

Cabinet Order No. 48  
Adopted on  
6 February 2013

# **The Concept of Human Resource Development in Public Administration**

(Informative Part)

Rīga, 2013

## Table of Contents

Introduction .....	<b>Error! Bookmark not defined.</b>
1. Description of the Situation.....	5
1.1 Development of the civil service.....	5
1.2 Legal relationship of employees and their number .....	8
1.3 Comparison of the civil service systems and development trends among the Member States of the European Union.....	10
1.4 Problems of human resource development policy and future challenges .....	12
2. Directions of Action to Attain Policy Objective .....	17
2.1 Legal relationship of employees in public administration .....	17
Alternative 1: Public and local government service .....	<b>Error! Bookmark not defined.</b>
Alternative 2: Public service .....	19
2.2 Improvement of the remuneration and social guarantee system .....	20
2.3 Provision of the motivation system and measures of professional development.....	21
2.4 Improvement of human resource management proceses .....	23
2.5 Highest level civil service .....	25
2.6 Attraction and retention of staff to ensure Latvia's Presidency of the Council of the European Union .....	26
2.7 Development of a positive image of the public administration and strengthening the internal culture .....	26
2.8 Development of the IT system for human resource management.....	26
2.9 Institutional model for human resource management .....	27
3. Impact of Alternative Solutions on State and Local Government Budgets .....	28
4. Further Action .....	30

## **Introduction**

Over the past years, there have been major changes aimed at ensuring efficient public administration. In addition to optimizing the public administration functions and improving the institutional system, the measures were taken with regard to employees of public administration – the number of employees in the public administration and their remuneration were reduced; almost all social guarantees were revoked, training expenses were limited, thereby reducing career opportunities in public administration. However, it is important to think about attraction and retention of professional and competent staff also in the process of optimization. The private sector's demand for labour increases along with the improvement of the economic situation, and competition between the private sector and public administration poses a threat of brain drain.

The human resource development in public administration should be planned by focusing on changes and challenges not only at national but also at international level. In the first half of 2015, Latvia will have to fulfil the functions of the Presiding country of the Council of the European Union. It will be an extensive and time-consuming job; it will require careful preparations by the Latvian government and public administration institutions, as well as professional staff. One of the most important prerequisites is timely human resource planning, recruitment and training because the success of Latvia's Presidency will largely depend on professionalism and the level of preparedness of civil servants and employees of Latvia.

**Vision of the human resource development policy: effective public administration, acting as a single employer and providing result-oriented public administration.**

**Objective of the human resource development policy: professional, motivated and honest employees in public administration.**

### **Policy sub-goals:**

- 1) an effective human resource management system based on single personnel management processes – a system for selection, assessment, development and remuneration has been introduced, which promotes professionalism of all employees in public administration irrespective of job status;
- 2) an effective system for institutional management and coordination of human resources that fosters the use of information technologies in public administration.

Taking into account the specific nature of the public service that is focused on ensuring the inviolability of public security and state borders, implementation of security measures, fire and rescue activities, and for which specific personnel management procedures are intended (selection, transfer within the framework of service), as well as special social guarantees (including retirement pension), the concept does not apply to officials of the institutions of the system of the Ministry of the Interior, officials of the Prison Administration with special service ranks, as well as to the National Armed Forces and soldiers serving in the system of the Ministry of Defence. Development of a human resource development policy for these groups of employees falls within the competence of line ministries - the Ministry of the Interior, Ministry of Justice and the Ministry of Defence. In view of the fact that capital companies are entities governed by private law, the solutions proposed in the concept are not applicable to state and local government owned capital companies.

In the concept, the term 'direct public administration' denotes all direct public administration institutions, other than the aforementioned institutions and officials, while the term 'public administration' implies direct public administration and local governments.

The measures proposed in the concept do not limit discretionary power of public direct administration institutions. It is recommended to use the best practices and set standards for organizing the processes, while not prohibiting the use of more efficient and appropriate procedures for specific institutions.

The concept is the first medium-term planning document in the area of human resource development in the public administration of Latvia. It was developed taking into account practices in other Member States of the European Union. The human resource management experts of public direct administration institutions (Council for Human Resource Development in Public Administration established with the Prime Minister's Order No. 102 of March 16, 2012), experts from ministries, private sector, local governments, universities and non-governmental sector (Public Administration Policy Development Council established with the Prime Minister's Order No.261 of June 16, 2009) were involved in drafting of the concept.

The members of the Reform Management Group (established with the Cabinet Order No. 1 of 2 January, 2012) were informed about the course of development of the concept, and the decision was made "to conceptually support the concept of human resource development in public administration developed by the State Chancellery, and prepare it for promulgation at the State Secretaries' meeting, while supplementing it with proposals of the Latvian Association of Local Governments for attributing the concept to local government employees in form of recommendations, as well as to simplify and enhance the current civil service system, especially with regard to the dismissal of civil servants"<sup>1</sup>.

The concept provides linkage with the following development planning documents:

- The Strategic Development Plan of Latvia for 2010 –2013 (approved with the Cabinet Order No.203 of April 9, 2010). The Plan identifies the public administration reforms as one of the priorities, including also effective human resource management in the public sector (Annex 2, Sub-clause 3.2, Annex 3, Sub-clause 3.2);
- Declaration on the Intended Activities of the Cabinet of Ministers headed by Valdis Dombrovskis. The following objective was set in the declaration, "We will develop a small, motivated and results oriented public administration by introducing a motivating remuneration system for employees in the public sector, by improving the remuneration system and focusing it on attainment of specific job outcomes to ensure more efficient and transparent use of resources and reduce the administrative burden";
- The Action Plan of the Government for the Implementation of the Declaration on the Intended Activities of the Cabinet of Ministers headed by Valdis Dombrovskis (approved with Order of the Cabinet of Ministers No. 84 of 16 February 2012). Paragraph 105 of the Plan specifies a set of measures, including drafting of the policy planning document, introduction of competence approach to human resource management, restoration of the training system;
- The Guidelines for the Development of the Public Administration Policy for 2008-2013 (approved with Order No. 305 of the Cabinet of Ministers of June 3, 2008). The

---

<sup>1</sup>Minutes of the meeting of the Reform Management Group and members of the Cabinet of Ministers of September 27, 2012: <http://www.mk.gov.lv/lv/mp/vaditas-padomes/Reformu-vadibas-grupa/sedes/>.

guidelines stipulate that one of the policy sub-goals is professional, competent and motivated employees in public administration, as well as provide directions for action to develop human resources in public administration;

- The Concept on Reducing the Risks of Corruption in the Public Administration Institutions and Local Governments (approved with Order No. 72 of the Cabinet of Ministers of 13 February 2012). The supported Alternative 3 of the solution provides for development of uniform principles for selection, assessment and recruitment of personnel in all public and local government institutions, and provision of all state and local government institutions with the personnel selection procedure that is focused on free competition by publishing the information on all vacancies and implementing a uniform and open procedure for the selection of candidates.

## 1. Description of the Situation

### 1.1 Development of the civil service

The public administration reform was launched on April 21, 1994, including also the state civil service reform. On April 21, 1994, the Saeima adopted the "State Civil Service Law". It provided for the development of a classical career civil service, based on German and French civil traditions where civil service practically means a life-long career. On March 28, 1995, the Cabinet of Ministers approved the Concept on the Latvian Public Administration Reform where one of the main directions was "reform in the main instruments of the public administration"<sup>2</sup>, including personnel management. The objective of the public administration reform in the civil service was "to ensure professional, qualified civil service"<sup>3</sup>. In Annex 3 of the aforementioned document, the "principles of trust, universal operations, career, care and ethics were set as the main principles for the development of the state civil service"<sup>4</sup>.

Within the meaning of this law, the state civil institutions included the State Chancellery, all public administration and local government institutions, courts, prosecutor's offices, state control authorities and other state civil institutions established in compliance with the Satversme (Constitution) of the Republic of Latvia, laws, Cabinet regulations or decisions of local governments (city council, regional council and parish council), which fulfilled the state or local government functions. In view of the fact that local governments perform essential functions of public administration, as well as taking into account the public perception of local governments as a component of the civil service, the "State Civil Service Law" of 1994 provided for the introduction of a civil service in local governments, thereby including the employees of local governments in a unified remuneration and supervision system; however, this idea was not implemented due to the strong lobbying by the local governments<sup>5</sup>.

The "State Civil Service Law" also stipulated an institutional system for the introduction and supervision of the civil service. The Ministry of State Reforms was responsible for the implementation of the public administration reforms. In December 1993, the State Civil Service Administration was established as a central institution that was responsible for the development of rules on organizing the state civil service. It performed the control and supervision function of the state civil service, examined the conformity of applicants to the status of a candidate for a civil servant. The School of Public Administration, in its turn, developed the content and rules

---

<sup>2</sup> Minutes No.16, 6.§ of the Cabinet sitting of 28 March 1995

<sup>3</sup> ibidem

<sup>4</sup> ibidem

<sup>5</sup> D.Jansone, I.Reinholde, I.Ulnicāne "Latvijas publiskā pārvalde" (2002), Rīga: Eirofakultātes Rīgas centrs, 124.lpp.

for preparing the civil servants, improving their qualification and qualification exams, as well as conducted the qualification exams of civil servants.

After the liquidation of the Ministry of State Reforms in 1995, the consistent implementation of the law "On the State Civil Service" was encumbered.

The initial civil service model provided for a number of elements of the classical civil service – status of the candidate for a civil service, examination before the start of the civil service relations, certification, and retirement grades for civil servants, the system of civil servants' qualification categories, providing for increase in retirement grade according to the length of service. In addition to establishing and developing the civil service, in 1996 there was an unsuccessful attempt to introduce the notion of a public servant<sup>6</sup> in public administration, envisaging separation of positions of a civil servant and servant. It was intended to attribute the civil servants' positions to the post of the head of the institution, deputy head, head of the structural unit (directors of departments and heads of permanent divisions and units), if other civil servants are under his or her authority, and positions, which, according to the Law, the regulations of the Cabinet of Ministers or local government decisions oblige or give the right to respective person to make decisions of national importance, which are binding for a certain group of people. Other positions in the state civil service were planned as posts of public servants<sup>7</sup>. In 1997, the Cabinet of Ministers rejected the amendments prepared to the law "On the State Civil Service", which provided for the implementation of previously conceptually supported status of a public servant<sup>8</sup>.

In 1998, in the report by the Public Administration Reform Office it was stated that the implementation of the law "On the State Civil Service" was not consistent and successful enough, as well as substantive regulatory acts have not been developed (on civil servants' job qualification categories, on civil servants' retirement grades etc.). The civil servants' salary system does not reflect the real contribution at work; it does not promote civil servants' attraction to posts and does not motivate for productive work. To change this situation, the management contracts were introduced in the civil service without specific mechanisms how to monitor and evaluate the performance of the contract. The application of management contracts helped to prevent withdrawal of the heads of civil institutions and structural units to the private sector, while their confidential nature aroused suspicion and disapproval from other civil servants and the society<sup>9</sup>. It was stated in the report that the above-mentioned factors have caused negative attitude towards the public civil service: the narrowing of the civil servants' corpus is taking place, the civil service institutions withdraw from the civil service, and the legal status of a civil servant is interpreted depending on the institution's wish and practical needs. It was decided to rework the law "On the State Civil Service", more clearly defining the functions of a civil servant, as well as introducing new personnel management procedures<sup>10</sup>, evaluation of a civil servant's performance.

On January 1 2001, the new "State Civil Service Law" entered into force, and the heads of institutions had to assess the conformity of existing positions with the requirement set forth in Section 3 of the State Civil Service Law – a civil servant is a person who, in the direct

---

<sup>6</sup> Concept "On the Introduction of the Public Servants' Institute in the State Civil Service" (Minutes No.12, 30§ of the Cabinet sitting of 12 March 1996).

<sup>7</sup> Concept "On the Introduction of the Public Servants' Institute in the State Civil Service" (Minutes No.12, 30§ of the Cabinet sitting of 12 March 1996).

<sup>8</sup> Minutes No.70, 560§ of the Cabinet sitting of 16 December 1997.

<sup>9</sup> Report "On the State Civil Service Development" (Minutes No.40, 35§ of the Cabinet sitting of 28 July 1998).

<sup>10</sup> Report "On the State Civil Service Development" (Minutes No.40, 35§ of the Cabinet sitting of 28 July 1998).

administration institution develops sector policy, coordinates work of the sector, distributes or controls financial resources, drafts regulations or monitors their compliance, prepares or issues administrative acts or takes other decisions associated with individual rights. On the one hand, this meant the expansion of the civil service by including a specialized civil service in the civil service, on the other hand – the narrowing of the civil service by excluding from the civil service the individuals who performed the support and technical functions, as well as persons who worked in institutions that are not related to exercising the executive power under the authority of the Cabinet of Ministers. The new State Civil Service Law did not any longer include the local government employees in the civil service. In turn, on 1 June 2002 the new "Labour Law" came into effect, which established regulations concerning employment relationship for those employees of the public administration who are not civil servants.

Unlike the previous law of 2001, the "State Civil Service Law" provided for the development of a civil service based on the job system, setting the civil servant's professionalism rather than job hierarchy as a priority in career development, thereby promoting mobility, openness and healthy competition in direct public administration. Mobility was also promoted among senior managers by limiting one's term of office. The law provided for the introduction of unified personnel management principles as regards the selection, performance and assessment of performance results of civil servants. The Public Administration Reform Strategy for 2001–2006 that was approved by the Cabinet of Ministers also stipulated the objective of the human resource policy – to ensure that motivated, highly qualified and honest employees (working properly and in accordance with ethical standards) work in the public administration.

Since the entry into force of the "State Civil Service Law", the institutional model of the public civil service has substantially changed. In the law of 2001, all main functions were envisaged for the State Civil Service Administration – development, implementation and coordination of the human resource policy of public administration, including the development of draft legal acts in the area of the public civil service and uniform principles in direct public administration institutions, and fostering the implementation of these principles, organizing tenders for applicants to vacant posts of the heads of institutions, analysis of the civil servants' training needs and preparing the annual training order. In view of the limited capacity of the State Civil Service Administration, in the amendments to the "State Civil Service Law" of 2003 and 2006, the function of developing the human resource policy (including civil service) was transferred to the State Chancellery while the State Civil Service Administration retained the control function. In 2008, the State Civil Service Administration was liquidated by transferring the functions to the State Chancellery, the Ministry of Finance and direct public institutions.

As regards employees for whom the status of a civil servant was not determined, in the period from 1993- 2005, there was no uniform personnel management procedure, thereby the human resource development policy was implemented regarding only a part of employees of direct public administration. Given the small proportion of the civil service (about 7 % of the total number of employees of the general government sector<sup>11</sup>), it is possible to state that the choice to direct the human resource management measures only towards one, although an important group of employees, has not contributed to the establishing a single objective focused organizational culture in public administration, and therefore, it is necessary to take measures to define and implement an integrating, strategic human resource management approach.

---

<sup>11</sup> The general government sector includes ministries, central public institutions and other government institutions, local government institutions and institutions of local government structures, operators controlled and financed by the state and local government structures and the state social insurance structures. Data on the total number of employees in the general government sector are compiled by the Central Statistical Bureau.

Even though historically the public civil service has been developing as a distinctive group of the employees that exercises public authority in policy making, drafting of laws and regulations or policy implementation, nowadays it has lost its original meaning, as evidenced by both the application of human resource management procedures to civil servants and employees and gradual disappearance of the distinction between the civil service and employment relations, the salary and social security systems, and the fact that the civil service accounts for only 7% of employees in the general government sector.

Since 1993, the School of Public Administration has been responsible for training of civil servants. According to the regulation of the School of Public Administration, it implements the national policy in the field of education and professional qualification of civil servants of the public civil service and employees of public administration in order to prepare highly qualified and professional staff in public administration. Due to limited funding, since the end of 2008, the number of courses has been substantially reduced (in 2008, 90 courses were organized; in 2009 – 65; in 2010 – 34 and in 2011– 61 training course); the number of participants also significantly reduced (in 2008, 10917 participants attended training courses; in 2009 – 2635; in 2010 – 3069 and in 2011– 3083 participants). In view of the fact that in 2009, the state budget funding in the budget program of the School of Public Administration was reduced to LVL 500, actually reaching "0" level, since the second half of 2009, the School of Public Administration has been operating on a self-financing basis, providing mainly paid training services.

## 1.2 Legal relationship of employees and their number

Currently, there are several groups of employees in direct public administration whose legal framework of employment or service relations is regulated by different legislative acts, i.e. there are parallel, specifically regulated employment, public service and civil service relations, thus creating an employment system that is bureaucratic, complex to administer and opaque.

Direct public administration employs:

- 1) **civil servants** in general state civil service, as well as **civil servants of specialized civil service** in the Ministry of Foreign Affairs, the State Revenue Service, the State Forensic Science Bureau;
- 2) **officials with special service ranks (public service):**
  - **In the system of the Ministry of the Interior** – Security Police, Information Centre of the Ministry of the Interior, State Police, State Border Guard, State Firefighting and Rescue Service and subordinated colleges;
  - **The Prison Administration;**

The civil servants of the public civil service and officials with special service ranks are in such publicly legal relationship with the state, where (contrary to the Labour Law) there is no principle of equality of contracting parties<sup>12</sup>, i.e. service relations are commenced, amended or terminated in the form of orders. The comparison of the civil service and employment legal relations is included in the annex of this concept:
- 3) **employees**, whose employment legal relations are regulated by the Labour Law, and whose employment relations are based on mutual agreement on commencement, amendment and termination of employment legal relations.

---

<sup>12</sup> The recognition is based on the conclusion made to judgement by the Constitutional Court to case No. 2003-12-01 "On the Compliance of Section 41, Clause 1, Sub-clause "f" of the "State Civil Service Law" of December 18, 2003, to Sections 91, 101 and 106 of the Constitution of the Republic of Latvia.

At the same time, all civil servants and those employees whose operations and decisions are associated with potential conflict of interest are in a status of a public official, and restriction on the activities and responsibilities are determined by the law "On Prevention of Conflict of Interest in Activities of Public Officials".

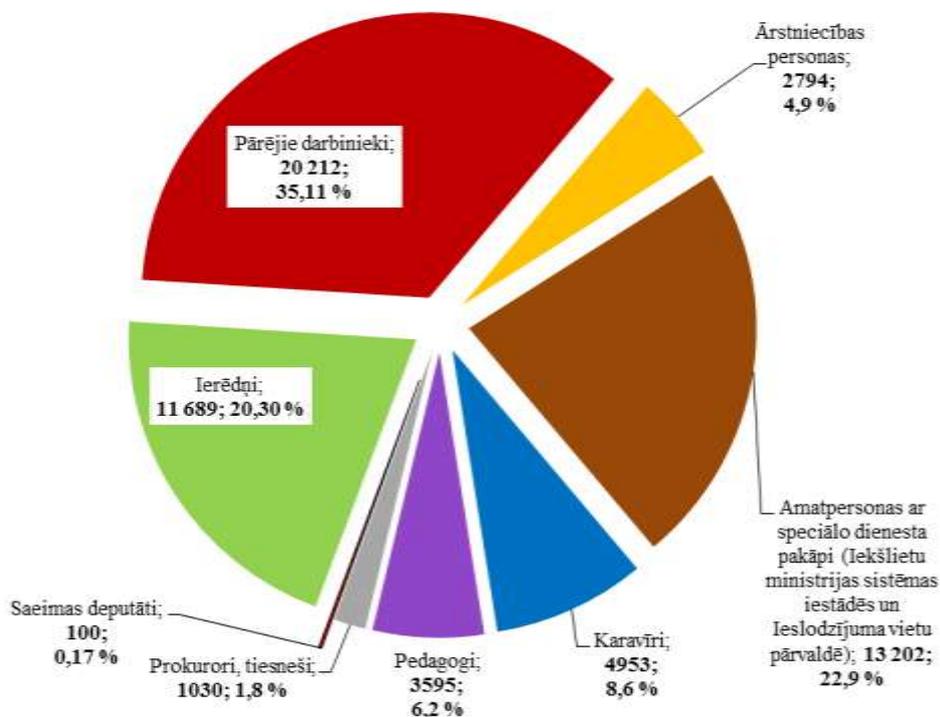
Figure 1



Source: Data of the Ministry of Finance

Figure 2

**Nodarbināto skaita īpatsvars valsts budžeta iestādēs  
sadalījumā pa nodarbināto grupām 2012.gada III ceturksnī  
(skaits un %)**



Source: Data of the Ministry of Finance

Statistical data show the groups and the number of employees in Q3 2010 and Q3 2012 in the state budget funded institutions – the State Chancellery, ministries and subordinated institutions, and in institutions founded on the basis of the law, including the State Social Insurance Agency, State Police and National Armed Forces (Q3 2012 – in 185 institutions). It is possible to conclude that the number of employees in this time period has decreased by 9 % – from 63.7 thousand to 57.6 thousand employees. Even more radical decrease compared to the average number of employees was experienced in Q3 2008 and Q3 2012 – from 78.9 thousand to 57.6 thousand employees, i.e. by 26 % or 21.3 thousand employees less. The directions for action proposed in the concept will refer to civil servants and employees in direct public administration institutions who in Q3 2012 form 55.4 % of all employees in the state budget institutions. Individual measures (including training offer in the School of Public Administration, organizing of the open tender, development of the Code of Ethics) will be applied to larger range of employees – employees of public administration.

### **1.3 Comparison of the civil service systems and development trends among the Member States of the European Union**

Although nowadays there are specific elements in each country characteristic of the civil service, the civil service is based on the idea about publicly legal relationship where there are no equal relations between the state and a civil servant, but the state unilaterally regulates the authorization and rights protection by compensating the disproportion of these rights with an additional system of social guarantees. There are a number of criteria that are indicative of peculiarities characteristic of classical civil service system:

- appointment to the post – the head of an institution does it by assessing the compliance with the criteria of the state civil service (citizenship, education etc.);
- career – usually irrespective of age, there is a parallel career system based on the number of years worked in public administration (length of service) in combination with the assessment of performance results. If the performance assessment is positive, the qualification grades, categories, ranks, which set benefits of holding higher positions, as well as additional premiums, are granted.
- dismissal – the civil servants of the public civil service are protected in case of dismissal, envisaging a specific mechanism – transferring (rotation) to another post within the framework of the civil service, thus emphasizing the idea of unity of a civil service and that it serves the national interests.
- organisation of the state civil service – a number of restrictions are imposed on civil servants (e.g. prohibition to combine offices, restrictions to participate in political activities and strikes), and disciplinary responsibility is imposed for failure to comply with the restrictions. In order to compensate these limitations, a special guarantee scheme is offered – benefits, bonuses, compensations, pension scheme, training etc.

Nowadays, the civil service systems are divided into occupational and career systems, while recognizing that the Member States often have mixed civil service systems.

The current civil service system of Latvia is not developed as a career civil service where a civil servant begins work from the lowest position and develops his or her career within the framework of the system, but as an occupations system that allows for holding any position in the civil service through an open tender, unless the person complies with the requirements of the position, thereby facilitating mobility and openness not only within the framework of the public administration, but also with regard to the private sector.

In the occupations' civil service, more important role is assigned to the performance of a civil servant, defining specific objectives and focusing on achieving the results. Remuneration is closely linked to the performance results and official duties (as opposed to career civil service where remuneration depends on job hierarchy, work experience and education).

The most significant risks in the career civil service are to ensure sufficiently trained civil service endowed with specific knowledge (particularly – the highest level), in view of the fact that the selection takes place for any post, and thereby frequent personnel rotation from the private sector is possible, as well as the fact that a system for promoting rotation within the framework of the civil service has to be offered in the occupations civil service. In developing the civil service of Latvia, the trends in the development of a civil service in other Member States of the European Union, particularly in countries with occupations civil service – the Netherlands, Great Britain, Scandinavian countries, also need to be considered.

The Netherlands and Finland are the successful examples of developing a single service centre by centralizing the support functions and standardizing processes, thereby considerably improving service quality and reducing costs. The experiences of Great Britain and the Netherlands in organizing the selection process, including preparing the informative campaigns for attraction of applicants and the electronic application process can be used as the best practices. The above-mentioned countries have also developed special competence building programmes for senior managers, as well as talent management systems.

In the study on the state civil service in 27 Member States of the European Union, C.Demmke and T.Moilanen conclude that there is a movement away from parallel employment relations by

switching to one type of relationship and approximating them to employment relationship or completely applying also in the public service<sup>13</sup>.

Therefore, we see fewer and fewer reasons for existence of a specific public civil service system, because generally one objective is needed – professional and competent employees in public administration<sup>14</sup>.

The trends in the public civil service reforms are characterized by the following features of *post – bureaucratic*<sup>15</sup> civil service model:

- equalization of employment conditions for civil servants and employees in public administration, assigning significant role to the private sector's experience in developing the career development, remuneration system and pension system;
- the remuneration system is linked to performance results, widely using performance evaluation;
- open tenders for any post;
- flexibility under employment conditions;
- delegation of responsibilities to line managers.

Analysing the development of the civil service in Latvia, it can be concluded that there are a number of features of the *post-bureaucratic* model in Latvia – open tender for civil servants' posts, remuneration system is linked to job performance, the differences between work remuneration and social guarantee systems of civil servants and employees have almost entirely levelled out, as well as mobility is ensured (transferring in the interests of the state).

#### **1.4 Problems of human resource development policy and future challenges**

The measures taken in the area of human resource policy in public administration in recent years have been mainly focused on saving the state budget resources, therefore, the number of employees and work remuneration has been reduced, and the opportunities for employee development and growth have been limited.

Reducing the disparities between civil servants and employees, the public civil service has lost the 'priority' status assigned in the stage of its formation, as well as balance envisaged in the classical civil service between restrictions and guarantees imposed on a civil servant.

Analysing the human resource development policy in public administration, the following problems can be identified:

- 1) **There are a number of specifically regulated employment relations in public administration**, resulting in different responsibility for provision of similar services in public administration and in local governments.

The Corruption Prevention and Combating Bureau has drawn attention to the critical remark devoted to Latvia by the Council of Europe's Group of States against Corruption – the Labour Law that is applicable to local government officials does not sufficiently regulate specific official duties of local government officials that may result in increased risk of corruption at the local government level<sup>16</sup>.

<sup>13</sup> C.Demmke and T.Moilanen, performing analysis of differences in employment relationship in public administrations of Member States of the European Union, conclude that there are no differences in Great Britain and the Czech Republic, there are minimal differences in Finland, Sweden, Denmark, also in Bulgaria, Slovenia and the Netherlands.

<sup>14</sup> C.Demke, T.Moilanen. *Civil Service in the EU of 27: Reform Outcomes and the Future of the Civil Service – Outcomes of a Comparative Survey*. p.252.

<sup>15</sup> Such title is offered in the study by C.Demmke and T.Moilanen by summarizing the civil service development trends in the Member States of the European Union.

<sup>16</sup> Second Round Assessment on Latvia (GRECO) by the Council of Europe Anti-Corruption Group, p.14. Available at: [http://www.knab.gov.lv/uploads/free/grecoeval220044\\_latvia\\_lv.pdf](http://www.knab.gov.lv/uploads/free/grecoeval220044_latvia_lv.pdf).

Differences in public civil service and employment relations create additional resources in public administration, which are associated with the need to improve and interpret legal norms, as well as to different record keeping (e.g. preparing of draft orders for civil servants and amending the employment contracts for employees, procedure for application of disciplinary penalties).

In September 2009, the State Chancellery, based on the data provided by 130 public institutions, analysed the subdivision of processes in implementing the personnel management function, and concluded that on average 45–60 % of the load are devoted to ensuring the record keeping function (maintenance and circulation of documentation relating to service and employment legal relationship), only the remaining part is devoted to strategic development of human resources.

- 2) As regards work remuneration, the civil service system has lost conformity with its initial objective – to ensure additional social guarantees for restrictions imposed on civil servants,** thereby with the economic upturn, brain drain to the private sector, as well as abroad, can be observed. In order to ensure the state budget savings, since the end of 2008 the work remuneration for employees in public administration has been reduced, as well as social guarantees limited. Thereby the public administration can no longer offer employees an attractive and stable job where, according to the objective set<sup>17</sup>, 80 % of the private sector's remuneration and additional social guarantees are provided.

Currently, the difference between civil servants and employees has decreased to a minimum in the area of work remuneration and social guarantees. On December 1, 2009, the Law on Remuneration of Officials and Employees of State and Local Government Authorities was adopted, strengthening the principle used in public administration – equal pay for equal work irrespective of job status. However, attainment of such objective is threatened because there is significant wage range (minimum and maximum monthly salary) in the regulatory framework. The law also provides for social guarantees for state and local government officials (employees), but most of them are "frozen" in 2010, 2011 and in 2012. Although there is a tendency to restore some guarantees, however, both determining the monthly salary and formation of a social package depends on the budget of an institution, i.e. they are determined within the framework of existing budgetary resources that even further contributes to the difference between public administration institutions.

The system of work remuneration in public administration is determined in line with job classification, i.e. according to the Job Catalogue of State and Local Government Institutions. The job catalogue was developed in 2005 and, in the course of time, several significant supplements have been made to the Job Catalogue of State and Local Government Institutions, including the jobs which are specific for local governments, courts, prosecutor's offices, universities. Therefore, it is important to make a comprehensive evaluation of the system that would include both analysis of the content of the job catalogue and comparison of job classification results within the framework of public administration.

- 3) The public administration as an employer is not able to offer the employees important measures to raise motivation and professional growth**

In addition to work remuneration and social guarantees, there is a range of other motivators that are important for employees, for example, development opportunities, mobility, work environment, image of an institution, opportunity to participate in addressing strategic issues.

---

<sup>17</sup> Concept on the Uniform Remuneration System to Public Sector Employees (approved with Order No. 105 of the Cabinet of Ministers as of February 21, 2005), p.6. Available at: <http://polsis.mk.gov.lv/view.do?id=1716>.

In 2012, in a survey on the public administration employees' satisfaction with human resource management policy and its results<sup>18</sup>, it was concluded that 84 % of public administration employees like the work they do, while only 9 % of public administration employees acknowledged that existing opportunities for career development provide the best employee retention in the public administration, and 44 % disagreed that public administration employees have opportunity to regularly improve their professional knowledge (18 % did not have opinion regarding this issue). Less than a half or 46 % of respondents are of the opinion that management takes care for the development of positive work environment, while only 34 % of employees fully agree that the line manager trusts them and allows to make choice and decision, which the employee needs to perform work efficiently.

Over the past years when the state budget resources have been substantially reduced while the amount of work substantially increased, the motivational measures have been neglected, in particular, the training offer in the School of Public Administration. Thereby, institutions, provided training, depending on the existing funding, for both professionals and managers, as well as those officials who launched the service in public administration. Such a decentralized system has created a variety of practices in relation to employee development, while contributing to inefficient use of resources.

No process has so far been developed in public administration where experts could ask and receive the necessary support for solving problems associated with daily performance.

In order to increase professional efficiency and growth of employees, it is necessary to provide an opportunity for human resource professionals in public administration, as well as other employees to receive advisory support.

The positive experience shows that it is possible to improve professional efficiency by offering a supervision service in the human resource strategy of an institution<sup>19</sup>. Supervision helps professionals to:

- support the institutional and individual objectives;
- strive for excellence at work without risk of *burnout*;
- do self-assessment of their daily activities;
- understand your own and others' behaviour, its contexts;
- plan personal development at one's own initiative;
- take responsibility for his/her actions and its consequences;
- efficiently prevent problems in professional activities.

#### **4) There are no mutually integrated human resource management processes, which are based on uniform standards**

There are no uniform and clear principles of selection in public administration, particularly – as regards employees in employment legal relations, which permit the possibility of not holding open tenders. The Concept on Reducing the Risks of Corruption in Public Administration Authorities and Local Governments (approved with Order No.72 of the Cabinet of Ministers of February 13, 2012) stipulates that some occasions have come into sight of the Corruption

---

<sup>18</sup> I.Baltiņa. Satisfaction of the public administration employees with the human resource policy and its results. The survey was performed from March 26 until April 21, 2012; 1253 civil servants and employees of direct public administration filled out the forms and participated in the survey.

<sup>19</sup> Supervision is a consultative support in work and professional activity related issues, and its main result is increasing professional efficiency. Supervision may include a number of issues: awareness of professional boundaries, finding alternatives for action in specific work situations, building relationships with colleagues, subordinates, clients, cooperation in team, work strategy, reduction of stress factors and *burnout* and many other issues which are brought up in daily work (more detailed information: <http://www.supervizija.lv/lv/par-superviziju/>).

Prevention and Combating Bureau when heads of institutions provide employment for relatives, persons are fictitiously employed, and there is no control over using the budget funds. Lack of uniform principles allows for introducing unreasonable requirements on candidates, as well as contributes to different interpretation of the norms of the selection process, which often leads to legal proceedings. In addition, the existing regulatory framework for civil relations contributes to announcement of formal tenders in cases where the position is converted from the employee's position to a civil servant's position, and the current employee meets the requirements of a civil servant. The implementation of competence approach should be continued, thereby mutually integrating the processes and without creating a fragmented management system.

#### **5) There is no competence development system for senior managers**

In view of current substantial cuts in the funding for training and other development activities (exchange of experiences, academic training, rotation), the competence building for senior managers is also neglected in public administration. It poses a substantial risk for the future as regards increasing the efficiency of public administration, because the progress of reforms, process optimization, focus on results and quality of services largely depend on managers' professionalism and competence. This course of action is also highlighted at the European Union level – the working program of the Public Administration Forum of the European Union<sup>20</sup> for the period from the second half of 2011 – the second half of 2012 was devoted to development of senior managers as managers of change, innovations and reforms.

The competence raising measures also serve as an additional motivator in public administration because remuneration for senior managers currently is not competitive with the private sector. In addition, a competent and professional manager is often one of the main motivators for subordinates for work in public administration.

#### **6) As the public administration cannot offer motivational measures to retain senior level experts, the successful Latvia's presidency of the Council of the European Union is threatened**

One of the key factors to ensuring the Presidency is qualified, professionally prepared and motivated personnel – not only employees in public administration, but also employees in permanent representation in the European Union and diplomatic representations of Latvia abroad. Thereby, the live issue is retaining and motivation of professional employees for work in public administration. Particular attention should be paid to competence and skills development of the personnel involved in ensuring the Presidency, because for the first time Latvia will have the status of a presiding country of the Council of the European Union, and it will be a great challenge for any employee.

According to the information provided by the public administration institutions, up to 1000 employees – heads of the working groups and their deputies, experts in sectoral issues, coordinators of the European Union issues etc., will be directly involved in ensuring Latvia's presidency of the Council of the European Union.

#### **7) Negative image of the public administration has developed in the society, and institutions do not spend sufficient resources to strengthen the internal culture**

The negative image of a civil servant still prevails in the society, and it interferes with the successful work of the public administration. Also the fact that the public administration

---

<sup>20</sup> European Union Public Administration Network (*EUPAN*), where all countries are represented, Norway, Turkey, European Commission and European Institute of Public Administration – *EIPA*. Latvia's representation is ensured by the State Chancellery.

institutions have different visual identity, does not contribute to a uniform and easily comprehensible image of the public administration.

The internal culture of institutions is an important condition for personnel satisfaction and hence improvement of job performance. Through optimization and resource-saving measures in public administration, often the motivational part that is related to the institution's internal culture – the value and tradition system, work environment, management system and style, employee involvement, etc. is often left behind at the institutional level. In a survey conducted in 2012 on the public administration employee satisfaction with human resource management policies and its results <sup>21</sup> less than a half (45 %) of respondents admitted that there is a spirit of cooperation within an institution.

---

<sup>21</sup> I.Baltiņa. Satisfaction of the public administration employees with the human resource policy and its results. The survey was performed from March 26 until April 21, 2012; 1253 civil servants and employees of direct public administration filled out the forms and participated in the survey.

## 2. Directions of Action to Attain the Policy Objective

To address the identified problems and achieve the set goal and sub-goals, the following directions of action are set:

- 1) improvement of legal relationship of the public administration employees by ensuring the implementation of the idea – public administration as a single employer;
- 2) improvement of the remuneration and the social guarantee system;
- 3) ensuring the motivation system and professional development measures;
- 4) improvement of human resource management processes;
- 5) establishment of the top level civil service and improvement of its competence;
- 6) personnel attraction and motivation to ensure Latvia's Presidency of the Council of the European Union;
- 7) creating positive image of public administration and strengthening of the internal culture;
- 8) development of the IT system for human resource management;
- 9) improvement of the institutional model for human resource management.

### 2.1 Legal relationship of employees in public administration

In order to ensure effective public administration that functions as a single employer, it is important to organize the employment relationship in the public administration in the most efficient way. Such a goal cannot be reached, if various and scattered groups of employees continue to persist, which not only create a false impression of the number of employees in public administration, but also hinder the development of a uniform and transparent human resource management system. The concept proposes the establishment of equal legal conditions for employment relations in the public administration.

#### Alternative 1: Public and local government service

Assessing the trends in civil service development in the European Union Member States, it is offered for the Latvian public administration to strengthen unified legal relationship for all employees in both direct public administration and local governments. It would encourage the implementation of the idea – public administration as a single employer, and would establish equal legal framework for governance (e.g. equal responsibility of individuals who make decisions).

The following model of employment in public administration is proposed – the public and local government service:

- 1) public officials whose status is determined in accordance with the proposed definition:
  - a) individuals who develop sectoral policy or development strategy, coordinate the functioning of the sector, develop regulatory acts or control their compliance, prepare or adopt other decisions relating to the rights of an individual;
  - b) individuals who are public officials according to the law "On Prevention of Conflict of Interest in Activities of Public Officials", including the persons issuing administrative acts and who have the right to dispose of state or local governments' property and financial resources.

Specific selection criteria are set for this group of employees (e.g. higher education, citizenship) while not applying them to individuals who become public officials temporarily while fulfilling the duties of a member of the procurement commission;

- 2) highest level civil service – public officials who are heads of institutions and their deputies. Specific personnel management procedures are offered for this group of public officials, including single selection criteria and centralized selection, 360-

- degree assessment, a rotation mechanism within the framework of public administration, regular skills testing and competence development programs;
- 3) specialized civil service at the Ministry of Foreign Affairs (governed by a special law – the Diplomatic and Consular Service Law);
  - 4) public administration employees, i.e. all those employees in public administration who are not public officials or civil servants of specialized civil service.

Legal relations are based on already existing principle in the public administration, i.e. the start, modification or termination of service takes place in form of an order, and there are no employment legal relations. At the same time, it should be noted that, in the light of experience in other European Union Member States, the principles of labour law and general principles are integrated in service legal relations as far as possible, thus preventing from two different, competing systems in the Latvian labour market.

The proposed solution would ensure the strengthening of the principle already used in job classification in public administration – equal pay for equal work – putting the job content and responsibility rather than the legal status of the job as the basis also in other human resource management processes. In addition, it is essential to introduce uniform conditions for disciplinary responsibility for all employees in the public administration.

The concept offers gradual further development of state and local government service, without essentially changing the existing civil service principles in Latvia and maintaining the service that is based on the system of positions where:

- 1) There is an open system for attraction and recruitment of professional employees to any position in public administration. Centralized selection of candidates within the framework of the public administration is gradually being promoted; the selection of candidates is based on testing the knowledge and skills by ensuring the involvement of the head of the institution in question and a direct manager in the selection process
- 2) The work payment system is linked with content of work and performance evaluation. The official duties and the level of complexity of the work content (job classification), as well as performance evaluation are considered in determining work remuneration while providing competitive remuneration to the equivalent positions in the private sector;
- 3) the work performance process is focused on planning and evaluation of individual goals, (deriving from institution's objectives) as well as competence and skills testing that is closely related to professional growth of a civil servant;
- 4) the transfer and rotation mechanism is provided in the service, contributing to the development within the framework of public administration, as well as the offer for training and other development activities is being improved.

The model does not provide for increase in the number of employees, and it will apply to about 120 thousand employees in public administration.

*Table 1*

### **SWOT Analysis<sup>22</sup> Regarding the Development of State and Local Government Service**

<b>Opportunities</b>	<b>Threats</b>
----------------------	----------------

<sup>22</sup> SWOT analysis – assessment of strengths, weaknesses, opportunities, threats.

<ul style="list-style-type: none"> <li>– uniform criteria (selection, evaluation , limitations to competence) are provided for all employees in public administration who deliver similar services for the public</li> <li>– open tender for personnel selection contributes to the use of fair procedures and openness towards the public</li> <li>– standardized human resource management procedures provide for more efficient use of resources</li> <li>– based on a single system, the opportunities to obtain and analyse statistical data are facilitated that are essential for making important decisions</li> </ul>	<ul style="list-style-type: none"> <li>– high resistance to reform from local governments</li> <li>– broad discretion for implementation of the system (for example, each local government determines its civil servants' positions) will pose threats to achieving the objective</li> <li>– local governments may face difficulties in recruiting the candidates for vacant positions who comply with the requirements currently defined in the State Civil Service Law (e.g. higher education as compulsory requirement)</li> </ul>
--	---

The following measures need to be taken to ensure the implementation of the proposed solution:

- 1) By 2014, a unified regulatory framework (law) on employment relations in public administration should be developed, as well as concerning disciplinary responsibility of the employees. The law should set the groups of employees, their duties and compulsory requirements, procedure for selection and dismissal, training system, conditions of transferring etc. In view of the resources needed to change employment relationship, gradual inclusion of officials and employees in the state and local government service should be ensured (e.g. in 2015-2016), as well as a transitional period for certain processes should be provided (e.g. for the acquisition of higher education by employees for whose positions it will be set as a compulsory requirement);
- 2) By 2015, drafting or updating of legal acts associated with the law should be ensured.

### **Alternative 2: public service**

In this alternative, it is recommended to establish a public service by applying the model included in Alternative 1 only to direct public administration. The personnel management in local governments is regulated in form of recommendations.

The establishment of the state civil service would ensure a unified legal framework for labour relations in direct public administration and promote the implementation of the idea – public administration as a single employer (e.g. by imposing equal disciplinary responsibility for individuals who make decisions).

The following model of employment is proposed in direct public administration – public service:

- 1) public officials whose status is determined in accordance with the proposed definition:
  - a) individuals who develop sectoral policy or development strategy, coordinate the functioning of the sector, develop regulatory acts or control their compliance, prepare or adopt other decisions relating to the rights of an individual;
  - b) individuals who are public officials according to the law "On Prevention of Conflict of Interest in Activities of Public Officials", including the persons issuing administrative acts and who have the right to dispose of state or local governments' property and financial resources.

Specific selection criteria are set for this group of employees (e.g. higher education, citizenship) while not applying them to individuals who become public officials temporarily while fulfilling the duties of a member of the procurement commission;

- 2) highest level civil service – public officials who are heads of institutions and their deputies. Specific personnel management procedures are offered for this group of public officials, including single selection criteria and centralized selection, 360-degree assessment, a mechanism for rotation within the framework of public administration, regular skills testing and competence development programs;
- 3) specialized civil service in the Ministry of Foreign Affairs (governed by a special law – the Diplomatic and Consular Service Law);
- 4) public administration employees, i.e. all those employees in public administration who are not public officials or servants of specialized civil service.

The employment relations are based on public law by integrating the standards of the employment law and general principles as far as possible.

The model does not provide for increasing the number of employees, and it will be applicable to about 32 000 employees in the direct public administration.

Table 2

### SWOT Analysis Regarding the Establishment of the Public Service

Opportunities	Threats
<ul style="list-style-type: none"> <li>– gradual improvement of the state civil service system by assessing the opportunity to expand the service system also to local governments</li> <li>– open tender contributes to application of fair procedures and openness towards the public</li> <li>– uniform criteria (selection, evaluation , limitations to competence) are provided afro all employees in public administration who deliver similar services for the public</li> <li>– standardized human resource management procedures provide for more efficient use of resources</li> <li>– based on a single system, the opportunities to obtain and analyse statistical data are facilitated</li> </ul>	<ul style="list-style-type: none"> <li>– there is different disciplinary responsibility for performance of similar duties in direct public administration and local governments</li> <li>– different human resource management practice (e.g. selection) in direct state administration and local governments</li> <li>– limited opportunities for rotation (extension of competence)</li> </ul>

The following measures need to be taken to ensure the implementation of the proposed solution:

- 1) By 2014, a unified regulatory framework (law) on the employment relations in direct public administration should be developed. In view of the resources needed to change employment relationship, gradual inclusion of officials and employees in the state and local government service should be ensured;
- 2) By 2015, drafting or updating of legal acts associated with the law should be ensured.

### 2.2 Improvement of the work remuneration and social guarantee system

The remuneration system of the public administration is based on uniform principles – the positions are classified according to the duties, the level of responsibility and complexity. In order to ensure the implementation of a unified work remuneration system, the implementation of the following measures should be continued:

- 1) In 2013 and 2014, the analysis of the job classification system (Job Catalogue of State and Local Government Institutions) should be performed and, if necessary, the corrections should be made to the job catalogue. In order to improve the job classification system, within the framework of the European Social Fund project "Support for the Implementation of Structural Reforms in Public Administration" the public procurement "Improvement of the Job Catalogue and Elimination of

Classification Errors" was announced, and on December 17, 2012 by entering into agreement with the contractor, the implementation of the measures intended in the procurement was launched.

- 2) According to the shortcomings identified, in 2013 and 2014 the job classification in public administration should be reviewed, providing calibration (alignment) of positions.
- 3) In 2013, an analysis should be performed, and it is necessary to identify the positions with work remuneration well below similar value in the private sector. In the medium term it is necessary to ensure a gradual increase in the remuneration for critically low (40-50% of the private sector's) income groups (e.g. performers of controlling functions, IT professionals, senior managers).
- 4) Considering that in 2013 additional funding was allocated for certain groups of employees, in 2013 the Ministry of Finance is aware of the situation concerning work remuneration and will consider the possibility of narrowing the monthly salary ranges, respectively, through amendments to the legislation, and thereby reducing gaps for positions of the same level and responsibility.
- 5) Provisional offer for narrowing the range, in view of the analysis performed by the Ministry of Finance, is from 2 % (for 4–6 monthly salary group) up to 20 % (for 14 –16 monthly salary group)<sup>23</sup>.
- 6) Also in the coming years, a gradual narrowing of the range of monthly salaries should be continued, taking into account the additional funding allocated in the current year to ensure commensurate remuneration for equivalent positions in different institutions.
- 7) if a decision is made on increasing the minimum monthly salary in 2014, the lower limits of a monthly salary scale should be revised by making appropriate amendments to the legislation.
- 8) in the medium-term the employees in the public administration should be provided with the opportunity to receive the social guarantees stipulated in the Law On Remuneration of Officials and Employees of State and Local Government Authorities (health insurance policy etc.), thereby preventing a situation where social security guarantees depend on the financial capacity of institutions.

### **2.3 Provision of the motivation system and measures of professional development**

The performance of public administration largely depends on the motivation and professional knowledge of employees.

The following steps need to be taken to improve it:

- 1) Under conditions of limited resources, starting with 2013, the School of Public Administration has to review the strategy for organizing the training within the framework of public administration by providing training for at least some job groups, especially – for managers at all levels (training module, which consists of elective courses). In 2014, a free introductory course should be provided for officials who will start work in public administration. In the medium term, it is necessary to provide a training offer that would ensure that each employee could, on a regular basis, improve professional competence according to his/her development plan, i.e. the School of Public Administration offers training modules, which develop general and special competences of different groups of employees.

---

<sup>23</sup> Draft informative report "On the Opportunities to Narrow the Ranges of a Monthly Salary of a Single Remuneration System".

To ensure efficient modernization and optimization of public administration by introducing various information and communication technology tools, it is essential that managers at all levels and employees train electronic skills (digital skills), as well as their motivation to apply these tools, thereby improving their competence and competitiveness for work in public administration institutions. At the institutional level, it is already now possible to offer such elements of motivation as internal training, exchange of experience; enlarged responsibilities in various projects, as well as round-table discussions on current issues in public administration should be encouraged.

- 2) To improve professional knowledge, it is necessary to ensure access to analytical information, e.g. academic journals or academic electronic resources – e-journals, e-books and other resources in the international electronic databases. Improvement of professional knowledge and skills is critical while preparing for Latvia's Presidency of the Council of the European Union. In order to assess the usefulness of such opportunity, a pilot project should be carried out in 2014, offering the user rights to specific number of employees in the direct public administration, and in particular, to employees who will be involved in ensuring the Presidency.
- 3) In the future, the State Chancellery in cooperation with direct public administration institutions should promote the idea of mentoring to ensure that individuals with greater experience and expertise contribute to improving professional knowledge and skills of colleagues with less work experience.
- 4) A mechanism for mobility within the framework of public administration should be provided, promoting the formation of a professional service. The management theory states that the experience gained in the workplace, including new responsibilities and rotation form about 70% of the employee development effectiveness. Transferring within the framework of the service should take place on a voluntary basis, evaluating the employee's skills and experience in performing the tasks. It is planned to establish a system in 2016; its successful implementation requires a centralized IT management tool.
- 5) The return of the Latvian youth who have graduated from higher education institutions abroad should be promoted, as well as the application of their knowledge to work in public administration institutions. Such a program was introduced in 2012 in the Lithuanian public administration<sup>24</sup>, allocating and paying scholarships to 20 young people per year. It is planned that the program will be co-financed from the European Union funds, and it will be introduced from 2015.
- 6) In 2013, the elements of flexicurity – flexible working hours, remote work options while promoting electronic circulation of documents, should be further introduced in direct public administration institutions. Given that the implementation of different flexicurity measures depends on the working conditions, functions etc., each institution is competent to evaluate their utility. Such measures shall be encouraged with respect to specific groups of employees, e.g. new mothers, performers of support functions.
- 7) Talent management should be encouraged to ensure that the public administration does not lose professional staff. Thereby, in 2016, a talent management tool should be developed by nominating persons with high potential and offering specific development measures (including a training program in the School of Public Administration, opportunities for professional growth in public administration). It is possible to implement talent management if a centralized IT management tool is provided, which includes a

---

<sup>24</sup> *Lithuania offers junior professionals programme to draw foreign-educated nationals home* <http://www.15min.lt/en/article/in-lithuania/lithuania-offers-internship-program-to-draw-foreign-educated-nationals-home-525-222091#ixzz276A3gIrt>.

talent management component – the opportunity to nominate candidates, to plan development activities, manage vacancies in public administration.

- 8) In 2014, a consultative service of supervisors has to be provided in direct public administration. Supervision of professional performance is a meaningful process of mutual relations where a supervisor during the meeting with a client helps find the opportunities and resources for more effective management of any process or situation, problem solving.

The supervision has the following functions:

- a) informative and educational (a supervisor helps to see and understand);
- b) administrative and organizational (a supervisor helps to plan and manage);
- c) psychologically supportive (a supervisor helps to reduce stress and *burn-out*).

Supervision as a freely chosen opportunity will be offered to employees willing to improve the effectiveness of their professional performance (dealing with emotional or rational problems, which interfere with work, including disagreements in relationships).

Initially – in trial version – the School of Public Administration will offer supervision to human resource professionals. Two supervisors will organize seminars in institutions for human resource professionals by explaining the essence of supervision, the options of using, methodology, and providing the opportunity to try cooperation with a supervisor.

In the next step, the seminars are intended for managers and employees, providing the opportunity of more extensive use of supervision at work. In addition to the aforementioned, the School of Public Administration will write a methodology to develop the implementation of supervision as an element of the human resource management system of public administration, and to ensure educational opportunities for public administration professionals who are interested in practicing supervision in their working environment.

## **2.4 Improvement of human resource management processes**

### **2.4.1 Performance management system**

On July 10, 2012 the Cabinet of Ministers adopted Regulation No.494 "Regulations on Performance Evaluation of Employees of Public Administration Institutions", envisaging the introduction of a new electronic performance evaluation system in the direct public administration (NEVIS) <sup>25</sup> from 1 November 2012. The new system is focused on measuring performance results: individual objectives will be defined and the results will be evaluated, certain competences will be selected and evaluated from the proposed competence models, and an employee's development and growth plan will be created. NEVIS will offer the analysis of the performance results in accordance with the principle of normal distribution, thus reducing the tendency to give too high or low valuation in an institution.

In order to ensure an effective performance management system in direct public administration, in addition to changes in the performance evaluation system, an in-depth analysis of the work should be performed, and the working time tracking system has to be introduced. Such a system would offer defining of the institution's processes, thereby supporting the introduction of the quality management system in institutions, would measure the necessary resources, as well as facilitate the improvement of processes, for example, by reducing the number of operations to be carried out and the consumption of resources. On the basis of the measurements taken, more accurate planning of the work for the next period would be possible. The working time tracking system would also assist in implementing such flexicurity measures as remote work, e.g. by indicating the time spent for a specific process, irrespective of the place. The process measurement, in its turn, would allow for more accurate planning of the work load and the division of duties for part-time employees.

<sup>25</sup> More detailed information about NEVIS is available in the annotation of the Cabinet Regulation: <http://www.mk.gov.lv/lv/mk/tap/?pid=40215846&mode=mk&date=2012-07-10>.

In order to ensure effective and result-oriented work performance management system, the following measures need to be taken:

- 1) The implementation of the performance evaluation system should be provided, and by improving the remuneration system in 2013, the Ministry of Finance has to assess the linkage of the performance evaluation with the variable part of work remuneration rather than monthly salary, thus reducing the formalism and the subjective nature of performance evaluation.
- 2) In 2013 and 2014, it is necessary to carry out a pilot project in the State Chancellery in relation to work time tracking system. In case of successful implementation of the pilot project, in 2015, an IT tool has to be developed or improved to be introduced by direct public administration institutions.

#### **2.4.2 Improvement of the selection process**

Uniform principles for selection need to be developed in the public administration, which are based on the best practices of public administrations of Latvia and the European Union.

More effective management of resources can also be ensured by organizing a coordinated personnel attraction and partially centralized selection in the public administration (institutions carry out selection by attracting the personnel recruitment professionals from the State Chancellery), except where the European Union law prescribes different selection procedure.

The following measures have to be taken to improve the selection process:

- 1) In 2013, developing a draft law on employment relations in direct public administration, the possibility of organizing the selection in shorter term (10–20 days for announcement of a tender) has to be provided that would substantially reduce the process and costs of personnel attraction.
- 2) According to the concept on reducing the risks of corruption in the public administration institutions and local governments, it is necessary to ensure that the applicants in public administration and local governments are selected through an open tender. In view of the best practices, in 2014, the State Chancellery has to establish a uniform procedure and principles of selection for concrete job groups and levels (education, experience, skills).
- 3) In 2014, a standard job description has to be developed, which includes all essential requirements for the posts, including competences. This would improve the selection and performance evaluation process because it would create a common understanding for the employer and the employee on job content and skills.
- 4) In 2016, a centralized portal for application by candidates to vacancies in public administration has to be developed, for example, by improving the vacancies' portal of the State Employment Agency or using the state and local government portal [www.latvija.lv](http://www.latvija.lv), where applying to a vacancy would take place like e-service "E-application to an Institution" when the application of an authorized person (in this case - the application for a vacancy) is sent to the direct public administration institution. The information on vacancies announced in the public administration would be available online or a link would be provided, as well as the opportunity to apply for a tender, including the opportunity to apply to the vacancies' list (propose a candidature also to other vacancies that meet the applicant's preferences). Any direct public administration institution could use the list of applicants to find suitable applicants according to the necessary skills and experience.

## 2.5 Highest level civil service

The efficiency of public administration largely depends on professionalism and the level of competence of senior level managers. In order to specifically develop and motivate senior level managers, the highest level civil service should be developed (head of the institution, his or her deputies, or positions which are classified in the highest monthly salary groups and which have management function) within the framework of the service with specific criteria for selection, evaluation, motivation, development and rotation conditions should be referring it to about 250 officials in direct public administration institutions.

In order to ensure effective governance of the highest level civil service, specific regulatory framework for several personnel management processes has to be provided in legislation:

- 1) In 2014, uniform criteria for selection of senior level managers should be set. In order to ensure professionalism and political neutrality of the service, the selection of senior managers should be centrally ensured in the State Chancellery from 2015 by applying professional methods of selection and involving the personnel selection professionals.
- 2) In view of the significant role of senior managers in change management and ensuring efficiency of public administration, starting from 2013, the use of an additional method for evaluation of senior managers' performance results – 360-degree assessment<sup>26</sup> (tool offered in NEVIS) should be encouraged.
- 3) The professional development has to be based on past merits, i.e. experience in public administration plays an important role in career development. To ensure competence building, the mobility of managers should be encouraged. The law on the employment relations in direct public administration should stipulate that an applicant may be appointed to the post of the head of an institution for a fixed term, for example seven years, and at the end of this term, the competencies of a manager are evaluated and opportunities for rotation are offered. In order to successfully introduce the mobility system from 2016, its centralized coordination needs to be ensured.
- 4) Starting from 2013, the evaluation of competences of current managers has to be performed, a regular and coordinated competence development program has to be offered by attracting also foreign lecturers (training module in the School of Public Administration that consists of elective courses). The Netherland's example that is based on the three strands approach: personality development (get to know yourself), professional knowledge (know your area) and the role of a manager of public administration in the society (know the world). Such a program would help prepare professional managers and increase the mobility opportunities, as well as would serve as an additional motivational element not only for employees in public administration, but also in local governments and private sector. The managers' competencies can be developed also through mutual exchange of experience and practical training, for example, by creating two-three day training camps.
- 5) The specificity of work of senior level professionals in public administration, including the intellectual and the emotional load, should be taken into account. In order to attract talented leaders to direct public administration and maintain their working capacity, it is necessary to offer *burnout* reducing measures, for example, if the implementation of a pilot project is successful, by offering a supervisor's service from 2015.

---

<sup>26</sup> 360-degree approach is used as an additional source for acquisition of information to evaluate managers. In case of 360-degree assessment the information about the aspects of employee's job performance is provided by employees of the same hierarchical level – colleagues, subordinates and customers. 360-degree assessment can provide important additional information on the employee's job performance because the information provided by other people can indicate additional directions for development and growth in the future.

## **2.6 Attraction and retention of staff to ensure Latvia's Presidency of the Council of the European Union**

The Cabinet of Ministers at its sitting of April 24, 2012 considered the informative report "On the Attraction and Motivation of Personnel to Ensure Latvia's Presidency of the Council of the European Union", the annex of which contains the guidelines for attracting and motivating the staff. The guidelines have been designed to ensure uniform practices and conditions for public administration institutions and provide a range of motivational measures for the personnel who will be involved in ensuring the presidency - the training for development of professional competences, additional work remuneration and social guarantees. The annex of the guidelines contains time schedule for personnel preparation for 2012 and 2014. The public administration institutions will be responsible for personnel attraction and motivation; the process will be coordinated by the Secretariat of Latvian Presidency of the Council of the European Union, and the training will be provided by the School of Public Administration.

## **2.7 Development of a positive image of the public administration and strengthening the internal culture**

Taking into account that currently the development of the motivation system takes place largely at the institutional level, the development of a unified image of public administration should be encouraged, incl. through intangible forms of motivation, for example, safe and healthy working environment, health and sports activities, awards. Also the communication with the society should be strengthened by reducing the negative image of an employee (a civil servant in particular) in the public administration.

The following measures have to be taken to strengthen the internal culture and create a positive image of public administration:

- 1) In 2015, a single Code of Ethics for employees in public administration has to be developed, strengthening such values as ethics and loyalty, as well as measures have to be taken to reinvigorate these values (training, work performance evaluation etc.).
- 2) Organizing the informative campaigns on direct public administration as a potential employer and continuing to hold open days in the direct public administration, for instance, once a year providing an opportunity for everyone to get acquainted with the public administration in presence.
- 3) Continuous holding of job shadowing days for Latvian schoolchildren; starting from 2013 such an opportunity should be popularized among employees of public administration. It would create an opportunity for both residents and professionals of one sector of public administration to get acquainted with the best practices in both their industry and other fields.

## **2.8 Development of the IT system for human resource management**

In order to ensure successful implementation of the public service, it is necessary to develop an IT tool for centralized management for human resource processes (for example, analysis of vacancies and rotation opportunities in direct public administration, job classification, and access to job descriptions in e-environment, application to tenders for positions, talent management tool, discussion forum, and access to information for industry experts).

The functionality of the system regarding human resource management has to be assessed by creating a single financial and management accounting system of public institutions and the financial analysis tool<sup>27</sup>.

---

<sup>27</sup> Order of the Cabinet of Ministers No. 311 "On the Concept on the Development of a Single Tool Ensuring the Financial and Human Resource Management " of 4 July 2012.

It is planned to improve the personnel and salary tracking system, ensuring high responsiveness of data collection, more convenient data migration, and opportunity to more efficiently analyse and compare the data of different public administration institutions by creating interactive reports.

## **2.9 Institutional model of human resource management**

Since the end of 2008, the human resource development policy has undergone substantial decentralization by transferring the function of supervising the civil service to ministries and implementing control through administrative court. Currently, the development and coordination of the human resource policy of direct public administration is centrally provided at the State Chancellery, and planning of the work remuneration policy of the public sector at the Ministry of Finance, while the School of Public Administration is implementing the national policy in the field of education and improvement of employees' professional qualification. To attain the objective set in the concept, it is necessary to strengthen the human resource management function in the direct public administration and improve the institutional model of governance. Thereby, two alternative solutions are proposed in the field of both policy planning and implementation.

### **Policy planning**

#### **Alternative 1: Human resource development policy planning in one institution**

To prevent fragmentation of the human resource development policy planning that requires additional resources and does not provide a clear vision on human resource development, it is recommended to add planning of the work remuneration policy in the public sector to the drafting of human resource policy provided by the State Chancellery.

This alternative, if implemented, would create a single human resource management centre in the public administration, thus promoting a single approach to policy planning and providing more effective management, including the introduction of modern human resource management tools – professional development, talent management etc.

#### **Alternative 2: Separation of the human resource development policy and work remuneration policy of the public sector (retaining the current situation)**

It is recommended to retain the current situation with regard to the human resource development policy planning: there are two competent authorities – the State Chancellery and the Ministry of Finance. In this situation, an essential part of the human resource development policy – work remuneration, is developed in isolation from other human resource development processes.

The development of the remuneration policy of the public sector employees that falls within the scope of competence of the Ministry of Finance refers not only to employees of direct public administration institutions, but also to employees of independent institutions, local governments, and other public institutions, as well as board members of state and local government-owned capital companies. The remuneration policy is an integral and essential part of the state budget, which must be viewed together with the state budget.

### **Policy implementation**

#### **Alternative 1: Strengthening the function of implementing the human resource development policy in the State Chancellery**

The State Chancellery is already performing certain policy implementation functions at central level: it coordinates the results of job classification and civil servants' positions, criteria for selection assessment for senior managers, as well as provides methodological support for those who implement the policy. In view of the previous experience of the State Chancellery, it is

proposed to strengthen the implementation and coordination of the human resource development policy in a single institution.

In addition, the State Chancellery should ensure the following functions:

- 1) centralized selection for senior managers' posts and partially centralized selection for other posts;
- 2) a rotation and career development system, including talent management;
- 3) to strengthen coordination of the state civil service policy implementation (methodological management), while strengthening the role of the Council for Human Resources Development in developing common guidelines. The School of Public Administration provides measures for improving professional qualification, as well as would provide supervisor services for public administration employees.

This alternative, if implemented, would strengthen the function of implementing and coordinating the human resource management at the central level by appointing a competent authority - the State Chancellery, which also ensures the implementation of policy planning functions.

### **Alternative 2: The function of implementing the human resource development in the School of Public Administration**

It is proposed to strengthen the function of implementing the human resource policy in the institution subordinate to the State Chancellery – the School of Public Administration that would:

- 1) coordinate the implementation of the state civil service policy, ensuring uniform application of regulatory acts (methodological management);
- 2) coordinate the job classification results of institutions and positions of civil servants;
- 3) ensure improvement of professional qualification;
- 4) ensure centralized selection for senior managers' posts and semi-centralized selection for other posts;
- 5) coordinate the rotation and career development system, including talent management;
- 6) provide supervisor's services for employees of direct public administration.

In case of implementing this alternative, the implementation and coordination of human resource management policy would be performed in one institution – the School of Public Administration.

### **3. The Impact of Alternative Solutions on State and Local Government Budgets**

The measures proposed in the concept need to be implemented within the framework of available budgetary resources or by co-financing from the European Union funds (except a compulsory training course for civil servants who start work in public administration, subscription to electronic database, as well as editions needed to strengthen the function of introducing the human resource development policy).

	Next three years (thousand LVL)		
	2014	2015	2016
Total changes in budget revenues, including:	–	–	–
changes in state budget revenues	–	–	–
changes in local government budget revenues	–	–	–
Total changes in budget expenditures, including	108.9	108.9	108.9
changes in state budget expenditures	108.9	108.9	108.9
changes in local government expenditures	–	–	–

Total financial impact:	-108.9	-108.9	-108.9
financial impact on the state budget	-108.9	-108.9	-108.9
financial impact on the local government budget	-	-	-
Detailed calculation of revenues and expenditures (detailed calculation of revenues and expenditures is added, if necessary, in the annex of the policy planning document. The impact on state and local government budgets is indicated separately for state and local government budget)	<p><b><u>Alternative 1</u></b></p> <p>1. Course in the School of Public Administration for civil servants who start service in public administration: costs of 1-day course – LVL 32. 3-day course is planned, the average estimated number of civil servants per year to ensure gradual introduction – 300 Total of LVL 28 800 = (LVL 32 x 3 days) x 300 people</p> <p>2. Strengthening the implementation of the Human Resources function in the State Chancellery – in addition, 4 posts are required: 2 personnel selection professionals /policy planners (classification – family "36. Policy Planning " Level III, 11th monthly salary group) 971 x 24.09 x 12 x 2 = LVL 28 918 2 consultants (methodological management, job classification etc.) (classification – family "35. Policy Implementation", Level III, 10th monthly salary group) 825 x 24.09 x 12 x 2 = LVL 24 570</p> <p>3. Establishment of a supervisor service in the School of Public Administration - 2 posts for supervisors (classification aligned to family "39. Social work", level IV, 10th monthly salary group) 825 x 24,09 x 12 x 2 = LVL 24 570</p> <p>4. Subscription to the electronic database of public administration (holder – State Chancellery, EBSCO database) = LVL 2000</p> <p><b>Total LVL 108 858, including for:</b> State Chancellery LVL 53 488 School of Public Administration LVL 53 370</p> <p><b><u>Alternative 2</u></b></p> <p>Course in the School of Public Administration for civil servants who start service in public administration: costs of 3-day course – LVL 32.3-day course is planned, the average estimated number of civil servants per year to ensure gradual introduction – 300 Total LVL 28 800 = (LVL 32 x 3 days) x 300 people</p> <p>2. Strengthening the implementation of the Human Resources function in the State Chancellery – in addition, 6 posts are required: 2 personnel selection professionals /policy planners (classification – family "36. Policy Planning " Level III, 11th monthly salary group) 971 x 24.09 x 12 x 2 = LVL 28 918 2 posts of supervisors (classification aligned to family "39. Social work", level IV, 10th monthly salary group) 825 x 24.09 x 12 x 2 = LVL 24 570 2 consultants (methodological management, job classification etc.) (classification – family "35. Policy Implementation", Level III, 10th monthly salary group) 825 x 24,09 x 12 x 2 = LVL 24 570</p> <p>3. Subscription to the public administration's electronic database (holder – State Chancellery, EBSCO database) = LVL 2000</p>		

	<b>Total LVL 108 858</b> , including to: School of Public Administration LVL 106 858 State Chancellery LVL 2000		
Other information	-		
Changes in budget expenditures from N+4 to N+7 year*	-	-	-

Notations:

N – year of drafting the policy planning document

N+4 – 4th year of operation of a policy document

N+7 – 7th year of operation of a policy planning document

Note. \* Indicative amount of resources indicated for this period by showing separately the state and local government budgets.

#### 4. Further Action

In order to implement the measures of the concept, it is necessary to make a decision on one alternative in Sub-clause 2.1 of the concept, in part "Policy Planning" of sub-clause 2.9 and part "Policy Implementation" of sub-clause 2.9.

##### In case of implementing Alternative 1 of sub-clause 2.1:

- 1) By 2014, the State Chancellery has to develop and submit to the Cabinet of Ministers a common legal framework (law) for employment relations in the public administration, as well as employees' disciplinary responsibility. The law should stipulate the employee groups, their duties and compulsory requirements, procedure for selection and dismissal, conditions of transferring etc. In view of the resources needed in connection with changing the employment relationship, it is necessary to ensure gradual inclusion of officials and employees in the public and local government service (e.g. in 2015 –2016), as well as a transitional period for specific processes should be provided (e.g. acquisition of higher education for employees for whose positions it is set as a compulsory requirement).
- 2) By 2015, the State Chancellery has to ensure the drafting or updating of the law-related legal acts and has to submit the amendments to the Cabinet of Ministers.

##### In case of implementing Alternative 2 of sub-clause 2.1:

- 1) By 2014, the State Chancellery has to develop and submit to the Cabinet of Ministers a common legal framework (law) for the employment relations in public direct administration. In view of the resources needed in connection with changing the employment relationship, it is necessary to ensure gradual inclusion of officials and employees in the public service.
- 2) By 2015, the State Chancellery has to ensure the drafting or updating of the law-related legal acts and has to submit the amendments to the Cabinet of Ministers.

In case of implementing Alternative 1 of part "Policy Planning" of sub-clause 2.9 by March 1, 2013, the State Chancellery has to prepare and submit to the Cabinet of Ministers a draft resolution on transferring the function of the Ministry of Finance – development of the work remuneration policy in public administration, to the State Chancellery.

In case of implementing Alternative 2 of part "Policy Planning" of sub-clause 2.9 the current situation is retained and further action regarding the development of legal acts or planning documents is not required.

In case of implementing Alternative 1 of part "Policy Implementation" of sub-clause 2.9:

- 1) By June 1, 2013, the State Chancellery has to draft and submit to the Cabinet of Ministers the amendments to the State Civil Service Law. Within a month after the adoption of the aforementioned amendments by the Saeima, the amendments to the Rules of the State Chancellery have to be drafted and submitted to the Cabinet of Ministers by reviewing the functions of the State Chancellery in compliance with those mentioned in the Concept.
- 2) To strengthen the policy implementation function, starting from 2014, the State Chancellery and the School of Public Administration will need additional state budget funding in the amount of LVL 108.9 thousand.

In case of implementing Alternative 2 of part "Policy Implementation" of sub-clause 2.9:

- 1) By 1 June, 2013, the State Chancellery has to prepare and submit to the Cabinet of Ministers the amendments to the State Civil Service Law. Within a month after the adoption of the aforementioned amendments by the Saeima, the amendments to the by-law of the School of Public Administration have to be drafted and submitted to the Cabinet of Ministers by reviewing the functions of the School of Public Administration in compliance with those mentioned in the Concept.
- 2) To strengthen the policy implementation function, starting from 2014, the School of Public Administration will need additional state budget funding in the amount of LVL 108.9 thousand.

As regards other measures of the concept, the following activities are planned:

Deadline	Sub-clause of the concept	Measure	Competent authority
<b>2013</b>			
from 2 January 2013 (measure to be continued until 30 December 2014)	Sub-clause 2.2	1) revision of the job classification system and job calibration	State Chancellery, institutions
until 30 December 2013	Sub-clause 2.2	2) job analysis	Ministry of Finance
until 30 December 2013	Sub-clause 2.2	3) narrowing the monthly salary ranges	Ministry of Finance
until 30 December 2013	Sub-clause 2.2	4) revision of the lowest limit of the monthly salary scale	Ministry of Finance
until 30 December 2013 (measure to be continued until 30 December 2014)	Sub-clause 2.4	2) pilot project of the working time tracking system	State Chancellery
<b>2014</b>			
from 2 January 2014	Sub-clause 2.3	8) Introduction of a supervisor service (pilot project)	School of Public Administration
from 2 January 2014	Sub-clause 2.3	2) access to electronic database (e.g. EBSCO)	State Chancellery
from 1 March 2014	Sub-clause 2.3	1) free introductory course for work in public administration	School of Public Administration
until 30 December 2014	Sub-clause 2.4 Sub-clause 2.5	2) uniform selection procedure and principles for specific job groups 1) selection criteria for senior managers	State Chancellery
until 30 December 2014	Sub-clause 2.4	3) standard job description	State Chancellery
<b>2015</b>			
from 2 January 2015	Sub-clause 2.5	5) supervisor service for senior managers (in case of successful pilot	School of Public Administration

		project)	
from 1 March 2015	Sub-clause 2.3	5) scholarships for the Latvian youth who have graduated from the educational establishments abroad	State Chancellery, institutions
from 1 September 2015	Sub-clause 2.5	1) centralized selection of senior managers	State Chancellery
until 30 December 2015	Sub-clause 2.4	2) working time tracking tool	State Chancellery
until 30 December 2015	Sub-clause 2.7	1) single Code of Ethics	State Chancellery, Corruption Prevention and Combatting Bureau
<b>2016</b>			
from 3 October 2016	Sub-clause 2.3 Sub-clause 2.5	4) introduction of the mobility system 3) introduction of the mobility system for managers	State Chancellery
from 3 October 2016	Sub-clause 2.3	7) introduction of a talent management system	State Chancellery
until 30 December 2016	Sub-clause 2.4	4) centralized portal for applicants applying for vacant posts	
<b>Medium-term (until 2019) measures to be taken</b>			
from 2 January 2013	Sub-clause 2.3 Sub-clause 2.5	1) improvement of a strategy for organizing training 4) program for building competencies for managers	School of Public Administration
from 2 January 2013	Sub-clause 2.3	3) popularization of mentoring idea	State Chancellery, institutions
from 2 January 2013	Sub-clause 2.3	6) introduction of flexicurity measures	institutions
from 2 January 2013	Sub-clause 2.7	2) open days, informative campaigns	institutions
from 2 January 2013	Sub-clause 2.7	3) Job Shadowing	institutions
until 30 December 2019	Sub-clause 2.2	5) unified social security package	Ministry of Finance

Reports on the implementation of the concept have to be provided at the medium and end stage of the concept.

The State Chancellery prepares and:

- 1) by 1 July 2016, submits to the Cabinet of Ministers an informative report on the progress in the implementation of the Concept (interim evaluation);
- 2) by 1 June 2019, submits to the Cabinet of Ministers an informative report on the progress in the implementation of the Concept (final assessment), as well as develops proposals for human resource development in public administration in the coming years.

Minister for Finance

A.Vilks

25.01.2013.  
10143  
B.Medvecka 67082907  
[Baiba.Medvecka@mk.gov.lv](mailto:Baiba.Medvecka@mk.gov.lv)

Annex  
to the Concept  
of Human Resources Development  
in Public Administration  
(approved with Order No. 48  
of the Cabinet of Ministers  
of 6 February 2013)

### Comparison of Civil Service and Employment Legal Relationships

	<b>Classical civil service</b>	<b>Civil service in Latvia</b>	<b>Employment legal relationships</b>
Selection	- specific selection criteria	- open tender, compulsory requirements for a candidate stipulated in the State Civil Service Law	- an open tender is not obligatory, there are no centrally defined compulsory requirements for an applicant
Performance assessment and work remuneration system	- there is a parallel career system that is based on the number of years served in public administration (record of service) in combination with evaluation of performance results. If the performance assessment is positive, qualification grades, categories, ranks are awarded, which provide the benefits in holding higher positions, as well as additional premiums	Performance assessment takes place in accordance with Instruction No. 2 of the Cabinet of Ministers "Procedure for Assessment of Performance of a Civil Servant" of 13 February 2001, and its results are linked to work remuneration system. On November 1, 2012, a new performance evaluation system was introduced based on setting objectives and measuring specific outcomes, assessment of competences and professional development planning.  Since 2010 a uniform work remuneration system has been introduced for employees of direct public administration institutions, local governments, courts and prosecutor's offices, the state founded universities and employees of other institutions	
Dismissal or rotation	- a transfer mechanism is provided within the framework of the civil service	- there exists, is not centrally coordinated - there is no specific term for warning, it is possible to dismiss during illness	- there is no mechanism for transferring - terms of giving a notice stipulated by the Labour Law (immediately, 10 days or one month), it is not possible to dismiss during illness
Development opportunities	- regular training provided by specially developed public	- free training at the School of Public Administration (since	- there is no single training centre, costs are covered by the

	training centre/school	the end of 2008 – in limited amount, mainly paid courses)	employer
Restrictions	<ul style="list-style-type: none"> <li>- to combine posts</li> <li>- activities in political parties</li> <li>- to go on strike</li> <li>- disciplinary liability</li> </ul>	<ul style="list-style-type: none"> <li>- there are restriction to combine posts</li> <li>- should be loyal to the legitimate government, political neutrality should be observed</li> <li>- there is no regulation regarding the right to go on strikes</li> <li>- disciplinary liability (five types of penalties)</li> </ul>	<ul style="list-style-type: none"> <li>- restrictions for public officials to combine posts</li> <li>- possible engagement in political activities</li> <li>- right to go on strikes</li> <li>- disciplinary liability (two types of penalties)</li> </ul>
Guarantees	<ul style="list-style-type: none"> <li>- bonuses, compensations</li> <li>- benefits</li> <li>- premiums</li> <li>- training</li> <li>- pension scheme</li> </ul>	<ul style="list-style-type: none"> <li>- the management contracts and compensation for travel costs were abolished</li> <li>- from 2010 – 2013, it is prohibited to pay bonuses</li> <li>- In 2010 and 2011, the vacation benefit was abolished</li> <li>- the amount of child-birth benefit (abolished since November 2010) and benefit on the occasion of death of a family member or a dependent was limited</li> <li>- a premium for discharge of official duties under conditions of increased intensity was cancelled</li> <li>- the amount of the premium for discharge of duties of an absent official, vacant position or additional duties was limited</li> <li>- the amount of compensation to cover tuition fees was reduced to 30% of the annual tuition fee</li> <li>- limited amount of training courses in the School of Public Administration</li> <li>- no<sup>28</sup></li> </ul>	
Dispute and appeal of a decision	<ul style="list-style-type: none"> <li>- dispute of decisions within the framework of public administration (special institution was established)</li> </ul>	<ul style="list-style-type: none"> <li>- administrative proceedings: <ul style="list-style-type: none"> <li>▪ civil servants of a subordinate institution can contest decision at higher institution</li> <li>▪ civil servants employed in ministry can appeal a decision at court</li> <li>▪ - it is possible to dispute or appeal a</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>- civil proceedings <ul style="list-style-type: none"> <li>▪ it is possible to appeal decisions at court</li> <li>▪ it is possible to appeal decision within one month of receipt of the notice</li> </ul> </li> </ul>

<sup>28</sup> All employees in public service are granted retirement pensions because work is associated with loss of professional skills or social hazards.

		decision within one month after its entry into force, unless other deadline is specified	
--	--	--	--

25.01.2013.

508

B.Medvecka 67082907, Baiba.Medvecka@mk.gov.lv