



Valsts kanceleja



Sabiedrības integrācijas  
fonds



EIROPAS SAVIENĪBA

*Ieguldījums Tavā nākotnē!*

The study was co-financed by the project Nr.1DP/1.5.1.2.0/08/IPIA/SIF/001  
"Reduction of Administrative Barriers and Quality Improvement of Public Services"  
administered by the State Chancellery

# THE STUDY

## ON THE FUTURE ROLE AND DEVELOPMENT OF THE PUBLIC ADMINISTRATION

CONTRIBUTORS:

Foundation "Baltic Institute of Social Sciences"  
"O.D.A." LTD.



**Baltic  
Institute  
of Social  
Sciences**



ORGANIZATION  
DEVELOPMENT  
ACADEMY

RIGA, 2015

# EXECUTIVE SUMMARY

The literature review and future visions acquired within the human resources management expert interviews summarised in the first part of the report show that the most critical challenge for public administration will be finding the balance and ability to integrate in its operation two sets of values which are, in certain situations, mutually contradictory. On the one hand, values of efficiency and productivity are gaining increasingly greater importance that, on the other hand, have to be integrated with traditional, democratic, morally ethical and people-oriented values of public administration. It is necessary in order to raise the competitiveness of public administration and

## *Finding the balance between contradictory values*

its ability to react to the changes, while at the same time maintaining its basic values. This challenge is caused by the changing political and economic environment of the 21<sup>st</sup> century, as a result of which public administration must be able to react faster to changes within the society and the world, as well as to compete within the labour market with the private sector for limited human resources. It means that the values that until now have been more emphasised and associated with the private sector – of flexibility, innovations, initiative, efficiency and productivity – will start gaining greater importance in the operation of public administration. Although these values also exist in public administration, their relative importance is low in comparison to the private sector, as well as compared with the importance of many democratic and morally ethical values in public administration. Experts interviewed within the study emphasise that the key values of public administration must be clearly defined and common for all institutions and those employed in public administration, thereby establishing a single public administration instead of a fragmented one. At the same time, it is very important that employees of public administration, irrespective of their post and position within the common hierarchy, would have a clear and comprehensible vision of the mission of public administration, and also of each individual institution or structural unit and the objectives and tasks subordinated to it. Besides, procedures, orders and control have a less important role in organisations with strong value systems, because the actions of its employees are set by the values. Thereby defining the values can be one of the ways in which public administration can put the current tendency of organisational development – that is, to reduce bureaucracy and control – into practice.

## *Coherence between the values of employees and organisations and their clear understanding makes procedures and control less important*

Considering the ever-increasing competition with the private sector for human resources, the image of public administration as an employer will become more significant in future, being the basis for attracting staff with the required competences. In general, the image of public administration as an employer is difficult to separate from the overall image of public administration, and this is affected by a range of factors. The first group of factors is formed by attitudes towards public administration as a whole, where the most essential that promote trust in its institutions are: (a) satisfaction with the economic situation of the country, (b) satisfaction with the quality of public services received (including accessibility of public institutions, competence of employees and quality of

## *Improving the image of public administration requires long-term systematic development of human resources policy*

communication), (c) price level within the country, (d) the employment status of the individual and (e) satisfaction with the overall functioning of democracy within the country. The second group of factors is formed by opinions on working environments and human resources management processes in the public administrations

that, according to the studies, are at least partly based on actual problems connected with strategic personnel planning. It means that it is not possible to improve the image of public administration as an employer only by communicative means, but in the long-term it might only be achieved by systematic development of personnel policy, adjusting it to the overall strategy of public administration and labour market demand.

In general, studies show that the strengths of public administration that make it an attractive employer are: stability and sustainability of work and remuneration, long-term social guarantees, substantively interesting and responsible work (especially at management level) and opportunities to work internationally. It must be emphasised that one very important advantage of the public administration sector as a potential employer is the opportunity to perform in certain respects unique, interesting and responsible work, namely, it is an opportunity to take part in the planning and introducing of national policy. However, in the view of experts, the most important factors that prevent potential employees from working in public administration are difficulties to offer competitive remuneration, hierarchical work structures and the negative public image of public administration. Studies show that material and social guarantees offered by the workplace are more important for those working generations that have experienced economic turmoil and instability. In the same way, it must be noted that social values, namely positive relationships in a workplace – such as employees respecting management style, characterised by respect, trust, openness and honesty, pleasant colleagues and support of colleagues in problem situations at work – have only become important characteristics of jobs during the last few decades and only for the younger generations.

Several studies have been carried out during recent years that describe the skills and competencies employees need to work in public administration. For example, staff working in public administration have comparatively high (above average) information processing skills, including the ability to read, understand and draft documents. They have average level general problem-solving skills, reflecting also an ability to cope with non-standard situations). However, staff skills are less developed in mathematics and information and communication technology application. As communication and collaborative skills will be increasingly more important in the future, the assessments show that persuasion skills, involving public presentation and negotiation, are comparatively highly developed. Learning skills (learning from managers and colleagues, learning through doing, following the latest tendencies within one's own specialisation sphere) score an average level, while independent working and priority-setting skills are comparatively lower, but still close to average.

When summarising the results of a skills assessment, it can be seen that currently administrative competences are comparatively well developed. So are simple technical and management competences that allow daily work to be carried out according to instructions and directions. However, the lack of strategic planning skills at various levels in both general management and human resources management is highlighted as one of the most critical restrictions. There is also insufficient development of competencies necessary for the adoption of independent decisions and the flexibility and initiative to react to changes in the internal and external environment of the organisation.

Special attention should be paid in future to attracting employees who are directly interested in the content of public administration work. These are employees with the express intention of working in the public service – they show a willingness to take part in policy making and acting for the benefit of society. Since work in public administration is more attractive for individuals with a lower profile for risk, it is necessary to take care in attracting and retaining employees whose work duties require an innovative approach, carrying out radical changes and taking responsibility in unclear situations – with the

*Opportunities to supervise national level processes and participate in EU level processes are powerful motivators in attracting high-level professionals from the private sector*

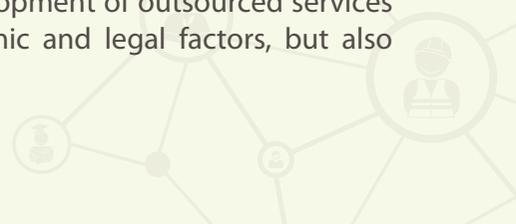
respective competencies required for that. Experts interviewed within the study consider that highly qualified professionals can be motivated by opportunity to perform work with a very high level of responsibility and the opportunity to work in an international environment that includes monitoring and supervising not only national level processes, but beyond: at EU level processes, competing successfully with the private sector. These opportunities may be critical in attracting professionals from the private sector to work in the public sector.

From the perspective of selection, the listing of these qualities indicates factors that need to be considered when defining the respective competency models and requirements for the applicants before advertising work opportunities in public administration. At the same time, competition with the private sector requires that the methods of recruiting and retaining employees become more pro-active in future (by deliberately seeking out and attracting interesting would-be employees) and more flexible (by offering opportunities to improve the qualifications of personnel, rotations through public administration structures and opportunities to adjust workloads and time organisation).

When summarising prognoses, it is seen that the future labour market will be significantly affected by the development of technologies, the increase of employment in the service sector, by globalisation processes and the need to adjust to changes within the internal and external environment of organisations. One of the most important needs of the future labour market is the availability of information and communication technology (ICT), which means that this will increasingly be used for work in all of the economic fields, including public administration. The role of ICT is even more critical from a public administration point of view in offering and operating different kinds of services. At the very least, this means basic ICT skills become a pre-condition for the timely and proper accessibility of public and social services and the implementation of the obligations to citizens and delivery of their rights. Increasingly more public administration institutions offer their services via the Internet (e-governance), and this tendency will continue. Examples include completing and submitting tax declarations, applying for healthcare and social services, access to different registers, etc.) The second important tendency is the increase of employment in the service sector and an increase in the general demand for a highly qualified workforce. Studies show that demand for competencies that enable non-standard analytical tasks as well as interpersonal interaction to be carried out has increased and remained at a constant level for the last ten years.

While globalisation and its related processes creates conditions for the flow of a qualified workforce abroad, it simultaneously creates an option for the flow of a workforce in the other direction from other countries, thus participating in international competition for labour. Similarly, as a result of these globalisation processes, the tendency increases to move low-skill jobs to countries and regions with low salaries and low costs. Although this tendency has been observed previously within the manufacturing sector, it is increasingly emerging in the services sector. Although this tendency does not directly influence greatly the availability of highly qualified employees on the market, it still puts public administration, for which the opportunities of such optimisation of workforce costs are limited, in a position of competitive disadvantage compared with the private sector.

In view of these changes, public administration, as well as other organisations, will have to develop an agility to anticipate changes and challenges and to adapt to them. Therefore in future the role of such competencies that are needed to perform routine tasks will reduce (these jobs will be replaced by technology) and demand for competencies for the performance of non-standard tasks and the adoption of decisions will increase. The most essential competence groups for public administration in the future will be strategic thinking, collaboration, creativity and flexibility. It will be possible to partly reduce competition with the private sector over attracting the required skills by buying outsourced services. However, particular tendencies within the development of outsourced services are difficult to forecast, because they depend not only on economic and legal factors, but also political factors.



With increasing life expectancy, quality of life in old age and falling birth rate, in the decades to come the structure of the population and the proportion of economically active residents will dramatically change. That will foster competition regarding new employees and also the continued employment of older employees. This trend is more sharply defined in public administration than in the private sector. Information collected in the second part of this study on the age composition of the workforce by the central governments of 22 countries of the EU and Norway shows that the

***The ageing of public administration is becoming an increasingly urgent problem in EU Member States***

problem of an ageing work force is most topical in the old Member States of the EU – in Italy, Germany, Portugal, Finland, the Netherlands and Ireland. This problem is less topical for the new Member States of the EU: Slovenia, Hungary and Poland, as well as for certain old Member States – Luxembourg,

France, Greece and Cyprus. The reasons differ why the ageing of the work force of the public administration in these countries is not be considered a problem. The majority of the countries with a low proportion of their workforce aged 50 and more are new countries of the EU. So the younger age structure of their public administrations should firstly be related to the reforms of public administration implemented in Eastern Europe at the beginning of the 1990s and prior to entering the European Union, which simultaneously promoted generational change in public administrations. Typically, certain countries have their own individual explanations that result from the specifics of the local labour market. However, the reasons for the ageing of public administration in several Member States of the EU can be, for example, set restrictions on hiring new employees for public administration work, increased requirements over time regarding the education and qualification of the workforce, etc.

Important differences in age structures can be observed among the countries with regards to the employment of women. The greatest proportion of women is employed in central government in Latvia, Portugal, Lithuania and Hungary while the smallest is in Germany, Slovenia and the Netherlands. The reasons for the high representation of women in public administration among the Member States of the EU can be different and based on processes that have taken place over a longer period of time in the labour market. Employment policy and the model of provision of social welfare existing in the country has an important role – it either promotes or hinders the involvement of women in the labour market as a whole. However, the proportion of women employed in positions of intermediate and senior management level is altogether below the average in all countries, which might indicate a tendency for men to be nominated for management positions more often.

From the information gathered in the second part of the study on reforms implemented by six EU Member States in the area of human resources management of public administration, it can be observed that the majority of activities are oriented towards keeping staff motivated and maintaining the competencies of the existing, ageing labour force. Addressing problems of ageing and retaining a competent but older workforce – and keeping them working longer – is a policy characteristic seen in France, Denmark, Italy, Germany and Finland, i.e., all of the states reviewed except Poland. Three of these states – France, Poland and Denmark – can be distinguished for trying to bring in reforms to promote the attractiveness of public administration work and to reduce possible barriers to professionals from any age group. From analysis of each state as well as a broader literature review, it can be observed that a lack of strategies exist at EU level aimed at targeting and purposefully attracting a new generation of employees into public service.

***Various strategies for workforce attraction and retention have been developed***

Summarizing the available information, EU states have applied various methods to ensure the quality of their public service labour force and address the ageing processes in their society. Reforms of the retirement system are examined as the first solution implemented in the old EU states to tackle this problem.

In general, in addition to pension reform, some states have downsized the number of their public service employees. This is mentioned in relation to the reforms of public administration implemented in France, Poland, Denmark, Italy and Finland. In the case of two states (Finland and Italy), it is especially noticeable that more effective use of ICT has a significant role to play: fewer staff are needed, support functions can be improved and duplication of roles is cut.

The second component of the human resources management policy of major importance and one common to almost all the states is the introduction of different programmes of training and lifelong learning of staff. This is practiced in France, Poland, Denmark, Germany and Finland; no information was available about Italy. Several problems are common to the way in which staff training is managed. Firstly, the experience of countries indicates that training is not regular enough and does not have a systematic goal to train the skills that are needed in public service. Secondly, experience shows that the existing training programmes may not be suitable for older professionals and should be modified. Thirdly, the older generation might not be ready for such changes and to engage in training – so ways of motivating them may need to be identified.

When examining training issues, the literature reviewed in the first part of the study indicates that in future special attention should be paid to the promotion of co-operation between employees of various generations. The first example of promoting inter-generational co-operation is the model of mentoring or instructorship, where an older employee with greater professional (and probably management) experience transfers to younger employees the skills and knowledge necessary for performing in a particular position. Like a mentor, the older employee provides continuous support

***Development of inter-generational co-operation becomes more important***

in a systematic way over both the short and the longer term to help develop the competence of the younger staff member. An alternative model is the promotion of inter-generational exchanges that involve forming heterogeneous working groups in terms of age, where due to inter-generational experience and exchange of information both the productivity

of work improves and mutual learning takes place between younger and older employees. The younger employees bring new ideas and knowledge to the team (for example, understanding new technology and innovative approaches to problem solving), while the contribution of senior employees is based on their experience and in-depth understanding of working processes. It must be emphasised that such experience exchange models cannot be introduced simply by management forming inter-generational working groups and then leaving the process to work on its own. For the most successful results it is necessary to improve the skills of all employees involved in communication and exchanging information. The organisational culture should promote friendliness, cooperation, openness and respectful interpersonal relations. Elements of competition that might prevent employees from sharing information should be eradicated, as this might encourage them instead to perceive their personal competence and knowledge as means for making an individual career.

The third group of policy tools is a more focused human resource management policy that includes the establishment of a system for forecasting labour and skills shortages in the future (for example, as exists in France, Italy and Germany) and incentivisation, with closer links between performance and pay. Employee career planning and retention programmes are an important part of this approach. Experts interviewed within the study emphasise that in the future public administrations will have to pay close attention to the mobility of staff within public administration, their opportunities for international traineeships and exchanges with the private sector. On the issue of the preferable objectives and results of mobility, experts acknowledge that the horizontal mobility of employees is to be supported, because that allows them to get more experience, gather insight into the content of various jobs and gain a better understanding of the work culture in other institutions. In the case of Latvia, this necessity is highlighted by the results of the youth survey. As is seen in the third chapter, the majority of

***A targeted human resources management policy has been developed***

Latvian youth does not want to do the same job for longer than between one and three years. They will stay at the same workplace mostly for four to five years, with an upper maximum of 10 years. University undergraduates in Riga want a more dynamic pace of work and growth. It means that when setting out to keep young people working in public administration, close attention has to be paid to their horizontal mobility to allow the provision of interesting work and the dynamics that are important to them, as vertical growth opportunities are limited.

The aim of the fourth group of activities is to increase the attractiveness of public service employment in certain directions. Firstly, to promote the balance of work and family life as well as to keep the older personnel working in the public service, several states (for example, Poland, Denmark, Germany and Finland) have developed options for more flexible working conditions and distance working. One more instrument for promoting the attractiveness of public administration work is explaining the goals, functions and accomplishments of public service to the wider society. To do this, it is necessary to explain to the entire society and to the youth as a separate target audience in

### **Promoting the attractiveness of public administration as employer**

an exciting and engaging manner the work objectives of public administration, the opportunities available and the content of the work itself. This includes international collaboration opportunities and the dimension of interesting and socially useful work that

provides personal growth prospects. These messages can be delivered through the making of video reels, infographics, etc, ensuring the messages and information are directed to the youth via the information channels they use; for example, social networks, Facebook and so on.

For several new EU Member States, Latvia included, one important aim is attracting the youth studying abroad to work in public administration. Foreign countries that have implemented similar support policies (for example, Bulgaria) have held forums (for example, "Career in Bulgaria"), where students abroad could receive information on job opportunities with the major national companies and to exchange experience<sup>1</sup>. When explaining job targets and opportunities for young people, the information has to be placed in international social network channels (for example, Facebook).

The third aspect for promoting the attractiveness of public administration as an employer is to reduce its weaknesses. For example, in the view of young Latvians, the weakness of public administration work is the lack of a respectful management style (respect, trust, openness and fairness), pleasant colleagues and support of colleagues when there are problems at work. One of the ways to improve the perceptions of the youth about relationships within the public administration workplace is to improve the culture of customer service. The positive experience acquired from contact with public institutions is vitally important in developing an overall positive perception.

The literature reviewed in the first part of the report indicates that increasingly more importance will be assigned to individual approaches for personnel development to diminish the risks caused by an ageing of the society in the future. Individual competency development plans and training opportunities are the most effective ways for increasing competency for both new and older employees; whereas a flexible approach to work time planning, individual feedback and evaluation and emphasis on career opportunities are crucial factors both for retaining employees within an organization in the longer-term and for maintaining their work capacity at maximum level.

### **Introduction of an individual approach for human resources development**

Similarly, despite the idea that the state does not provide public services entirely itself but should involve society in their provision, public authorities will in the future remain responsible for the outcome. Public administration has to become more mobile and more open in order to ensure

1 Ivanova, Vanya (2012). „Return migration: Existing policies and practices in Bulgaria.” In: Ivanova, V., I. Zwania-Roessler (eds.) *Welcome home? Challenges and Chances of Return Migration*. Transatlantic Forum on Migration and Integration. Sofia: Maria Arabadjieva Printing House.

functions are fulfilled in accordance with modern information space requirements. Co-operation can be promoted through the development of social entrepreneurship, by simplifying and making more effective regulatory standards, as well as increasing the responsiveness and diversity, the decentralisation of management processes, providing complete openness and transparency, highlighting areas of responsibility, making customer services personalised and friendly, promoting individual self-service and user-driven innovation in the public sector.

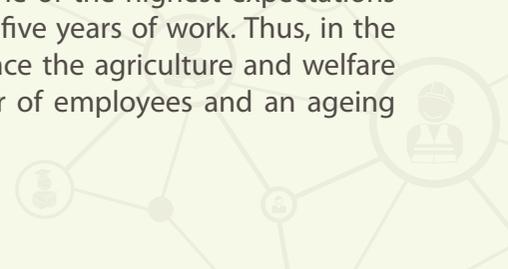
Through the influence of technology, hierarchical structures of organisations are increasingly replaced by technological solutions that allow organisations to become more responsive to uncertain external environments. Decentralisation of decision making will facilitate lower management levels taking more responsibility. Despite more complex management work, job satisfaction and the performance of employees will help promote a clearer understanding of the role of the manager. Decentralisation will make organisational structures flatter and that will provide better knowledge transfer between functions and employees demanding greater involvement. The opportunity to work flexible working hours will positively influence performance if the employees themselves determine the working hours most appropriate for them. Specifically, the freedom of the employee to choose will allow them to take more responsibility and work more intensively. Although increasing work intensification can reduce job satisfaction, the studies show that employees who have decided themselves to work flexible hours rather than be forced to under the influence of optimisation processes are more satisfied with work and thus are more productive. Flexible working hours require the development of an open dialogue between the organisation and its employees not only on aspects of particular work performances, but also on feeling of comfort for the employees. This facilitates the building of personal relationship within the organisation which, in turn, positively influences relationships between public service organisations, their clients and society.

### *Changes in management models have been expected*

Based on labour force characteristics and the qualification assessment of Latvian public administration given in the second part, both now and in the future the highest demand will be for specialists in the finance, agriculture and welfare sectors which have, firstly, a large number of employees and, secondly, a relatively high share of the ageing labour force, especially in the agencies. Although the share of younger employees in Latvian ministries is high (the proportion of employees under the age of 49 years exceeds 70%), their agencies have a significantly greater proportion of older staff. When forecasting the future, it should be taken into account that 20% of Latvian youth (women significantly more often than men) acknowledge that they would be interested in working at some of the ministries, their agencies and in local government or local authorities. Considering the current age structure of the institutions, a major future challenge will be to attract the younger generation to work in different branches of the agencies. It is considered to be even more of a challenge because the agencies have lower wages and the work includes policy implementation rather than planning components that – according to the assessment of experts interviewed within the study – is one of the most interesting aspects of public administration work.

### *The age structure is uneven in sectors of Latvian public administration*

In general, young Latvians have high expectations regarding potential salaries. In the evaluation of the youth, a good gross wage for a graduate would be on average approximately 995 EUR, which is one and a half times higher than the average salary in 2013. However, after five years of employment graduates would earn on average approximately 2,000 EUR gross. The results of the youth survey show that students of agriculture, health and social services have one of the highest expectations regarding both their starting salary after graduation and again after five years of work. Thus, in the future the most important difficulties in attracting employees will face the agriculture and welfare sectors, which at the same time is characterised by a large number of employees and an ageing workforce.



When analysing assessments of the skills that are both present and lacking in Latvian public administration, data shows that the current performance evaluation results are very high; as a result, they do not demonstrate the objectivity necessary in public administration. This makes it difficult to identify which areas of competence need improving. High evaluations do not allow proper appraisal of management performance, identify talented staff in management and other function groups or distinguish 'good' performance from 'excellent'. In turn this threatens the successful

*In competence assessment, it is necessary to distinguish between 'good' and 'excellent' performance*

implementation of talent management programmes in public administration. The analysis shows that higher performance scores are regularly given to employees whose functions include intellectual work such as policy planning, rather than those in support roles or doing physical or lower qualified

work where the main duties relate to the daily smooth running of the organisation – although very high scores are theoretically possible for all staff groups equally. These uneven evaluation results indicate that Latvia's public sector managers do not have the required level of competence in staff assessment skills. This conclusion is backed up by the results of expert interviews.

Over all the performance evaluation criteria, managers have received assessments of 'excellent' or 'very good' more often than any other public administration staff. These results differ from the view of a human resources management expert interviewed in the study about a lack of competence at management level in Latvia's public administration. This difference suggests that the evaluation of managers could be influenced by, firstly, a tendency observed by the experts that a lower assessment rating of a manager is considered to be discrediting his authority, and secondly, that the manager is evaluated in a narrower sense – rather as an expert and professional in his field ('an authority'), instead of a team builder and inspiring personality ('a leader').

When summarising the competence evaluation scores of all levels of managers, the competencies most often evaluated are the ability to get results, to make decisions, to take responsibility and to motivate and develop staff. Those least often evaluated are an orientation towards development; the skills to develop and maintain relationships and awareness of the values of the organisation. It would be advisable for Latvian public administration to review the assessment system to address this issue of uneven competency rating. This is important because currently, the management competencies least often assessed are actually those that the literature review suggests should be considered the most important for future managers. Their infrequent assessment creates a lack of information on the readiness of managers in Latvian public administration to act and be efficient within an environment that is changing and facing an uncertain future. It also highlights a certain lack of understanding about the importance of these competencies and the ability and desire to achieve short-term objectives.

According to the literature review (included in the first and fourth part of the study) during the next ten years multiple challenges await managers in public administration. These include global trends in demography, economics, politics and ecology as well as the development of new technology and its consequent impact on civil participation. Together these factors will form an increasingly complex and dynamic environment

*The working environment of public administration managers is becoming increasingly complicated*

where managers will have to be able to quickly orientate themselves and develop and communicate a clear vision for their employees. Managers will have to work with a huge and ever-increasing amount of information, demonstrating results in the improvement of efficiency – both personally and in their structural units – while simultaneously dealing with increased levels of interest from society and the media on the actual process of their work and results. Increasing uncertainty requires a higher level of openness in order for society to be able to follow the decisions made and better understand the risks involved, and so openness will be another important value for public

administration in future. Managers will have to strive to achieve higher levels of motivation from their staff, despite limited financial resources to do this and facing competition from the private and non-governmental sector for the most talented employees. Complex challenges and a public wish to take part in public management will make managers look for and work towards a balance between a hierarchical and network-based organisational relationship. Continuous change and developments in the external environment will create pressure on managers to act flexibly and provide continuous development, both at a personal, staff level and also within public administration organisations.

In future, both leaders and managers will be required in public administration organisations. Those in management positions will have to perform roles more characteristic to 'leaders' as well as their traditional manager tasks. They will need to create and maintain good communication channels to their staff, to develop the vision to inspire, to manage change and to unlock the self-motivation of employees. The most successful organisations in the future will develop cultures that enable sustainability to be maintained, both in human terms and from the ecological viewpoint of the society.

*In future, 'manager-leaders' will be required at all management levels of organisations*

In future organisations, there will be leaders at all levels, starting from leadership at the technical levels of the structure through team leadership by intermediate managers through to organisational leadership from the senior managers. In collaboration with organisations in other sectors managers and staff in public administration will establish teams and networks in which they will engage in collaborative leadership. The roles of managers will change in the organisations of the future. Managers will pay more attention to self-development and development of others as well as to the processes of mutual learning, establishing relationships both within and outside the sector of public administration. Less time will be devoted to performance control at work.

Since the values of the managers of the future should correspond to the values of public administration, it is important to select prospective managers whose personal value systems include fairness, openness, professionalism, efficiency and an orientation towards the customer and society. Character evaluation of managers should take place at the time of recruitment. Since an individual value system is a stable part of the personality that an employer cannot change, the most appropriate moment to evaluate this is during the selection process.

*Conformity between the personal value system of the manager and public administration should be evaluated during the selection procedure*

Future managers will need a long list of competences. These will include the management and motivation of employees, managing emotions, communicating effectively and influencing through clear and rational arguments. As well as these attributes, management through participation is based on managing change, embracing tolerance and diversity, introducing a culture oriented to development and to conceptual and systemic thinking, as well as displaying a range of competencies that are necessary for this management style. However, viewing this long and varied list of the high level competencies that will be needed in the future, doubts arise about the ability of managers to develop them to the standard required. By maintaining even a partially hierarchical organisational structure, the competence model of managers will be affected by their place within that structure: for example, conceptual thinking will be more important for senior managers. However, since the role and responsibility of the intermediate and lower level managers will also grow significantly, especially in these management levels, the competencies needed for these roles will be more extensive than at the moment. It follows then that one of the most important attributes for any manager of the future will be an orientation towards development, because this will enable them to adapt quickly – to improve their existing skills and gather the new and crucial competencies for successful public administration work in the future.

A wide choice of management tools is available to future managers in order to motivate and develop employees and ensure that they understand the tasks in order to promote a high standard of performance at work. These tools do not require vast financial resources; usually the goodwill of the manager is enough. Managers need employee management and development skills and the willingness to improve. The support that managers themselves need involves practical training in various skills and then development in the application of those particular management tools; however, managers can use these development techniques without formal training by analysing success and failure in their daily work with their staff.

In addition to the analysis of the literature and data in this study, two scenarios were developed within its scope for Latvian public administration until 2025 and the action plan "Public administration as the best employer in 2025". The first scenario examines the course of development of Latvian public administration as it exists, if the reforms already initiated within human resources policy continue and the pace of reform remains unchanged. However, the second scenario examines the development of public administration if reforms are directed towards systematically attracting and integrating a younger generation within public administration through active action a collaboration of the generations to deal with ageing issues.

The most significant benefits of the first scenario - continuing reforms already initiated within human resources policy – would be a clear application of conditions for various positions, predictability and stability of the work environment that ensures feelings of security; the gradual introduction of

*The current reforms of human resources policy in Latvian public administration provide a moderate pace of development and stability in the work environment*

the 'competency approach' within personnel management processes and a reduction in administrative and routine functions through centralisation and automation of support functions. Potential risks include: a moderate pace of reform, a delay in the introduction of political initiatives due to political will or limited resources; a lack of reform of the organisational culture of public administration; a lack of flexibility in human resources management that may increase the dissatisfaction among groups of employees and

their readiness to leave their public administration jobs – and a high resistance to change leading towards the maintenance of stability. In such a situation the risk also exists that the age structure of public administration staff encourages a polarisation of the values and working style that hinders collaboration among those working in public administration.

However, the second scenario – when reforms encourage the systematic attraction of a younger generation, ageing issues are tackled and cross-generational collaboration is introduced – the main benefit is the planning of a human resources strategy that fits the current and future needs of public administration. Resources needed to combat the consequences of these different problems can be reduced. This scenario provides for a significant transformation of the organisational culture of public administration, and will result in greater individual responsibility at all levels leading towards a 'collaboration-oriented' work environment. Because of

this, the organisational structure of public administration will become flatter. Due to the application of ICT and analysis and optimisation of processes and functions, the amount of administrative and routine functions will decrease. The second scenario also provides a strengthening of the overall capacity of personnel management in public administration by creating synergy opportunities between managers as personnel managers and specialists of the personnel function. In effect they are operating as 'experts' of the personnel management branch, able to provide consultation and support to managers. Staff will be more motivated and work more efficiently, strengthening the role of human resources development policy within public administration to find efficient and individual personnel management solutions. At the same time, there is a range of risk factors determined by the study

*A pro-active human resources management policy involves transforming the organisational culture of public administration*

that could hinder implementation of this scenario. The most significant among them is a weakness of the function of strategic and centralised human resources planning that hinders analysis of the required and existing competences and forecasting future needs. There is also a lack of change management capacity within public administration, from which a range of other risks follow. These will include high levels of resistance from public administration staff to the reform of organisational cultures and structures as well as non-systematic and insufficient external communication about the objectives, pace, achievements and benefits of the reforms.

Prevention of the risks involved in the second scenario – even partially – will facilitate the implementation of the action plan 'Public administration as the best employer in 2025' developed within the study. It covers eleven courses of action, the most important of which is the development of external communication. This will improve and promote public awareness of public administration work and services and how they can be improved, development of programmes in order to proactively attract and retain staff with the competencies required by public administration and introduce a customer-friendly culture to improve trust in public administration. At the same time, managers at all levels of public administration should be developed as leaders who promote the achievement of objectives and, at the same time, provide support for employees to implement both initiated and planned changes in public administration. They should also work towards strengthening inter-generational co-operation between employees, respecting their different work and life experiences, values, needs and motivations.

