Office was established to provide centralised support in relation to the recruitment, selection, development and assessment of 96 top executives in the civil service. In 2015, the Government Office of Estonia, in collaboration with the Ministry of Finance of Finland, launched a one-year joint development programme, Innovation Boot Camp for Public Sector Leaders, with the aim of developing innovation capacity in both public sectors. The results of the programme encouraged the development of a new programme concept for an international target group, in which top executives of central government from four countries are invited to participate. The main aim of the programme is to develop innovation capacity among the top leaders of the public service, thereby fostering new opportunities to solve complex problems and increase the states' strategic agility. The programme focuses on:

1. **Enhancing creativity**: challenging top executive approaches to accelerating and leading innovation.

2. **Leading organisations and networks**: redefining a leader's role in innovating public services.

3. **Ability to absorb complexity**: providing foresight tools to deepen top executive understanding of current global challenges and common trends for the way we live, design our organisations and support our society.

Source: Information provided to the OECD by the delegates of the Public Employment and Management Working Party.

Experiential-oriented learning opportunities, such as coaching and mentoring, events and conferences, communities of practice and networking programmes, appear lower on the list. It is perhaps surprising that while so many countries prioritise leadership development, fewer prioritise coaching, which seems to be an ideal tool for such development. It could be argued that these are the kinds of activities required to transition from traditional training to a learning culture. A comparison of these findings with the competencies prioritised in competency frameworks may provide an opportunity for reflection. Most would likely agree that the top competencies (achieving results, values and ethics, leadership, strategic thinking, communication etc.) would not easily be developed through online courses, but would require a more experiential approach. Box 2.20 shows how coaching across countries has been implemented in the Netherlands and Belgium's Flemish regional government.

Box 2.20. Coaching as a means to developing top leaders in the Flemish and Dutch civil service

The Flemish Public Service has set up a joint training programme with the Dutch Public Service, whereby top managers are trained in coaching colleagues. This enables cross-border peer coaching, which has a number of advantages, such as allowing peers to draw on a wealth of experience as top managers of public organisations. Sometimes an external perspective is needed to challenge perceptions and to ensure a greater sense of confidential and honest sharing; coaching over the border can appeal to both of these expectations. Through the joint coaching training peers also become familiar with the other country's customs and governance styles.

The coaching approach within the Flemish Public Service is enhanced because coaching has a positive effect on the leadership style and culture in public organisations. Top managers' attitudes towards coaching, learning and development influences the culture of an organisation. Scientific research points out that top managers also benefit themselves from coaching. They become more effective in their daily work and are better able to guide their co-workers. Internal coaching within the Flemish civil service has been more accepted, and the number of internal coaching sessions has increased.

A supportive factor for coaching by top managers is that top managers realised that they also benefited from coaching training and coaching colleagues as it gave them the opportunity to hold a mirror up to themselves, and helped improve their interpersonal skills, listening capability and self-confidence.

It is important that the co-ordinator of the coaching pool invests in the learning process of the top managers/coaches, otherwise they become more advisers then coaches. Installing supervision, workshops and lectures on coaching are necessary.

About 15 employees from the Netherlands and Flanders have been matched to a coach from the other country. The evaluation of the first 10 was very positive and the cultural differences were not an obstacle, and were even found to have a positive effect on their coaching track. Another joined coaching training for top managers from the Dutch and Flemish Public Services is scheduled for 2017.

Source: Submitted by the Flemish Public Service (Belgium).

In Germany, the Federal Academy of Public Administration has established a coaching centre that manages an external coach pool made up of academics or private coaches, and matches public leaders with appropriate coaches depending on their specific requirements. In 2015, the centre facilitated approximately 270 coaching processes

(individual and team). Some ministries (e.g. foreign affairs) run their own coach pool, and many also exist at the subnational/municipal level. Belgium's TIFA offers a programme on lean management for managers that combines three important modes of learning: online, face to face, and more intensive coaching for specific projects (Box 2.21). The Italian region of Lazio has also been using multiple methods for training, including world cafes on digital skills, leadership training and the use of online platforms (Box 2.22).

Box 2.21. Lean on management and innovation in Belgium's Federal Administration

In the Belgian context of budgetary constraints, efficient management is a top priority. Management techniques and tools are indispensable. The programme by TIFA, the training institute of the Belgian Federal Authority, provides a tailor-made approach for organisations to develop hard skills for managers and management support. Learning takes place in a classroom environment (which is very expensive), as well as online, in the workplace, together with colleagues as experts, and in networks where good and bad practices are exchanged.

For every management technique, TIFA offers three kinds of training: Self Service, Co-Lab and Academy.

The Self Service is an open webpage on an e-learning platform www.ecampus.ofoifa.be. Every person wanting to know how a certain management technique is (likely to be) used in the federal administration can access at any time the available reference material in relation to that management technique. All articles, checklists, videos, useful links, exercises and cases are carefully selected by the trainers, who are federal experts, and are relevant for a public context.

The Co-Labs are interactive training sessions of one or two days for federal civil servants who already know the basics of management techniques. These include managers, collaborators of management support teams, and project leaders (or destined to be) involved with management techniques. The main aim is to learn from each other through cases, exercises, feedback and hands on tips. The trainer, who is a federal civil servant and expert, coaches and explains the basics. In order to participate in the Co-lab, an **entry test** is required to prove the civil servant's ability to manage the material of the Self-Service.

The Academy offers expert support regarding a concrete project. Project teams can present their project related to a determined management technique. Once selected, a full year of training and intensive support is provided. The result is an implemented project on management techniques for each organisation.

Source: Submitted by the Belgian Federal Administration.

Box 2.22. Innovative training methods in Lazio, Italy

The EDU.Lazio Project was implemented by Agency for Public Administration Development (ASAP), an agency of the regional government of Lazio that operates in close connection with the regional office for institutional affairs, human resources and information systems. ASAP provides training for human resource staff in the region to upgrade their skills. It also supports the region's innovation processes in its organisational structure by using advanced methodologies.

The task of the project is to support a strategy for the "sustainability of human resources" by implementing processes aimed at ensuring – over time – communication, training, motivation, involvement, and development of the social and intellectual capital of the region's organisational structure. Three development programmes have been implemented.

Box 2.22. Innovative training methods in Lazio, Italy *(cont.)*

1. **Olimpo: leadership and governance of internal relations.** This programme was the first Italian experiment of the social enterprise model applied to a public administration. The programme began in May 2015 and ended in October 2015. It was addressed to 167 managers of the regional government of Lazio and was part of an organisational development strategy for regional managers designed to ensure achievement of the administration's strategic objectives. The innovative elements were the use of games as a training tool and Yammer, an online platform designed to encourage co-operation.

2. **Agorà: talking to the internal and external client**. This programme was addressed to regional officials. It was part of a strategy to change culture and management styles, with the emphasis on: becoming more inter-functional; improving dialogue within the organisation among colleagues and with the outside world; creating and exploiting synergies; and developing problem-solving skills in a horizontal and integrated manner. From the methodological standpoint, the use of the "Moodle" e-learning platform proved a useful and innovative teaching tool that enabled the trainees to create a community for discussions, sharing ideas and solutions and accessing learning materials. The numbers confirm that the "Agorà" training programme was successful as it was attended by 1 022 participants, 70% of the target audience.

3. **World Café for the Digital Agenda.** This programme, which involved 1 600 employees from the central and peripheral offices of the region, is part of the strategy for achieving a "Digital Lazio by 2020". The aim of the digital agenda is to turn the regional administration into a body capable of making the most of the opportunities offered by the Internet and technology, with a view to ensuring sustainable and lasting development for its citizens.

The regional digital agenda can be broken down into five areas of intervention, two of which are a top priority for this training initiative: open and intelligent digital administration, and citizenship and digital skills. Through the World Café, the regional government of Lazio offered human resources departments a communication and training project geared to promoting a systemic and massive diffusion of digital agenda issues, focused on participation, openness and co-operation between citizens and administration. The programme began in October 2015 and ended in February 2016. It included 20 World Café sessions, each of which involved about 100 employees broken down into ten groups. Thanks to the facilitation tool, constructive conversations were stimulated on complex projects in a concrete, exciting and productive manner, with a special focus on efficiency of internal processes, involvement of citizens, and improvement of services.

The 1 600 regional employees who participated in this programme offered an abundance of meaningful contributions that were later analysed and summarised by the project team. This material formed the basis of a questionnaire to assess how urgent the various project proposals were perceived. The material was organised and systematically developed into an online questionnaire, made up of 63 items, that was submitted to the participants of World Café for further assessment in terms of urgency, desirability and feasibility.

Source: Submitted by the Italian Ministry of Public Administration.

A learning culture requires more than access to formal training: skills development in the civil service needs to look beyond formal training to include broader learning opportunities and the streamlining of learning into everyday work. This means designing jobs with a view to developing employees' skills, using short-term assignments and mobility to broaden employees' experience, and ensuring that employees are encouraged

to exchange ideas openly, through networks, online communities, conferences, etc. Ireland is developing its first civil service HR strategy that will include a pillar to ensure that all people managers understand employee development as a core aspect of their job. (Box 2.22)

The OECD's Observatory for Public Sector Innovation (OPSI) is undertaking work to better understand the factors for effective learning for innovation in public sector organisations. This work underlines the importance of considering the following key points related to an organisation's purpose, as well as its openness, capacity and capability for learning. These points can be used to develop a checklist of elements that contribute to an organisational learning culture (OECD, forthcoming):

- Purpose: without an established purpose, it will be difficult for an organisation to know what it is learning and innovating for.

- Openness: organisations operate in an interconnected world, where more is happening outside than within an organisation. Learning will be enhanced where there is external engagement.

- Openness (diversity): diversity enables learning from different experiences, to come up with new insights and ideas, and to understand the problems where innovation is needed.

- Openness (service orientation): clients/customers/beneficiaries of public sector organisations can be a rich source of learning, and organisations can promote engagement and the use of tools to learn about and from these stakeholders.

- Capacity (absorptive capacity): learning and innovation build on what has gone before, and lessons will only make sense in context and with experience. This suggests the need for moments of reflection based on past experience.

- Capacity (tolerance for risk and failure): some of the best learning comes from experiences that didn't work out as planned. This requires risk management systems which are able to capture lessons effectively.

- Capability (leadership): learning takes time and resources. Leadership at all levels is required to articulate learning as a core priority and provide the space and tools necessary to make it happen.

- Capability (empowerment): learning and innovation depends on some degree of autonomy and empowerment.

- Capability (infrastructure and processes): learning is a core function and needs to be resourced with the right systems, tools and expertise.

- Capability (understanding systems): learning takes place in complex systems. An understanding of the wider systems is needed in order to learn what the underlying problems are and the full impact of responses.

- X-Factor: every organisation is different. There will be something specific to each organisation that will impact the learning and innovation needs.

Several countries are prioritising the development of learning cultures that address many of the themes highlighted by the OPSI report (Box 2.23). These countries generally combine training with broader leadership and governance approaches to position learning as part of everyone's job. For example, Australia combines learning on the job with

opportunities for advanced university degrees. The Flemish Government in Belgium has developed events to encourage employees to teach each other.

Box 2.23. Learning culture development in Australia, Ireland, Finland and Flanders

A number of approaches are being taken to develop a learning culture in the **Australian Public Service (APS)**, including reinforcing the expectation that learning is part of everyone's job in the APS Leadership and Core Skills Strategy. To support the development of a learning culture, the Australian Public Service Commission (APSC) has published a guide to learning on the job, a practical resource to help employees identify suitable and effective workplace development opportunities aligned with their career aspirations and development needs. A learning culture is also nurtured through other post-graduate opportunities, including Masters and Graduate Diploma level qualifications through the Australia New Zealand School of Government and the Public Sector Management Program, respectively. In Australia, there are a number of successful communities for skills development from sharing practices and experiences. The Centre for Leadership and Learning actively supports a number of groups which bring practitioners from across the APS together to share, learn and make progress on common challenges. The Core Skills Reference Group brings together APS learning and development practitioners to workshop solutions for the core skills development priorities. The Talent Management Working Group brings together talent management practitioners to share practices and workshop solutions.

In **Ireland**, the Civil Service Management Board recently approved the new Learning and Development Shared Model, which sets out a new blended approach to learning underpinned by a digital platform supporting administration, delivery and procurement. It includes a civil service Learning and Development (L&D) Centre with responsibility for core L&D policy development and implementation, departmental business partners and decision makers who work collaboratively with the L&D Centre, a new head of L&D role with responsibility for L&D for the entire civil service, and an interactive online L&D delivery and support system. The L&D Centre's responsibilities include compiling statistics and reports on civil service skills, and initiating an annual skills audit and review. Departments are expected to have detailed knowledge on the range of skill sets and capacity within their organisation, and to address the gaps while drafting their workforce plan.

Since the **Finnish** government administration is based on a position system (open recruitment) there cannot be any kind of formal career management that identifies potential early in an employee's career. However, the government encourages civil servants to develop themselves and be mobile. In this regard, the Ministry of Finance organised a special Future Leaders training programme for government administration managers in order to enhance common corporate culture. In general, participants are considered to be potential future leaders. The programme is also targeted at senior civil servants who have recently being nominated to their offices, and especially those who have come from outside the government administration. The Ministry of Finance has organised 10 Future Leaders courses with more than 280 participants since 2008. The programme was evaluated in 2015 and received excellent feedback from participants and other interest groups. In 2016, the ministry decided to reform the programme and organise two pilot programmes with different course structures and training methods. The main reasons for this reform were: 1) to get more impact through more participants (50 participants in a year instead of previous 25); 2) to update the contents considering the big changes in the operating environment; and 3) to experiment and design new training methods and tools. On the basis on these pilot programmes, the ministry organised a new programme in 2017. The main goals of the new Future Leaders programme are to strengthen professional management and strategic competencies, to strengthen the value basis and common starting points among the civil service, and to promote courageous leadership and sensitivity to the future.

Box 2.23. Learning culture development in Australia, Ireland, Finland and Flanders *(cont.)*

The **Flemish** Public Service (Belgium) arranges an annual "Train your colleague" week. The aim during this week is for staff members to follow knowledge-sharing sessions designed by one of their colleagues. The idea is very simple, as everybody has work-related knowledge, experience and talents from which colleagues can learn. Train Your Colleague stimulates staff members to teach their colleagues something about a work-related subject that is important to them through short initiatives. In 2014 and in 2015, 22 organisations and the Flemish Parliament participated in Train Your Colleague week. Some 200 knowledge-sharing sessions were organised each time, reaching more than 1 000 staff members. The sessions organised were gradually opened to colleagues from other organisations within the Flemish Public Service. In 2015, half of the sessions were open to participants from the whole Flemish Public Service.

Source: Case studies provided by delegates of the Public Employment and Management Working Party.

Using skills: Getting the most from investments in skills

Once skills are identified, acquired and developed, they will not have an impact unless they are deployed in a system designed to make use of them. A well-known theory of human performance says employees need three things in order to perform well: abilities, motivation and opportunity. Most of this report has focused on the first two, but without consideration of the second two, skills will not translate to performance.

Recent OECD research on productivity in national economies emphasises two significant relevant findings. First, skills match is a significant concern, and getting the match right at the firm level can have an impact on productivity (OECD, 2015). According to analysis conducted by the US Partnership for Public Service in 2016, only 56 % of US federal employees agreed that their talents are well used in the workplace, which is a concern given the private sector scores, on average, over 20 points higher.[3]

In another study (OECD, 2016c), the OECD finds that rather than the abundance of skills in an economy, industry or firm that drives productivity, it is how intensively those skills are used. One of the highest predictors of skills use is the existence of high performance work practices, which include workforce management practices such as, "the extent of team work, autonomy, task discretion, mentoring, job rotation and applying new learning [which] influences the degree of internal flexibility to adapt job tasks to the skills of new hires" (OECD, 2016c: 96).

This highlights a key challenge for all organisations, but one that may be particularly difficult for public sector bureaucracies: how to make the best use of the skills they have once they are attracted and developed? This section raises a number of ideas to address this question, and makes the following key points:

- Skills match is very difficult to assess, but some countries are using employee surveys as a source of insight. Employee surveys can also provide insight into a range of other factors related to skills use, such as engagement and workplace health issues.

- Mobility and agility are important factors. Ensuring opportunities for horizontal mobility enables some skill sets to be shared across institutions, while vertical mobility through career paths can help to ensure that people with in-demand skill

sets are organised in ways that allow them to develop, grow and put their skills to best use. Some civil services have developed shared talent pools to ensure that hard-to-find skills are available, even if temporarily, across the whole civil service.

- Talent management programmes and the use of high performance work practices are possibly the most valuable, but the hardest to implement as they rely fundamentally on the quality of the management cadre in the civil service.

Assessing skills mismatch and employee engagement with employee surveys

All but 5 OECD countries use some form of employee survey, although only 14 countries are using their employee surveys to identify skills mismatch. For example, to assess if the Government of Canada is putting skills to best use, the Office of the Chief Human Resources Officer has conducted the Public Service Employee Survey every three years since 1999. The survey measures employees' opinions in relation to employee engagement, leadership, the workforce and the workplace. Employees are asked whether their job fits with their skills, whether they receive the training they need, and whether they think that the people hired can do the job (Figure 2.16).

Figure 2.16. Employee surveys: Areas of focus (OECD 35, 2016)
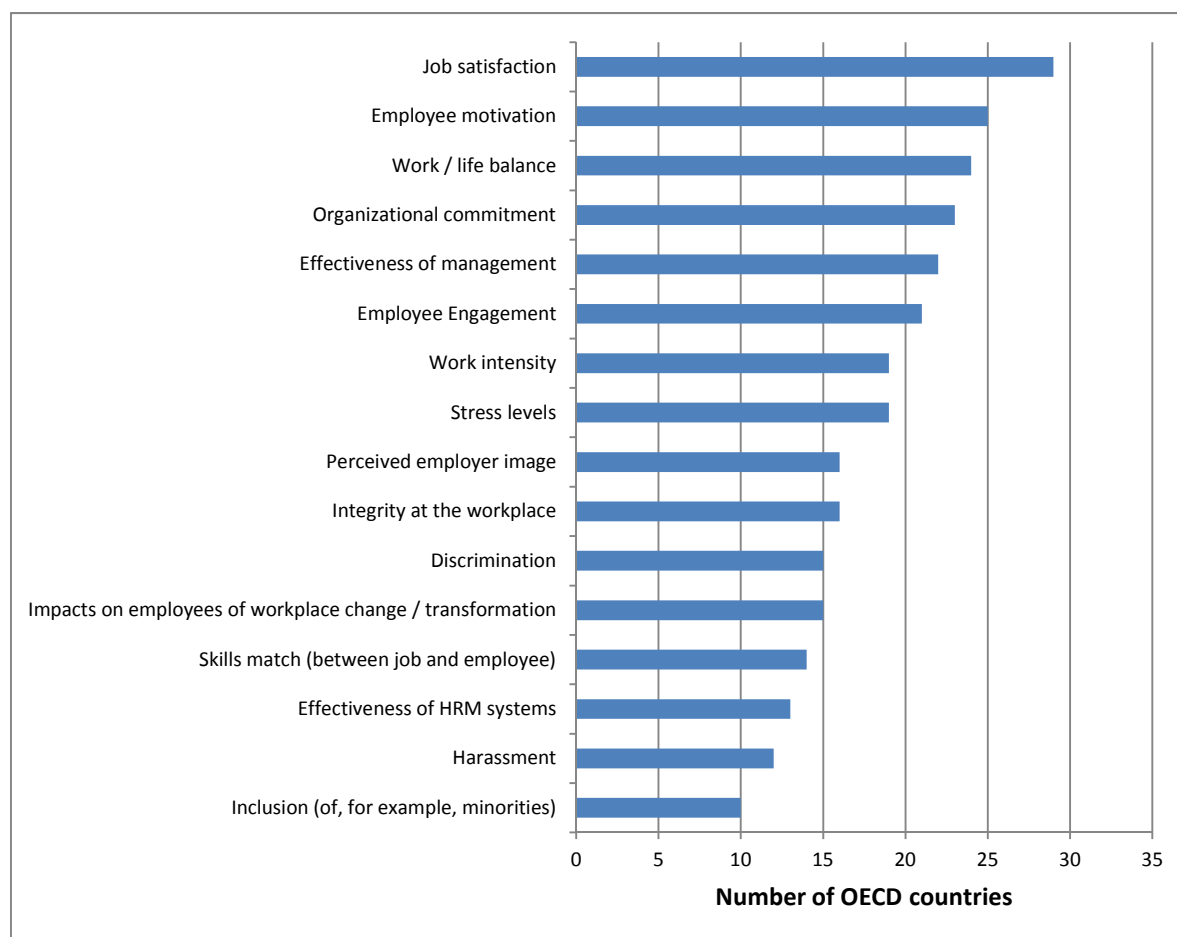
Source: OECD (2016a), Survey on Strategic Human Resources Management in Central/Federal Governments of OECD Countries, OECD, Paris.

Employee surveys not only have the potential to assess skills mismatch, but may also gauge workplace health and inclusion, balance of work and life, and employee engagement. Each of these themes indicates employees are able to contribute their skills, knowledge and energy in a positive way to their work environment. OECD (2016b) explores how employee engagement contributes to civil service performance. The report suggests leadership and management capability on the one hand, and modern, integrated HRM on the other, play an essential role in promoting employee engagement to create an atmosphere where employees are supported to perform at their best. While the knowledge base for this type of evidence-driven HRM is still young, this report presents some good practices and strategies for addressing and improving engagement:

- Regular employee surveys to measure and benchmark engagement and its drivers.

- Customised reports for managers that benchmark their units' scores against similar units, their organisation, and the civil service average.

- Follow-up processes to develop action plans endorsed by individual managers, with support from engagement specialists in central units (e.g. HRM authority). To be successful, such plans generally need to include:

  - Clear and transparent commitment and accountability from the top leadership of the organisation.

  - Good two-way communication between employees and management through multiple channels.

  - Meaningful opportunities for employees to contribute to workplace improvements.

  - Support to managers to develop action plans that improve their relationship with their employees.

  - HRM policies, strategies and tools which support employee well-being, development and performance at all stages of the career cycle.

Mobility and agility

Workforce agility can help to match skills with positions by ensuring civil service systems can effectively (re)allocate human capacity to emerging needs. Workforce agility depends on effective workforce planning mechanisms and internal mobility, which remain a challenge to promote effectively. In 2016, most (27) OECD countries reported plans to increase internal mobility within their public administration, although only 12 reported an actual increase of internal mobility between 2010 and 2016. Of the 27 countries planning to increase mobility, 14 plan to use incentives and promote the recognition of benefits of mobility. However, fewer countries have made lateral mobility a prerequisite for upwards mobility: 10 reported mobility as an important factor for promotion to senior management, eight to middle management, and only six countries suggested mobility is a factor for promotion in professional positions. Some countries have developed specific rotation programmes, described in Box 2.24, with a view to both developing skills and matching people with skills to the right jobs.

Box 2.24. Mobility and rotation programmes

Interchange **Canada** is a mechanism to facilitate mobility and temporary skills exchange between the Government of Canada and all other sectors of the economy, domestically and internationally. Assignments are for the purpose of knowledge transfer, acquiring specialised expertise, and/or professional development. The Interchange Canada Policy has been used to facilitate movement between the federal government and provinces or territories, private business, non-profit organisations, academia, and aboriginal organisations both within Canada and internationally. Interchange assignments can be used to develop leadership competencies through the use of assignments to organisations where specific experience could bridge the skills-building gap. Interchange Canada can serve as an excellent means of temporarily attaining skills unavailable in the home organisation and for building and transferring knowledge to enhance internal capacity both within government and in other sectors. Furthermore, Interchange Canada directly supports several government priorities such as recruiting mobile young professionals, attracting mid-career specialists, and increasing interaction with non-government organisations.

Denmark's National Centre for Public Sector Innovation (COI) organised its first national innovation internship in September 2015. Knowing that innovation is best diffused through personal meetings, the national innovation internship works as an infrastructure for organising these meetings. In 2015, nearly 100 employees across all levels of government participated in internships lasting 2-5 days with the aim of intensive learning of how other public workplaces solve their tasks. Aside from the matchmaking, the COI's focus has been on creating the best circumstances for the diffusion of innovation by organising preparatory and follow-up workshops to enhance the likelihood of changed behavior, and for innovative solutions to find new breeding grounds.

www.coi.dk/hovedaktiviteter/innovationspraktik.

Israel's rotation system, which is currently going through a process of formation, is relevant for senior staff managers. These include deputy director generals or positions at the equivalent level, as well as various pivotal positions predetermined according to government decisions. Senior managers hold their positions for six years, after which they change positions. The aim is to create a special reserve of qualified people from across the civil service specifically for these positions, tracking them down in a unique process. Civil servants chosen for this track go through relevant training with close connection and guidance from the Civil Service Commission and relevant ministries.

The rotation process, when looking to man different positions at the civil service, consists of three stages: 1) people who finish their six-year term and qualify (according to different criteria) to be reassigned to a certain position can apply; 2) positions that didn't man at the first stage now open to people who finished their six-year term (who were not transferred at the first round because they did not qualify for an immediate transfer), along with civil servants from lower positions; 3) positions that were not staffed will be open to qualified applicants from outside the civil service.

Source: Information provided by delegates to the Public Employment and Management Working Party.

Functional professions, career paths, communities of practice

Some governments have established specific professions, or communities of practice for common government functions (e.g. HR, ICT, regulators). This approach can enable better management over these functions and ensure specialists in these fields have opportunities to work horizontally. They can also help to define career paths that encourage continuous skills development. For example, the United Kingdom has

established a functional model that identifies 10 cross-governmental functions. Common standards and skills profiles are being developed for each function. Ireland is developing career paths for their HR professionals, which, once established, may prove to be a model for other professions, including ICT. Estonia has a long-term practice of administering civil service co-operation networks of HRM managers and specialists. There are several regular network activities and events that provide a platform for sharing best practice and discussing ongoing reform initiatives.

Some skill sets can be organised centrally and managed as a government-wide resource. Various approaches to shared service centres and functional centres of expertise are being implemented for certain technical functions and those that have a more natural horizontal fit. These can be static (e.g. data warehousing) or dynamic (e.g. mobilising legal drafters to departments with big reform programmes planned). For example, 27 countries report the existence of one or more centralised unit to support public sector innovation in civil services. Centralising the use of some skills sets and making them available to the civil service more broadly may be an effective way of managing scarce skills across organisations. Online platforms can help identify and manage skills pools (Box 2.25).

Box 2.25. Online platforms to make the best use of public skills in Belgium, Canada, and France

Radar, the loaning service for talent, is a platform that brings together the supply and demand for temporary assignments. All staff members of the **Flemish** public service can create a profile and enter their talents. In addition, Flemish public service administrations can create and launch assignments. All assignments have a temporary character. The size of the assignments differ, and interested staff can do something different either permanently during a certain period or for a certain percentage of the time. Radar works without mediation: thanks to a contemporary design with an easy-access social-media experience, supply and demand find each other. Staff members respond to published assignments and entities contact interesting profiles. After approval from the managers, further agreements are made including the evaluation of the staff member and discussions concerning the length, form, remuneration and employment conditions of the contract. Radar starts from a talent approach, with staff members entering their skills. In response, they can either be contacted or can search for assignments that match their talents. The focus is not on doing something different, but on learning and taking the insights acquired into a job.

"Jobs Marketplace" is a newly launched public service-wide Internet forum that serves as a "one-stop shop" for employees to network professionally across the **Canadian** departments. It is intended for staff mobility, as well as casual employment, students seeking employment opportunities, micro-mission opportunities and a reference page to other sources of talent that managers and human resource professionals can explore, including active pools of pre-qualified employees from across the public service. Jobs Marketplace can also be used as a tool to facilitate alternations during workforce adjustment situations. Jobs Marketplace will soon include an automated matching tool, the Career ConneXions Opportunities Platform. This is a tool that quickly matches opportunities with talented employees by leveraging the content in employees' online profiles.

"SCORE" is the portal aimed at those who wish to join the **French** State civil service and agents looking for professional evolution. It contains information on the different ways of recruitment by competitive examination (external, internal, third competition, professional competition, competition on title and works, single competition) or professional examination, on recruitment without competition, and by way of "access to the careers of the territorial, hospital and state civil service (PACTE)", as well as the trades offered by the civil service of the state.

Box 2.25. Online platforms to make the best use of public skills in Belgium, Canada, and France *(cont.)*

In addition, it allows access to BIEP (the Interdepartmental Public Employment Fellowship that identifies all vacancies in the French civil service) via a link in order to consult the corresponding job offers accessible by contract or by mobility for civil servants. The aim of this tool is to better meet the needs of the civil service in terms of skills by facilitating the match between jobs and profiles, which is necessary for a performing civil service. BIEP facilitates mobility, and thus the diversification of a civil servant's career path by giving access to all interdepartmental job offers.

Source: Information provided to the OECD by delegates to the Public Employment and Management Working Party.

Talent management

Talent management is a concept in people management that brings together many of the themes above into a coherent, future-oriented system. It is about identifying employees with high potential and ensuring they are developed and assigned to stretch positions that put their talent to best use and enable them to grow. Good talent management can result in the better retention of talent and ensure investments in the development of high potential accrue back to the public service by reducing the need for costly hiring. This can be particularly important during times of budgetary constraints to counterbalance the loss of top talent through, for example, voluntary departure schemes.

Talent management is different from the way most civil services approach career development as it emphasises career progression based on future potential, not only past performance. Past performance is not always an indicator of future potential, and this approach helps to avoid situations where employees are promoted into positions for which they are not ready. Good talent management also recognises not all careers need to progress upwards, but employees may wish to move laterally to keep their motivation high.

A number of OECD countries are implementing talent management approaches. In Canada's federal public service, deputy ministers meet annually to discuss talent management and consider promising leaders' career progression across the public service. The Australian Public Service Commission has developed a talent management guide for its ministries and agencies and advises the establishment of talent councils in each organisation. (Australian Government, 2015). The Flemish regional government in Belgium has conducted various pilots related to talent management for its employees (Box 2.26).

Box 2.26. Eight pilot projects around talent in the Flemish public service

In September 2015, eight pilot projects began in organisations that wished to use talent driven working to help solve organisational issues. The HR business partner supervised the projects and received support from the HR Agency and external experts. The eight pilot projects met these criteria:

- Reflected the vision of talent policy of the Flemish Public Service.

- There was a commitment between the manager, the HR business partner and the staff members involved to learn from the project and share experiences.

- Two participants from each pilot project took part in the learning network and committed, as ambassador of the project, to documenting and communicating what they learned.

- The pilot project offered sufficient learning opportunities for talent-driven working within the Flemish public service and differed sufficiently from other pilot projects in theme and focus.

The pilot projects ran until June 2016.

Learning network

The managers and HR business partners involved in the pilot projects formed a learning network that met six times and shared experiences, insight and knowledge acquired.

Impact study on talent-driven working

To learn what works in the area of talent-driven working for tackling organisational issues, the HR Agency also set up an impact study that took place throughout the summer of 2016. The eight pilot projects were involved in this impact study. The aim was to harvest the learning results from the experiments and to see what worked in a stimulating or restrictive way on deploying talent-driven working within the entities.

Talent labs for HR employees.

What is talent and how do I detect it? How do I support managers in the development and deployment of talent? How can I help create a talent-driven climate in my organisation? What is the relationship between talent and output management? How do you do job-crafting?

To help give HR employees an answer to these and other questions concerning talent, the HR Agency organised a series of six Talent Labs between mid-2015 and mid-2016. These were half-day sessions in which one theme or approach concerning talent took a central place. The aim of the sessions was to strengthen the substantive knowledge about talent among HR employees. In these interactive sessions, theory and practice were linked with each other.

Source: Information provided by the Flemish delegate to the Public Employment and Management Working Party.

High performance work systems

The OECD's Survey of Adult Skills (OECD, 2016c) finds the design of jobs and the choice of management practices influence the extent to which skills are used in the workplace. The Survey assesses the extent to which reading, writing, numeracy, ICT and problem-solving skills are used in (public and private sector) workplaces. It finds high-performance work practices (HPWPs) are among the strongest predictors of skills use. The HPWPs they measure include:

- Whether employees have flexibility in deciding on the sequence of tasks, and how they do the work.

- How often employees organise their own time and plan their own activities; co-operate or share information with others; and instruct, teach or train other people.

- Whether employees participated in education/training in the previous 12 months.

This leads the authors to conclude, "the way work is organised – the extent of team work, autonomy, task discretion, mentoring, job rotation and applying new learning – influences the degree of internal flexibility to adapt job tasks to the skills of new hires… Many countries have put initiatives or policies in place to try to promote better skills use through workplace innovation. They recognise that adopting modern leadership and management practices in the workplace can create opportunities for workers to better use their skills, and that productivity gains can be achieved by engaging workers more fully" (OECD, 2016c: 116).

It is not possible to determine the extent of these practices in central public administrations through the Survey of Adult Skills, however, the 2016 Strategic Human Resources Management (SHRM) survey indicates some civil services are putting in place some of these practices. For example, in the context of promoting public sector innovation, 22 OECD countries indicated the use of autonomous, multidisciplinary teams, and 20 indicated the use of innovation-oriented peer learning. Additionally, most civil servants have participated in some form of training in the last 12 months. However, it appears the large-scale adoption of HPWPs in most public sector organisations is rare.

As civil services in OECD countries undertake the transformations necessary to compete for talent and respond to the changing expectations of the citizens they serve, they will need to reconsider not only the skills in their workforce, but also how to design work systems that put those skills to best use. This is essential for employee retention. Providing employees the autonomy implied by HPWPs also means investing in trust within the organisation and updating management and leadership styles focused on results.

Leadership commitment and management capability: The ultimate keys to success

Chapter 2 of this report has identified a great deal of activity underway in OECD countries to improve their strategic HR systems. Some countries are leveraging data to help identify skills gaps and plan for the future. Some have invested in faster and more refined recruitment systems and are taking a multidimensional approach to build a learning culture in their organisations. Although it is important to have well-functioning HR systems, if they do not have highly capable and effective leaders and managers they will only produce disappointing results.

Leadership development is a very high priority amongst OECD countries, and this chapter has highlighted various promising programmes and developments. However, developing the right leadership styles and behaviours will take more than training programmes; there also needs to be a systematic approach. Leadership commitment is essential for any reform to achieve its intended goals, and HR reform is no exception. Therefore commitment to workforce development at the highest levels of the administration is a prerequisite for any of the reforms discussed in this report to produce impact. However, the 2016 SHRM survey suggests workforce development is still among the lowest priorities for senior civil servants.

Middle managers also play a vital role, particularly in large organisations such as civil services. Middle managers need to be based on future management potential (as opposed to performance in their previous position) and need to be supported appropriately as they transition to management roles. Their development should include appropriate training measures based on a common leadership framework and values statements. Access to support from coaches, mentors and management specialists, as well as a network of peers who can provide guidance based on personal experience, can help to ensure they are equipped to manage their employees and advance in their careers.

Notes

1   The complete list of the 15 high-risk areas where skills were identified are: Management of Federal Oil and Gas Resources; Managing Federal Real Property; Improving the Management of IT Acquisitions and Operations; Department of Defense (DOD) Business Systems Modernization; DOD Financial Management; Strengthening Department of Homeland Security (DHS) Management Functions; Ensuring the Security of Federal Information Systems and Cyber-Critical Information and Protecting the Privacy of Personally Identifiable Information; Protecting Public Health through Enhanced Oversight of Medical Products; Transforming the Environmental Protection Agency's (EPA) Processes for Assessing and Controlling Toxic Chemicals; DOD Contract Management; Department of Energy (DOE)'s Contract Management for the National Nuclear Security Administration and Office of Environmental Management; National Aeronautics and Space Administration (NASA) Acquisition Management; Enforcement of Tax Laws; Managing Risks and Improving Department of Veterans Affairs (VA) Health Care; and Improving Federal Management of Indian Programs.

2   Note that these would not include privately contracted consultants who would not be considered "employees" of the state.

3   http://bestplacestowork.org/BPTW/analysis/#privatesector-scores

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Chapter 3.

The skilled civil service of the future

This chapter presents a synthesis of the main findings of the earlier chapters, and considers lessons that can help guide civil service reform efforts aimed at advancing professional, strategic and innovative civil services. The chapter suggests the models, data and examples presented in this report show OECD countries are beginning to take steps towards updating their employment frameworks, but no guidance exists at an international level. The chapter discusses how developing the insights in this report towards an OECD recommendation on public employment will help guide countries on the investments needed to make their civil service fit-for-purpose in the twenty-first century.

This report has looked at the skills needed in OECD civil services to build and protect public value by considering four areas where the civil service interfaces with the public: 1) developing policy advice with elected representatives of the public; 2) delivering services directly to citizens; 3) commissioning services for citizens through business type contractual relationships with third party entities; 4) and managing through networks where civil servants collaborate with different organisations in the public, private and/or third sectors. None of these areas are new, but each has been changing, driven by three interrelated drivers:

1. **The complexity of policy challenges**: The multidimensional nature of many of the persistent and emergent economic, social and environmental problems the public sector is called upon to address demand a joined up systemic perspective. Simultaneously, the volatile, unpredictable nature of policy challenges and their environments requires fast responses. This demands governments that are nimble and agile, able and ready to learn as they go, and can adjust paths and approaches based on this learning.

2. **Digital transformation and future of work**: Digitisation transforms society at an increasingly fast pace. Citizens increasingly expect civil servants to be networked and digitally capable. This also affects the nature of civil servants' work. The potential of digital technologies to inform and transform the way policy, service delivery and government operations are run is enormous and currently at very nascent stages. From a human resource (HR) perspective, technology has likely reduced the number of low-level clerical jobs in the civil service and is beginning to change the organisational structure from the traditional pyramid shape into a diamond, where fewer lower level positions exist and the majority of employees are mid-level knowledge workers. These changes also emphasise a new way of working at the middle and top layers of the hierarchy – one that emphasises leveraging new technological advances to better understand citizens, customers, and/or users of services in order to improve service delivery and public value creation.

3. **The changing demographics/plurality of modern societies and the civil service workforce**: The ageing of society and, in many countries, the civil service workforce, suggests challenges and opportunities. Many OECD civil services will face a significant degree of retirement in the coming years, which presents challenges to managing knowledge and skills transfer, but opportunities for renewal. Many of those retiring will be replaced (although likely in fewer absolute numbers) by a new generation of employee – digital natives who have different expectations regarding the nature of work and the workplace. Managing this transition requires a forward looking and strategic orientation. Replacing the retiring workers with workers of the same ability will miss the opportunity to effect long-lasting modernisation. At the same time, societies are becoming increasingly diverse and pluralistic. OECD civil services that consider diversity a benefit to their civil service stand much to gain by ensuring planning is done now to replace the retiring workforce with one that has the skills, diversity and mindset ready to innovate the civil service into the future.

This report has presented an analysis of the changing skills needed in the civil service to respond to these challenges and the management systems required to ensure the right people are attracted, developed and put to best use in OECD countries' civil services. This places a focus on strategic HR systems that are essential for developing a civil

service that is fit-for-purpose and has the capabilities to adhere to the range of recommendations from the public governance communities of the OECD. It is essential that human resource management (HRM), management and leadership promote capability to effectively advise and implement, to work in horizontal and agile ways to be more effective and productive, and to constantly change and adjust to changing needs and contexts. Key lessons include the following:

- Change is constant and the skill sets of civil servants need to become more nimble, agile, and adaptable. Looking at the four skills areas of policy making, citizen engagement, commissioning and network management helps to map these changes and look to the future.

- The capacity and capability of the civil service workforce is fundamental to the success of all public policy and reform. Investing in the right skills and capabilities of the workforce will improve public governance and the functioning of public systems across the sector.

- Emphasising capabilities recognises public employees are not homogenous or mutually interchangeable. Maximising impact requires a view of the workforce that is not only driven by numbers and cost, but by the skills and expertise required by the job. This includes management that holds managerial skills.

- Data and evidence can be a powerful source of insight to understand current workforce capabilities and gaps. Investing in a data driven approach to civil service management promises significant potential, but requires a smart approach to implementation.

- Attracting a greater diversity of skills into the civil service will require strategic thinking regarding the employer value proposition and market segmentation. Targeting graduates from specific programmes and ensuring employer branding is aligned with the interests of those graduates is essential.

- Supporting a learning culture in the civil service will ensure the workforce is consistently capable of renewing skills and keeping up with the fast-changing nature of work. This means investing in learning opportunities for all staff and developing career paths that emphasise learning throughout the career. Managers' responsibility to develop their employees is critical.

- Ensuring civil service organisations are ready to put these skills to work is essential to drive value from the investments described above. Building networks, managing mobility and centralising some functions can help. However, it is ultimately a management task to engage employees and ensure they are provided the right opportunities to use their skills and drive change in their organisations and for the public they serve.

A professional, strategic and innovative civil service

The OECD strives to support countries to make evidence-informed investments that can boost the capacity of their civil service. Identifying principles that can underpin these decisions will support OECD governments to design and implement civil service reforms that take into account capacity and capability, and balance short-term pressures with future-oriented foresight to ensure sustainability over the long term. This involves looking at the characteristics of the civil servants, the systems that manage them, and

their leaders. This leads to the following framework (Table 3.1), which can help guide the development of these principles.

Table 3.1. Towards a professional, strategic and innovative civil service

	Professional	Strategic	Innovative
Needs civil servants who are:	• Qualified • Independent • Values driven • Ethical	• Outcomes driven • Evidence based • Future oriented • Proactive • Networked	• Iterative • Data literate • Citizen centred • Curious • Storytellers • Insurgent
In a civil service which is:	• Merit based • Capable of integrating soft skills, ethics, talent management (future potential vs. past performance) • Able to structure the right balance of generalist and specialist professions and career paths	• Agile • Attractive to skilled job seekers • Planned and managed to ensure the right skills and competencies are effectively allocated to areas of current and emerging need • Future oriented and responsive	• Open and collaborative cultures, leadership and management • Engaged • Autonomous (e.g. work design) • Mobile • Diverse • Learning oriented
Led by SCS who are:	• Trusted policy advisors and effective transactional managers	• Transformational leaders, change managers	• Collaborative leaders and adaptive managers

Source: Author's own design.

…requires civil servants who are…

Professional civil servants are independent from direct political control and driven by a common set of values that emphasise an ethical orientation to the public good. Professional civil servants also have objective qualifications. Traditionally, this meant economists, lawyers, statisticians, and political scientists, but the recognition of the need for more multi-disciplinarity brings in new skills sets, such as designers, data scientists, policy historians, and foresight experts. Recently, many OECD countries have been working on reinforcing the professional nature of the civil service, as well as giving thought to a civil service of professions – meaning how best to structure different specialisations within civil services which have tended to produce and value broad generalist orientations. This leads to discussions regarding professionalising functions, such as HR, ICT, or procurement. Although the concept of professionalisation has tended to be unifying with a view towards common civil service standards, ethics and culture, a professional civil service in the 21st century may also be increasingly diverse and fragmented in terms of backgrounds and skills.

Strategic civil servants are those who can use their professional skills to create impact and improve public value for their citizens and clients. They are proactive problem solvers capable of collaborating across their diverse professional skills and competencies. They are future oriented and evidence based, capable of taking risk-based approaches and integrating resilience to face of a range of possible future scenarios and outcomes. They are networked – able and ready to draw on a range of research, insight and experience beyond their own spheres to inform policy ideas and service delivery

outcomes. A strategic commissioner is able to use the tools of commissioning to produce impacts not only for the one service they are commissioning, but for society as a whole. Strategic citizen engagement leverages the tools of consultation and collaboration to generate insights that produce better services, as well as builds community consensus and ownership that ensures sustainable services into the future.

Innovative civil servants can draw on six core skills areas to innovate the tools of government themselves. They are able to approach their work in *iterative* ways that generate learning and adaptation over time. They are aware of the potential of *data* and structure projects that can collect and use data to inform and drive change. They are *citizen-centred* – able to use a broad set of tools and methods to interact with their stakeholders and direct beneficiaries to understand their reality and design a service that meets their needs. They are *curious*, searching out opportunities to expand their own knowledge and understanding, looking at solutions from other sectors or policy fields and translating those to their scenarios. They are *storytellers*, ready to leverage a range of tools to communicate with various stakeholders in ways they can understand and engage with. Finally, they are *insurgents* – ready to understand how to effect change in the systems within which they work, able to know when to push, how to negotiate, fight and/or compromise.

…working in civil service systems which are…

Chapter 2 of this report looks at how OECD civil services are managing the changing skills needed in the public sector. There needs to be a view of the changing nature of the work undertaken in order to identify the skills required and existing gaps to be filled. Existing gaps need to be addressed by either buying skills in from the market or by developing them within the existing workforce. Skills need to be used by organisations and managers who are fit for purpose. The professional, strategic and innovative categories discussed above may suggest particular focuses for HR reform, one building on the next.

If **professional** civil servants are the foundation of effectiveness and capacity, then merit systems are the managerial foundations. Most OECD countries have a long-established merit-based system with clearly articulated qualifications and transparent and open processes. However, many of these systems may be experiencing some strain to keep up with the needs of the professional civil service in the 21st century. For example, are they able to incorporate many of the new skill sets related to, for example, design, data science, or behavioural economics? Are they able to assess behavioural competencies included in most civil service competency frameworks, or ethics and integrity? Are they effectively assessing and managing the future potential of employees, or only their past performance? Are they able to provide for structured career paths that ensure civil servants can build skills in their area of expertise and grow in their jobs?

Strategic workforce planning requires a vision to the future and a focus on workforce quality and competency, not just numbers and costs. Competency management is a step in this direction. Data-informed workforce management can provide a multi-dimensional view of the workforce and the systems that attract, develop and retain employees. If civil servants in a strategic workforce are able to combine their professional skills in ways that drive value, then a strategic approach to management needs to include ways to attract and retain a diverse set of skills. Not all professions may be attracted by the same sets of employment terms and conditions. A principled and evidence-based approach to define core civil service and other kinds of employment could help to optimise employment

terms and conditions based on job requirements, worker expectations, and labour market considerations. In a strategic civil service, recruitment is aligned to specific skill sets needed, with development programmes designed to expand skills and encourage lifelong learning. A high level of agility and flexibility in the system is also required to allocate skills effectively and build the kinds of multidisciplinary teams needed to increase impact.

An **innovative** civil service must be able and ready to put innovation skills to best use, and requires a focus not only on strategic people management functions, but on open and collaborative organisational cultures, leadership and management. This means a management focused on people and knowledge, which centralises employee engagement and uses employee surveys to inform management and organisational decision making. It requires a look at the design of work and autonomy through the use of, for example, high performance work systems. It requires diversity, mobility and the reinforcement of learning. The OECD Strategic Human Resources Management (SHRM) survey suggests that the concept of innovation is increasingly being incorporated into core HRM systems, but it is still too early to tell if this is a passing fad or the emergence of a new and sustainable focus for public sector HRM.

.. and led by leaders who are…

Leadership is fundamental to civil service performance, and the specific skills and styles of leadership underpin all of the above. In a professional civil service, senior civil servants need to be trusted policy advisors to ministers, and effective transactional managers capable of aligning organisational resources to implement decisions. In a strategic civil service, leadership also needs to inspire and motivate civil servants to be proactive and use their skills and resources to impact change. This requires a leadership focused on transformation and change management, able to lead reforms and support change. Finally, leadership in an innovative civil service may by more dispersed, delegated, and collaborative. Management would be increasingly focused on adapting to constant change. These themes are explored in recent and ongoing OECD work on civil service leadership, for example "Engaging Public Employees for a High-Performing Civil Service" (OECD, 2016).

Supporting countries to build their public workforce of the future

Further developing this model towards an OECD recommendation on public employment will help inform countries on the best investments to make in their civil service to maximise capacity and value for money. As this work progresses, the following should be considered:

- This model is not meant to represent mutually exclusive options. The goal is not to strive for an innovative civil service at the expense of a strategic civil service. Rather, each builds on the next. Professional skills and merit-based processes provide a foundation upon which to build strategic and innovative capability.

- In some cases, tensions or contradictions may develop across the model. For example, as civil services move towards the innovative end, they may reduce reliance on professional accreditation and qualification in exchange for competency based recruitment and promotion.

- The model is not meant to be a one-size-fits-all approach, but to provide guidance on where best to invest, depending on a country's particular starting point and challenges.

This work is ongoing, and presents the following opportunities for the OECD to work with its public governance communities to support the development of OECD civil services of the future:

- The development of an OECD recommendation on civil service capacity and capability through the Public Employment and Management (PEM) working party in order to help guide decision making regarding civil service reform and investments in civil services. The proposed recommendation would identify the underlying principles that drive performance in a professional, strategic and innovative civil service, and would be a clear statement by OECD countries of the importance of this sometimes overlooked input into effective and productive governance.

- Opportunities to engage with other OECD communities (e.g. E-Leaders working party, the national contact points for public sector innovation) to further explore the specific skills requirements of these groups and the implications for civil service management.

- Opportunities to engage with specific countries to provide peer learning and share expertise on building the workforce of the future. The frameworks presented in this report provide for an analytical structure which could be used to assess skills and workforce management in individual civil services and provide insights on the challenges faced by OECD member countries.

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Annex A.

Core skills for public sector innovation

Background and context

To meet today's public policy challenges – continued fiscal pressures, rising public expectations, more complex public policy issues – there is a crucial need to increase the level of innovation in the public sector. There is a fundamental need to increase the level of innovation within the public sector of OECD countries and EU states if they are to meet the challenges of the 21st century, a need which has only been increased by the fiscal pressures placed on many states by the 2008-9 crisis.

At the OECD Observatory of Public Sector Innovation's November 2014 conference "Innovating the Public Sector: From Ideas to Impact" – a forum that brought together ministers, public sector leaders and innovators (both inside and outside the public sector) – four "calls to action" were presented that needed to be urgently addressed to promote and enable public sector innovation. The first of these calls is about the skills and capabilities of officials.

A specific focus on skills for innovation

The innovation framework developed by the OECD (Figure A.1) puts people at the centre of an innovative organisation. The capacities and competencies of individual civil servants, the way they are organised in teams and structured in the public administration that will likely determine how effective the public sector is at being innovative.

Preliminary data from the OECD's 2016 survey of Strategic Human Resource Management practices in government (the SHRM Survey) indicates that innovation is among the highest priorities for HR reform across OECD countries. In 28 countries public sector innovation features in government-wide strategic objectives, many are developing learning and training programs for civil servants and civil service leaders, and almost half of responding countries include innovation-related concepts in their competency frameworks.

However, in many cases, the inclusion of innovation in HRM policies and practices does not often extend beyond a passing reference and does not expand in detail the specific skills and capabilities needed.

While the OECD has done significant work on the institutions of government and rules and processes of governing, we still know comparatively little about the women and men who work within these structures, the skills and knowledge they use, and what motivates them to contribute. It is only now that the OECD has started to unpack the complex topic of skills and capabilities for public sector innovation – two particular projects in 2016 have supported this work: a review of innovation skills for the Chilean Laboratorio de Gobierno, and a work package in the grant from the European

Commission's Horizon 2020 research framework programme to the OECD Observatory of Public Sector Innovation.

Box A.1. The four calls to action for governments at the OECD's 2014 conference "Innovating the Public Sector"

1. Focus on people – Governments must invest in the capacity and capabilities of civil servants as the catalysts of innovation. This includes building the culture, incentives and norms to facilitate new ways of working.

2. Put knowledge to use – Governments must facilitate the free flow of information, data and knowledge across the public sector and use it to respond creatively to new challenges and opportunities.

3. Working together – Governments must advance new organisational structures and leverage partnerships to enhance approaches and tools, share risk and harness available information and resources for innovation.

4. Rethink the rules – Government must ensure that internal rules and processes are balanced in their capacity to mitigate risks while protecting resources and enabling innovation.

Towards an OECD model of skills for public sector innovation

At the May 2016 meetings of the OPSI National Contact Points (NCP) and the Working Party on Public Employment and Management (PEM) a joint session was held for delegates to both groups on the topic of "Innovation Skills and Competencies in the Public Sector". During the session the OECD Secretariat presented initial work on a framework for skills and competencies for public sector innovation, as well as an update on the initial work on the Chile Innovation Skills Review. This alpha prototype, developed in collaboration with Nesta, presented over 40 attributes associated with innovation skills and competencies grouped into five broad areas.

An interactive workshop was also included in the joint session for delegates to test the alpha prototype in small groups and provide feedback to the Secretariat on its utility. At the conclusion of the joint session it was agreed that *"the Secretariat will work to develop the skills mapping into a more specific and practical tool which identifies specific skills needed for public managers to handle innovation projects"*. To achieve this, the Secretariat has refined the initial prototype into a beta-version model of skills for innovation, which is the substantive focus of this paper.

Alongside the beta model, and to support its development, the Secretariat commissioned Nesta to undertake research into the skills of innovators in government in the second-half of 2016. This research, the work to refine the model and other desk research have identified two broad groups of individuals in government that can be the focus of work on skills and capabilities for public sector innovation: "innovators coming into government" and "officials becoming innovators".

Many governments have made progress by bringing in external experts to set up new projects and inject new thinking – this comprises the first group outlined above, "innovators coming into government". The key issues here are how government can best

utilise these people's skills, motivate them, continue their professional development and reward their successes.

However, just relying on bringing in external expertise is insufficient to deliver a systemic change in the culture of public sector institutions. To achieve the levels of innovation needed requires not just bringing in 'new blood' but also ensuring that existing public servants have the skills and capabilities to support innovative practices in government – or, as we title our second broad group, "officials becoming innovators".

Innovators coming into government

The research by conducted by Nesta for the Secretariat provides a detailed exploration of the skills of innovation specialists that have been brought into government from outside. The research used semi-structured interviews to explore the in-depth the specific skills, education and backgrounds of innovation specialists. A number of these interviews have been converted into eight "skills profiles" that provide a one-page overview of the skills and capabilities of innovators working in different innovation roles within the public sector. These skills profiles are included at pages XX-YY.

Officials becoming innovators

In addition to the continued use of innovation specialists and external experts, government increasingly need to improve the skills and capabilities of existing staff. The Secretariat's work in this domain has been to refine the prototype framework of skills and competencies presented to the PEM and NCP meetings in May 2016 into a beta model that presents skills areas of "core skills" for public sector innovation.

These six skills areas are not the only skills for public sector innovation, each innovation project and challenge will have its own particular needs. Nor will all public servants need to make use of or apply these skills in every aspect of their day-to-day job. Rather, these are six skills areas that with proper promotion/advocacy and development we believe can enable a wider adoption of innovation practices and thus an increased level of innovation. In fact, there are a number of other skills that are already covered in existing public sector competency frameworks that are relevant for innovation, such as collaboration, strategic thinking, political awareness, coaching.

Leadership and management for public sector innovation

Alongside specific skills that enable public sector innovation, our research has identified that mind-set, attitudes and behaviours can be just as important as specific hard or soft skills in enabling innovation within the public sector. Beyond the focus of individual skills and capabilities many research participants and stakeholders have highlighted a number of other organisational factors that are also crucial for increasing levels of innovation in the public sector. In particular, leadership capability, organisational culture and corporate functions/systems (finance, HR, IT, legal) that are enablers of innovation not 'blockers'. While outside the scope of the skills model, these are important factors that need to be considered in operationalising/implementing the skills model and achieving higher levels of innovation in the public sector.

The exclusion of leadership and management capabilities from the beta skills model is neither an oversight nor because they are not important. In fact, the contrary applies, high quality leadership and management are crucial for the success of public sector

innovation, particularly in motivating and engaging employees to deliver in difficult/complex circumstances .

However, over the course of the research and refinement a form or set of leadership and management capabilities have not emerged that are distinctly different from either an embodiment by leaders and managers of the skills outlined in the model or more 'standard' concepts of leadership and management that are already espoused in public sector competency frameworks (openness, honesty, trust, strategic thinking, staff development and capability building).

A crucial role that leaders and managers need to play is to support and enable their team(s) to adopt more innovative approaches is to better manage the interface between their team(s) and the wider organisation that they operate in. While there is much similarity between any two organisations, each organisation has its own structure, culture and operating environment. What is needed of leaders and managers to support innovation in one organisation may be different from that in another.

For example, in one organisation leaders and managers may need to focus on helping to unblock procedural barriers put in place by corporate functions (finance, HR, IT, legal, etc.) that stymy innovation, while in another setting they may need to work to overcome silo-mentalities to enable two or more different teams to work together (either within the same organisation, or between organisations). In these two situations there is a strong element of mediation: defending the benefits of their team's approach while fostering a spirit of collaboration by pragmatically identifying ways forward that overcome the impasse.

Another important role of all leaders and managers in the civil service is to promote and advocate the work of their teams. In discussions with their own managers and political leaders or during budgeting and strategic work-planning negotiations, they need to communicate how the work of their teams is aligned with both organisational and wider cross-government priorities/strategies. Similarly, when engaging with political leaders, senior officials need to be able to extol the virtues and benefits of new and different approaches and how innovation projects can deliver a government's political programme.

Alternatively, some political leaders are strong advocates of innovation in the public sector; in this case, senior officials need to ensure that, while maintaining political support, politicians are understand the high-level uncertainties and risks associated with individual projects.

In reality, the collective leadership of both government and public sector organisations is likely to include a mix of those who are enthusiastic supporters of innovation, those who support it less strongly or are neutral, and those who are sceptical of public sector innovation. As with traditional policy programmes, leaders and managers need to build alliances to provide cross-government support, using natural cheerleaders to bolster support and provide a network of advocates across government.

In all these situations the skills and capabilities required of leaders and managers have no particularly distinct "innovation" component. However, when leading or managing an innovation team it might require a stronger application of leadership and management competencies, because in doing something "innovative", and which is different from the usual way of doing things, they may encounter stronger resistance than when they are initiating or leading a more "traditional" project.

Interaction with existing models and frameworks of skills and competencies in the public sector

Many public sector institutions have their own skills and competency frameworks, which are used in a number of people management functions such as performance management, career development and recruitment. These frameworks may also be complemented or duplicated by frameworks from professional bodies (either internal or external bodies) that specialists are required to adhere to. As a result, some civil servants may find themselves beholden to several different frameworks of skills and competencies.

The beta model outlined in this paper is not meant to replace or duplicate existing frameworks but to complement them by providing a model of how skills for public sector innovation can be described. Officials in public institutions can then choose whether to integrate these innovation skills into existing frameworks, or as a standalone model.

Six core skills for public sector innovation

Figure A.1. Six core skills areas for public sector innovation

ITERATION
- Rapid and incremental development
- Developing and refining prototypes
- Experimentation and testing

INSURGENCY
- Challenging the usual way of doing things
- Working with unusual/different partners
- Building alliances for change

DATA LITERACY
- Basing decisions on data and evidence
- Building systems that collect the right data
- Communicating data effectively

STORYTELLING
- Using narratives to explain 'the journey'
- Including 'user stories' to outline benefits
- Progressing the story as situations change

USER CENTRICITY
- Policies and services solve user needs
- Considering users at every stage
- Ensuring users say "I would do that again"

CURIOSITY
- Identifying new ideas, ways of working
- Adapting approaches used elsewhere
- Reframing problems and perspectives

Source: OECD Observatory for Public Sector Innovation (OPSI).

The OECD's beta skills model for public sector innovation has been based around six "core" skills areas. Not all public servants will need to make use of or apply these skills in their day-to-day job. However, for a modern 21st-century public service, all officials should have at least some level of awareness these six areas in order to support increased levels of innovation in the public sector.

- Iteration: incrementally and experimentally developing policies, products and services

- Data literacy: ensuring decisions are data-driven and that data isn't an after thought

- User centricity: public services should be focussed on solving and servicing user needs

- Curiosity: seeking out and trying new ideas or ways of working

- Storytelling: explaining change in a way that builds support

- Insurgency: challenging the status quo and working with unusual partners

For each of these six skills areas the model provides a matrix that decomposes the skill area into four elements of practice against three levels of capability.

The four elements of practice for each skill area break down the skill area into tangible components that relate to the real-world usage of innovation skills – e.g. "managing innovation projects" under iteration, "involving users in projects" within user centricity, and "challenging the status quo" in the insurgency skill area.

The three levels of capability represent an evolution that officials can adopt in terms of their understanding and adoption of skills for public sector innovation.

- The first level, *basic awareness*, is the first step in being able to utilise innovation skills and is about getting a general understanding of what each element practice is about and how it applies in a public sector context.

- The second level, *emerging capability*, leads on from having basic awareness to starting to use innovation skills. For each element of practice the model outlines how the skills can be applied in either an occasional fashion or in a "low intensity" manner, that allows officials to experiment with using them in a safe and/or controlled fashion.

- The third level, *regular practitioner*, shows how each element of practice can be adopted in a deeper and/or more systematic way. Adopting these (and related) practices in their day-to-day work will enable the vision of "officials becoming innovators" set out earlier in this paper.

Iteration

Iteration is about the incremental and progressive development of a project. It is most commonly associated with modern software development practices where new features or updates to functionality are released when they are ready, rather than a "big bang" approach that releases a large number of new/updated features at the same time. Iteration skills aren't just about project management, using prototypes and conducting experiments can also be considered part of iterative practice.

Managing innovation projects

Iterative project management techniques (such as sprints or time-boxes, product backlogs or workflows, and retrospectives) where each stage builds on the preceding stage and there is greater opportunity to adapt and amend scope are well suited to delivering innovation projects. However, iterative project management techniques are not necessarily new to government – *Lean* and other continuous improvement methodologies have been used for many years in some governments to manage operational services.

Using prototypes to explore approaches

A prototype is an example of what something (a product, a service or system, a policy) might look like. Prototypes are can be used to demonstrate what something might look like, or to test whether something works. Prototypes can also be initial versions which are then incrementally refined and turn into the final product. They can be things you use only as internal "proof of concept" exercises, or things that you use with service users to test feasibility.

Conducting tests and experiments

Innovation projects typically involve testing whether something works, and using the results of that testing to improve or refine work, or trying something else. Experiments are more robust and formal ways of testing whether something works, and by incorporating randomisation they can control for a range of potential factors that might otherwise influence the results.

Taking risks, but not with time or money

Iterative approaches and project management methods can enable officials to try out things that may not work, initially at a small scale and then progressively increasing the scale of the work. Using sand-boxes, prototypes and experiments allows officials to check step-by-step whether something is working and if not take action sooner rather than later.

Iteration is about using incremental, often rapid, approaches in the development of a project, product or service while reducing risks. Developing prototypes, conducting tests and experiments can help identify the best solution.

		BASIC AWARENESS	EMERGING CAPABILITY	REGULAR PRACTITIONER
MANAGING INNOVATION PROJECTS	Projects should be segmented into clearly defined stages which are time limited and have manageable goals.	Understanding incremental development approaches, where each stage of a project builds on the one before it.	Making use of simple agile techniques such as time-boxes, retrospectives and product backlogs to manage workload.	Using formal iterative methodologies to deliver a project (e.g. Agile Project Management, Scrum, Kanban, Lean).
USING PROTOTYPES TO EXPLORE APPROCHES	Models, sketches, mock-ups, sample versions of an approach can be used to explore its feasibility, and develop a project incrementally.	Understanding how prototypes can be used to bring abstract ideas to life, and provide a tangible example of how something might work in practice.	Developing simple prototypes that help you visualise a product or service, to identify potential difficulties. Using basic prototypes to explain or test out approaches with colleagues.	Developing prototypes that can be used with users/citizens to test feasibility. Refining and improving prototypes to explore the ability to scale-up a project or service, and identify potential issues.
CONDUCTING TESTS AND EXPERIMENTS	Tests and experiments provide a robust way of evaluating whether an approach works.	Understanding how tests and experiments can examine what works and what does not work.	Ensuring projects include sufficient time and resources for testing and evaluation, across different stages of a project or service's lifecycle.	Using large-scale randomised tests to evaluate approaches such as A/B testing or randomised control trials to gain evidence about what works.
TAKING RISKS, BUT NOT WITH TIME OR MONEY	Iterative and incremental approaches allow you to limit risks associated with testing out approaches or methods you may not have used before.	Understanding how iterative project management approaches allows new ideas to be tested on a small scale before trying to implement more widely.	Using approaches such as sand-boxing, prototyping or piloting to create small-scale experiments of new ideas.	Use iterative project management methodologies to allow small-scale testing of a number of different approaches. Use experimental evaluation methods to assess which approach(es) to take forward.

Data literacy

The world has been experiencing a data revolution in recent years, yet it is widely held that government is not making the best use of the data it produces or has access to. The nature of the data is also changing: there is an ever greater and increasing volume, velocity and variety of data available. Alongside traditional analytical professions (statisticians, economists, researchers) a new type of activity and occupation ('data science' and the 'data scientist') has emerged from individuals who are able to exploit these new forms of data.

As a result of the data revolution there is an inherent demand for a greater number of analysts and data scientists in government – that can be achieved through a mix of external hiring and retraining of existing staff. Simply increasing the number of data experts in government does not automatically mean that government will successfully exploit the opportunities of the data revolution. Nor can we expect that all public servants become professional-level data experts capable of developing algorithms to mine extremely large repositories of unstructured data.

However, we should aspire that all public servants are "data literate", that is that they can appreciate the value and importance of data, are able to work with data experts, and that data and analysis are not an "after thought" as they too often have been in the past.

Using data to make decisions

Evidence based policy has been a long-held mantra of government, the data revolution provides new opportunities to ensure that information, evidence and data are used to drive decision making not opinions, assumptions, hunches and guesses.

Data-driven public services

Moving beyond incorporating data into decision-making, collecting and recording data needs to take place throughout a public service, not just recording the interim and final outcomes of a user's interaction but also meta-data the captures the nature and quality of user experience. Regular data feeds can also be designed to provide alerts about potential/emerging issues.

Working with data specialists

Analysts and data scientists shouldn't just be consulted when an official thinks "we need data", instead they should be part of project teams and fully involved throughout the life and delivery of a project.

Explaining data and results

Meanwhile, data experts in government, in addition to having strong technical skills that they regularly update, also have to be able to communicate effectively with non-experts about the results of their data projects and how to develop systems that collect good data.

Data literacy means that, wherever possible, decisions should be based on data not hunches or guesses. Data isn't just for 'geeks', non-specialists must understand its importance.

		BASIC AWARENESS	EMERGING CAPABILITY	REGULAR PRACTITIONER
USING DATA TO MAKE DECISIONS	Decisions should be based on data and evidence rather assumptions.	Understanding the importance of facts and challenging opinions or positions not based on data and evidence. Understanding key issues about the security of data and individual privacy.	Using performance metrics, data and evidence to make decisions. Understanding the limitations of particular pieces of data because of their quality, timeliness, coverage, etc.	Using multiple sources of data to get a better picture about a particular situation. Using regular feeds of information to identify emerging patterns, and deal with problems before they become too serious.
DATA-DRIVEN PUBLIC SERVICES	Using data to manage services is just as important for the public sector as the private sector.	Understanding that data is no longer something that is just collected at a particular point in time – instead data is being (or has the potential to be) constantly created throughout any interaction between a user and a service.	Ensuring that relevant and timely data is collected about public service delivery. That data is not just about the final outcome but also a meta-data about the nature and quality of user experience.	Building public services and systems that can collect large volumes of data. Using methods such as predictive analytics or machine learning to improve delivery and raise alerts about emerging issues.
WORKING WITH DATA SPECIALISTS	A strong relationship between data specialists and non-specialists can lead to the right data being used at the right time to make the right decision.	Identifying existing data specialists working in your topic area: understanding what data and information they collect; and, what it can and cannot tell you.	Consulting data specialists throughout the life of a project – not just at the inception or evaluation stages. Ensuring that there is sufficient time and resource to collect and analyse data.	Incorporating data specialists as full members of the project team (either as direct or virtual team members). Developing a collaborative relationship rather than the traditional customer-supplier relationship between policymakers and analysts.
EXPLAINING DATA AND RESULTS	Being able to effectively with non-specialists about data and the results of analysis is just important as collecting and analysing the data	Understanding that some people aren't as naturally comfortable with numbers and data as others. Communicating key themes from results and simple "need-to-knows" about methodology and limitations.	Using a variety of methods to bring data and information to life for non-specialists (both visual and verbal methods, static and interactive visualisations, etc.)	Actively engaging with non-specialists to illustrate how the data you hold and the results it can generate will help them achieve their goals.

User centricity

The idea of involving citizens in developing public services is not new, and "customer focus" has been mantra of management consultancies for decades. However, the arrival of the digital government agenda, and the subsequent bottom-up development of new online services has placed the idea of "user needs" at the focal point of both policy making and service design – in both the US and the UK, user needs are the first principle of government guidelines for developing digital public services.

Solving user needs

Being user centred is about finding out what users need to do and designing a policy/service that meets those needs, rather than what government assumes/thinks those needs are. All public servants should consider whether their project, policy or service is meeting user needs, and that user needs will change over time. While secondary sources such as existing evidence/analysis, talking to employees that work with users or organisations that deliver services to users, it is important to include primary research with users when identifying, and validating, user needs – qualitative and ethnographic methods (e.g. in-depth interviews and observation) are particularly useful for identifying needs.

Focusing on users at every step

Projects must have sufficient resources and time allocated for discovering and analysing user needs, and incorporating regular opportunities through the life of a project to undertake research/testing with users to check what is being developed or implement is meeting the needs of the users.

Considering how users think and act

Users are diverse, no two users are the same, when developing services it is important to make sure it is easy for users to do what they need to do. Human centred design principles allow us to think about how people interact with systems and processes, while behavioural science can help us to analyse the way people think and respond to different situations. It is also important to think about those with different and particular needs (e.g. those with a disability), when developing digital services it is important to consider those whether there users and you need to develop alternative approaches for.

Involving users in projects

To develop effective user centred services and policies, officials must adopt participative approaches that involve users throughout the life of the project. This may be as simple as undertaking user research at different stages (to identify needs; test prototypes, alpha, beta, and live versions) through to deep participatory exercises such as the co-production of a policy or service which aims to foster a sense of joint ownership of the exercise between officials and users.

User centricity is about having services and policies that are designed to solve user needs, with users considered at every stage of the process so that they will say "I would do that again".

		BASIC AWARENESS	EMERGING CAPABILITY	REGULAR PRACTITIONER
SOLVING USER NEEDS	Public services are delivered for the benefit of citizens. Modern public services should respond to clearly identified needs.	Understanding that the needs of users must be researched and gathered from users themselves. Government must not assume it knows what users really need.	Ensuring sufficient time is devoted to conducting user research to gather, analyse, validate and prioritise user needs. Testing services with users to assess how well they meet the needs of users.	Using a range of research methods (questionnaires, in-depth interviews, workshops, ethnographic observation) to obtain insights about users. Regularly testing, re-validating, and identifying new user needs throughout the development and delivery of a project.
FOCUSSING ON USERS AT EVERY STEP	Users and their needs must be considered at every stage of a project, not just at the beginning and the end.	The user should always be at the centre of a project team's thinking. Users shouldn't just be considered when generating ideas and launching a product or service – but throughout the design and development of products and services.	Regularly refer back to the identified user needs and assess a project's current progress to see if needs are being met. Identify opportunities to demonstrate or test our ideas and interim versions of services with users.	Ensure every stage of a project includes user testing or makes use of "user advocates" (team members who role play a use) to analyse whether user needs are being met, or how to meet them.
CONSIDERING HOW USERS THINK AND ACT	People don't always behave in the way we expect. Using human centred design principles and behavioural science can result in better policy and services.	Understanding that by designing policy and public services around how human beings think and interact will make it easier for them to use a product or service and thus for government achieve desired policy outcomes.	Identifying, analysing and deconstructing "user journeys" to consider users pass from step to step in using a service. Working with relevant partners to ensure users with particular needs (e.g. accessibility/mobility needs) can use a service or have alternative options.	Working with specialists in user experience/interface design to develop systems that are human-centred. Working with specialists in behavioural science to use psychological and sociological techniques to deliver public policy outcomes (e.g. "nudge").
INVOLVING USERS IN PROJECTS	Working with "real" users ensures that project teams can better understand user needs and their situation.	Like a game of "Chinese whispers" every time someone other than a user explains or passes on information about a users need a bit of that information is missed out. The user is always the best source.	Get involved in user research and testing, sit in on or conduct interviews, workshops or observation. Use a variety of methods to record and display the results of user research (images, written notes from users, videos).	Use participatory approaches to design, develop, test and implement projects that involves users directly in the production and decision-making, resulting in co-ownership of the output.

Curiosity

Innovation in the public sector is about introducing new and improved products, services, ways of working to deliver better outcomes for citizens and improved operational efficiency. Therefore, curiosity and thinking creatively are part of the essential life blood of innovation – they are the action of finding out new things. Many people will say "I'm not creative", but everybody has the capacity and ability to be creative.

Seeking out new ideas

Having curiosity can be as simple as getting feedback from stakeholders and users about how something is currently working, what they would suggest you do differently. Using workshops and challenges can provide structured ways to sources new ideas, while crowd-sourcing and text-mining can provide large volumes of information that you can sift for patterns and trends.

Reframing problems and solutions

Everybody has their own way of thinking about a situation or problem, and everybody has their own ideas about how to solve it. Reframing techniques allow to think about a problem from a different perspective or to challenge default assumptions – for example, asking questions such as "how would X go about this?" or "what if we did/did not have to do Y?".

Adapting approaches

Curiosity is also about finding out how other people do a similar job or deliver a similar service to see if they do it differently; moving beyond those who are similar, one can look at other examples of success, work out why that way of working is successful and trying to adapt that approach/their own approach to duplicate that success.

Continuously learning

An important part of being curious and creative is adopting a mindset of continuously learning – being able to absorb and use new ideas, identifying your own limitations and learning more about them. New knowledge is being produced all the time, some of it may challenge our existing thinking and force us to "unlearn" things we already know or do.

Curiosity and creative thinking help identify new ideas, new ways of working and new approaches. It may mean something brand new or adapting someone else's approach.

		BASIC AWARENESS	EMERGING CAPABILITY	REGULAR PRACTITIONER
SEEKING OUT NEW IDEAS	Innovation is about invention, creating new things, and doing things differently.	Understanding that the current way of working is just one of many possible approaches, and that each approach has its own advantages and limitations.	Proactively seeking out feedback from a wide range of users and sources and analysing that feedback for ideas. Talking to colleagues, stakeholders and users about potential opportunities for improvement – what ideas do they have?	Facilitating creative workshops to discover and explore new ideas and approaches. Using challenges, awards and prizes to encourage people to think differently. Using large-scale methods such as crowd-sourcing and text mining to gain insight.
REFRAMING PROBLEMS AND SITUATIONS	There is no right way to approach a problem or situation, and investigate a problem from only one angle can hide issues and opportunities.	Understanding and appreciating that people have different perspectives on a topic, problem or situation as a result of their background, experience and knowledge.	Identifying different actors and stakeholders that are involved in or influence a situation. Deconstructing their position to understand how and why they might think about the situation in a different way from yourself.	Using tools such as vignettes and personas to exemplify how different people think about a situation. Using role-playing games to enable people to think about a situation from a different perspective.
ADAPTING APPROACHES	Many teams have similar objectives, but they rarely have the same approach to meeting those goals.	Understanding that there is no single way of doing things, while systems and public services are often standardised for operational efficiency other organisations can have a different approach.	Engaging with teams/managers who do the same work as you – finding out what they do and how they do it, identifying what is different about their approach.	Seeking out organisations from different organisations, sectors, locations/countries who have similar objectives or goals to analyse their approach. Asking others to "peer review" your approach and identify alternative options based on their practice.
CONTINUOUSLY LEARNING	Knowledge is being produced and practices are evolving at an ever increasing rate.	Understanding that in a constantly changing world knowledge and practice are no longer fixed, there is always something new happening somewhere.	Being open to new ideas and thinking no matter where it comes from, actively considering the possibilities and opportunities new ideas present. Assessing the limitations of your own knowledge and practice and finding opportunities to learn more.	Actively reflecting on what lessons you have learnt and using that to question your assumptions and current practices. "Un-learning" previously acquired knowledge, practices and ways of thinking that are no longer applicable or relevant.

Storytelling

Stories have been a part of human culture since the dawn of language. Storytelling can be used by leaders and others within organisations in a number of ways: to explain who you are, to teach lessons, to outline the future, and to inspire action in others. Change in the public sector is no longer about moving from static state A to static state B, instead change is a constant companion – changing operating environments, changing expectations, changing user needs.

Using narratives

Stories communicate facts, opinions, and emotions by relaying the experiences of key actors and stakeholders. This situational approach to communication can help audiences better comprehend key messages. Stories should be "living documents" that adapt to focus on an audience's priorities and as projects progress. Stories don't just have to talk about the past and the present but can be a useful way to engage people in talking about the (possible) future.

Telling user stories

By incorporating 'user stories' that set out the current user experience when interacting with a service and/or the future experience that users will have as a result of the changes officials can help others empathise with users and better understand user needs.

Working multiple media and methods

Stories don't just have to be verbal constructions, images and graphics can provide useful metaphors or ways to help bring key messages to life. Videos allow ways for the voices of others to be part of the story you are telling. Interactive methods can enable your audience to build their own journey through your narrative, or to contribute their own stories to it.

Teaching lessons

Sharing experience is a crucial component to public sector innovation. By telling the story of your own innovation projects you can share lesson about what you found worked and didn't work, so that others can learn from your own experience.

Storytelling is about communicating in an ever changing world, telling the "story" of change helps build support and engage people by talking about the past, present and possible futures.

		BASIC AWARENESS	EMERGING CAPABILITY	REGULAR PRACTITIONER
USING NARRATIVES	Stories are a natural way in which people share information and pass on knowledge.	Understanding that stories communicate facts, opinions and situations by relaying experiences, making it easier for audiences to comprehend key messages.	Identifying key actors and stakeholder (your 'characters') and constructing a story outlines their experiences and motivations. Ensure your story not just covers what has happened and is happening, but also what will happen to key characters in the future.	Stories are not static artefacts, they must be progressed as situations develop. Stories should adapted for each audience, and accommodate alternative viewpoints. When talking about the future, stories can help explore uncertainties and possibilities.
TELLING USER STORIES	Stories can be a powerful and effective way of expressing user needs and priorities	User stories are a way of communicating the way a user or groups of users experience a policy or service, they enable officials to empathise with the user and understand their needs.	Developing a story that follows the journey of typical user, identifying what they find easy and difficult to do. Using the perspectives and experiences of service users and citizens to outline and explain the rationale for changes	Telling the stories of actual users enhances the authenticity of the overall message, by contributing their "real" voice and views. Combining stories from a number of users to give a holistic picture, identifying common challenges and particular needs.
WORKING WITH MULTIPLE MEDIA AND METHODS	Different people absorb information in different ways, using a variety of methods helps spread your message as far as possible.	Understanding that metaphors and imagery are powerful devices in stories that can help explain complex ideas or situations.	Testing and refining drafts of your story with others to identify the best way to communicate key messages. Incorporating visual elements (images, charts, graphics, videos, animations) into your story to provide context or salience.	Using interactive tools/methods to create a "story book" that allows audiences to navigate through the story and focus on parts that are the most relevant for them. Enabling audiences and users to contribute their own content or stories.
TEACHING LESSONS	Public sector innovation is driven by exchanging knowledge and practice. Stories can be a useful device for sharing your experiences.	Sharing experiences is an important element of public sector innovation, by sharing your experiences you help ensure people don't have to learn the same lessons over and over.	Conducting retrospectives at important stages of project to identify lessons that can be learnt from the experience so far. Conducting "show and tell" sessions with colleagues to share information and experiences about a particular project.	Using a range of methods to broadcast your stories and lessons – e.g. blogs/social media, seminars and conferences. Acting as a mentor or coach to other public servants, using lessons from your experience to help them in their practice.

Insurgency

Innovators in government are sometimes seen as internal 'insurgents' or 'rebels', working to change the usual way of doing things. If curiosity is the part of the lifeblood of innovation that is how we identify new things, then insurgency is about making those new things happen. Public servants are often typecast risk averse – and often with good reason if they are a prison officer or regulate nuclear power plants – however, the number of situations where an official must not doing something because of a risk of direct harm to citizens or national security is relatively small.

Challenging the status quo

Insurgents challenge the status quo and don't accept "it's always been done this way" or "if it's not broke don't fix it" as a defence against change. Innovation often pushes up against or even goes beyond existing boundaries and limits to do things differently.

Trying things out that might not work

Giving officials the freedom to try alternative ways of doing things, including things that may not work, can provide opportunities to find new ways of working that otherwise might remain hidden. When something we try new and it doesn't work, this isn't a "failure" but a learning opportunity to find out why it didn't work and somebody isn't to blame for it not working out.

Building alliances

Working alone rarely solves problems, particularly in the public sector. The challenges faced by public services demand increased and deeper collaboration between and across organisations. Forging alliances among both internal and external partners can create support and demand for change by amplifying the message.

Working with unusual partners

Innovation can also be the by-product of working with unusual or unexpected partners, developing new synergies that can lead to the identification of approaches that may not have been discovered.

Insurgency means challenging the status quo and the usual way of doing things, it means working with new and different partners to gain new insights or deliver projects.

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		BASIC AWARENESS	EMERGING CAPABILITY	REGULAR PRACTITIONER
CHALLENGING THE STATUS QUO	Innovation is about doing something new and there are often many voices that resist doing things differently.	Understanding that "it's always been done this way" is not an acceptable defence for poor service performance or quality. Meanwhile, alternative approaches should not be dismissed because of a "if it's not broken don't fix it" mentality.	Approaching untested/unusual approaches or ways of working with an openness to trying them out. Using evidence and logic to robustly challenge existing approaches, or to promote alternative options.	Identifying existing boundaries and limitations and finding ways to overcome them or work-around them without breaking the law or causing people harm.
TYING OUT THINGS THAT MIGHT NOT WORK	Public services need to "fail fast", identifying more quickly and earlier when something isn't working and why.	Understanding and accepting that when trying something new there is a possibility it might not work. This should not be viewed as "failure" but an opportunity to learn more – identifying what does and does not work.	Developing testing and piloting routines to try out and demonstrate new ideas and approaches on a small scale. Ensuring the right data is being captured and analysed in a timely fashion to provide feedback about project progress.	Giving teams the opportunity to do new things and providing support to them to overcome the fear of failure. Developing business cases and working with corporate functions to explain the potential opportunities of innovation.
BUILDING ALLIANCES FOR CHANGE	The challenges faced by the public sector today demands greater and deeper collaboration.	Trying to innovate in the public sector on your own can be a lonely and impossible challenge, collaboration with others can improve your chances of success and the provide a safe space to explore ideas and ask questions.	Identifying and convincing potential allies to support your vision, highlighting the benefits for them. Developing a vision, narrative and message that all stakeholders involved in the project share and jointly own.	Working with external stakeholders and advocacy groups to amplify your message and agenda for change. Sharing people and resources (through virtual teams or agreements) to enable joint ownership and delivery of a project.
WORKING WITH UNUSUAL PARTNERS	Working with people you might not ordinarily consider could result new synergies and approaches.	People who are very different from you or who work on something very different, is no reason not to work with them, they may have valuable insights and practices that you haven't thought of.	Working across boundaries within and between organisations to identify new contacts and partners in the public sector. Respecting that people have different backgrounds and perspectives, what is 'unusual' to you may be 'normal' for them.	Leveraging your existing networks to find new partnerships – who do your stakeholders work with that you don't. Proactively engaging with unusual partners, identifying the benefits to them of working with you.

ORGANISATION FOR ECONOMIC CO-OPERATION AND DEVELOPMENT

The OECD is a unique forum where governments work together to address the economic, social and environmental challenges of globalisation. The OECD is also at the forefront of efforts to understand and to help governments respond to new developments and concerns, such as corporate governance, the information economy and the challenges of an ageing population. The Organisation provides a setting where governments can compare policy experiences, seek answers to common problems, identify good practice and work to co-ordinate domestic and international policies.

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OECD Public Governance Reviews

Skills for a High Performing Civil Service

This series includes international studies and country-specific reviews of government efforts to make the public sector more efficient, effective, innovative and responsive to citizens' needs and expectations. Publications in this series look at topics such as open government, preventing corruption and promoting integrity in the public service, risk management, illicit trade, audit institutions, and civil service reform. Country-specific reviews assess a public administration's ability to achieve government objectives and preparedness to address current and future challenges. In analysing how a country's public administration works, reviews focus on cross-departmental co-operation, the relationships between levels of government and with citizens and businesses, innovation and quality of public services, and the impact of information technology on the work of government and its interaction with businesses and citizens.

Civil servants make an important contribution to national growth and prosperity. Today, however, digitalisation and more demanding, pluralistic and networked societies are challenging the public sector to work in new ways. This report looks at the capacity and capabilities of civil servants of OECD countries. It explores the skills required to make better policies and regulations, to work effectively with citizens and service users, to commission cost-effective service delivery, and to collaborate with stakeholders in networked settings. The report also suggests approaches for addressing skills gaps through recruitment, development and workforce management.

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