

## THE DEVELOPMENT OF CIVIL SERVICE REFORMS IN LITHUANIA

Vainius Smalskys, Jolanta Urbanovič, Aleksandras Minkevičius

### Introduction

Civil service occupies the most important position within the organizational structure of the public sector. The professionalism of the civil service to a large extent determines the quality of the implementation of public policy decisions. Max Weber claimed that the more professional the civil service, the higher the quality of life in the state is. Every state permanently reforms and develops its public governance system. States, which have not suffered from any long-term and constant upheavals, were able to develop the state governance gradually by adopting the experience of other countries in different spheres of state governance. It is worth noting that the development of the civil service in a state also depends on the mission of the civil service in that state. Two approaches to the civil service can be distinguished. The one formed in continental Europe claims that the main purpose of the civil service is to perform state functions. Service therein is equated to the state organism which ensures the flow of information and security of vital functions based on that information (Masiulis, 2007, p. 121). State politicians make laws, whereas the civil service obediently implements them. The other approach developed in the Anglo-Saxon and Scandinavian states is based on the underlying assumption that the mission of the civil service is to provide public services to its residents. The latter approach is oriented towards the civil society, interaction with the citizens; it focuses heavily on the quality of the service and efficiency of its provision. As Lithuania follows the continental tradition, the mission of the civil service can be treated in relation to the state functions; however, attempts to enhance the quality and efficiency of services could also be noted. In Lithuania the history of formation of the civil service system stretches over only two decades. Having evaluated the public policy reforms of Lithuania implemented after the restoration of its independence it is possible to argue that at certain moments they were consistent with the democratic ideology of reforms; however these consistencies were determined not only by certain moral values, but also by the necessity and / or pressure exerted by certain interest groups and international organizations. Lithuania could not protractedly experiment and explore which public administration models were the best to adopt. The country chose European, democratic values. It had to adopt the Western public governance experience in a fast and smooth manner. During the process of adopting the governance models from Continental Europe and Anglo-Saxon states some mistakes have been made.

The **aim** of the article is to analyse the development of the Lithuanian civil service, its formation and reform stages from 1990 to the present, with the focus on the assumptions, circumstances and tendencies of the civil service organization and creation processes. **Methods of the research** are the analysis of scientific literature and legal acts.

### Conditions and circumstances of formation of the institution of the civil service upon the restoration of Independence in 1990

Democratic processes, which started after 1990, had a gradual impact on the governance systems of the Baltic States. Upon the restoration of Independence the first tangible steps towards the creation of the civil service of Lithuania as a system were made only in 1994 (Juralevičienė, 2005, p. 55 – 58). This was conditioned by several reasons. Upon the restoration of Independence the process of creating the civil service was aggravated by the demounting of the past soviet system and its replacement. Most of the deputies of the Supreme Council of the Republic of Lithuania – the Reconstituent Seimas underestimated the importance of the civil service as the main institution which ensures the efficiency and importance of public administration, thus the legal regulation of the civil service was overdue. Moreover, creation of the civil service required extra expenses. Yet another reason of the overdue creation of the civil service as a system lay in the controversies of the political parties as to the direction of the state development and the choice of the administration system (Juralevičienė, 2005, p. 55 – 58). However, the civil service in Lithuania after 1990 experienced a prominent shift from the bureaucratic nomenclature towards the professional Western system (Masiulis, Krupavičius, 2007, p. 6).

During the first years of Independence almost all former state governance institutions were still functioning, only the heads thereof were replaced. The major changes took place in the spheres of homeland security and law and order, where new governance institutions were established, such as the Voluntary National Defence Service, the Department of National Defence, the Police Department, in order to resist the interests of the former Soviet Union in Lithuania. The newly established institutions needed service corps to be formed. Persons appointed to the positions were the ones who were trusted by the government, usually activists of the Lithuanian Reform Movement, who exhibited lots of idealism, but not always had enough relevant experience for such work (Minkevičius, Ivanauskienė, 2007, p. 70- 88). During the period of transition from the chaotic post-soviet officialdom tradition towards the rationally oriented and focused development of the civil service the

governing persons apparently lacked awareness of the new opportunities of the civil service personnel management (Masiulis, 2007, p. 119). The perception of the civil service models prevalent in the Western states was shallow and vague; more attention was paid to the principle of loyalty, whereas competence and neutrality were considered of less importance. In this way the security of the restored state was sought to be ensured (Juralevičienė, 2005, p. 55 – 58).

After 1990s the development process of the civil service of Lithuania can be roughly divided into five stages: a period until 1995, a period from 1995 to 1999, a period from 1999 to 2002, a period from 2002 to 2008 and the last one from 2008 up to now, an on-going phase of attempts to reform the civil service. The first period saw the formation of the state governance foundations and the civil service corps under the influence of the political process. In 1995-1999 the civil service independent of the political influence was initiated, which sought to ensure the security of the restored state. During the third period a career-based model was introduced to the civil service and it was expected to consolidate the principles of political neutrality, hierarchical subordination and career. Although the *Law on Civil Service* (1999) was positively evaluated by the SIGMA experts, in 2002 the intents to implement the mere career-based model were rejected, as it appeared to be inappropriate for the Lithuanian realities, thus elements of an integrated model were introduced to the civil service (Minkevičius, Ivanauskienė, 2007, p. 70- 88). The last period associated with the attempts to launch the model of position-based system under the influence of ‘the new public management’ started in 2008 and is still developing. The analysis of each of the stages and the relevant legal acts regulating the public administration and the civil service is presented below.

### **Formation of the civil service system in 1990-1995 (Stage I)**

During the whole period of 1990-1995 no legal acts regulating the civil service system in Lithuania were adopted. However, in order to ensure the stability and security of the state governance other legal acts, which regulated the recruitment and social guarantees of statutory servants (the police, the national defence), were adopted (Juralevičienė, 2005, p. 55–58). Some provisions of the *Law on the Government* adopted in 1990 regulated civil service management. The Government was assigned with functions of setting up ministries, state services, inspections, commissions of the Government, as well as management, reorganization, liquidation and approval of institutional provisions thereof (The Law on the Government of the Republic of Lithuania, 1990).

The majority of the employees of the governing institutions were former servants of soviet institutions. Upon retirement of some of them there were no equal requirements for recruitment to vacant positions. It should be noted that in *the Provisional Basic Law of the Republic of Lithuania*, which was in force from 1990 until 1992, the civil service was viewed as at the time of interwar Lithuania. The category of civil servants embraced all persons who were employment-related to civil service (employees of public educational and medical institutions, service personnel) (Juralevičienė, 2005, p. 55 – 58).

In 1992 it became apparent that the attempts to manage state governance institutions and to regulate the civil service are inconsistent and insufficient to ensure the optimality of the decisions and implementation thereof (Minkevičius, Ivanauskienė, 2007, p. 70- 88).

The analysis of this period reveals that upon the restoration of independence the process of creation of the civil service in Lithuania was rather chaotic. At that time the acute question was which public administration model to give priority to – the traditional (Weberian) public administration or the new public management. As has already been mentioned, under the traditional, Weberian, model the performance of civil servants is evaluated in a less formalized way and the focus is on the ‘seniority’ principle taking into account the time in office, on the basis thereof a civil servant climbs the career ladder. In the new public management model the main employee evaluation criterion is the achieved outcomes, typically envisaged at the start and quantitative in nature (Vanagas, Tumėnas, 2008, p. 25). However, the choice of the neo-Weberian tradition was conditioned by both the soviet administration experience and the European Union and its experts’ proposals. It should be noted though, that it was the right time to managerially direct the state personnel system prior to the neo-Weberian civil service model, which is becoming more and more institutionalized and steeped in social and human tradition, was introduced (Masiulis, 2007, p. 119).

The process of drafting the first legal act regulating the civil service after the restoration of Independence *the Law on the Officials of the republic of Lithuania* was commenced in 1993; however, the ad hoc working group on this draft law was formed only at the end of 1994. The group consisted of the representatives of the legislative (the Seimas of the Republic of Lithuania) and other main state institutions (the Presidency, the Government), as well as other public bodies (Juralevičienė, 2005, p. 55 – 58). The Law on the Officials adopted in 1995 gave rise to the legal framework for state regulation, defined the concept of a civil servant and differentiated between public administration and policy.

### **Legal changes in the system of state governance institutions in 1995-1999 (Stage II)**

*The Law on the Officials of the Republic of Lithuania* was adopted on 1 May, 1995 and with certain exemptions was in effect until *the Law on Civil Service of the Republic of Lithuania* entered into force in 1999.

*The Law on the Officials of the Republic of Lithuania* set out the admission procedure to the civil service, compliance with the procedure, the rights, duties and responsibilities of officials and termination of employment relations. These were the first steps in the creation of a civil service independent of political influence. This law defined the concepts of officials of A and B levels: state officials of A level are servants appointed by the Seimas, the President, the Government and other servants specified in the list of offices who assist state politicians in fulfilling their functions. State officials of B level are servants appointed by the Seimas, the President, the Government, their structural divisions, ministries, Government institutions, departments set up under the ministries, agencies, inspectorates, other state governance institutions, as well as servants specified in the list of offices, whose service, in contrast with officials of A level, is not related to the term of office of the institutions which appointed them (the Law on the Officials of the Republic of Lithuania, 1995). *The Law on the Officials* also set out the procedure for admission and dismissal from the civil service, working hours and social guarantees. The law also provided for the officials' assessment, administration of the civil service, compilation of a data bank on the officials, officials' qualification improvement. In the process of implementation of the law a list of offices of officials of A and B levels was confirmed (Minkevičius, Ivanauskienė, 2007, p. 70- 88).

During the process of the implementation of the law the Ministry of Public Administration Reforms and Local Authorities initiated the creation of the system of selection, assessment and training of officials: it draw up the procedure for competitions and examinations for the admission of officials to the civil service and the basic provisions of general and specific qualification requirements; it set out general selection criteria (education, age, work experience, length of service, knowledge and skills necessary to perform the official's duties, personal qualities) (Minkevičius, Ivanauskienė, 2007, p. 70- 88). Admission of officials of B level was possible only based on public competition or qualification examinations. Under this law only citizens of the Republic of Lithuania, who had proficiency in the state language and met other qualification requirements for the position, could be admitted to the civil service (the Law on the Officials of the Republic of Lithuania, 1995). Special requirements for the officials (professional and theoretical background and practical knowledge of a particular sphere, skills and abilities necessary to perform certain duties) were set for a particular office in conformity with the instructions drawn up by institutions of state governance or municipalities.

Although during the process of implementation of *the Law on Officials* a system which would conform to the Western standards was not created, the importance of the development of officials' qualification in state institutions became apparent: the first training projects were launched (Minkevičius, Ivanauskienė, 2007, p. 70- 88).

Implementation of the law revealed some flaws. This law did not provide for the regulation of officials' salary: payment was made in accordance with the past basic procedure set by the Government. Besides, it did not provide for the resource base for the development of civil servants' qualification: training and professional development were impossible without due funding (Minkevičius, Ivanauskienė, 2007, p. 70- 88). Another flaw of this law was the fact that it did not provide for the career development mechanism. Civil servants were not motivated to take care of their qualifications as even in case they gained higher qualifications, they could not expect promotion, pay raise or other favourable developments. Some provisions of this law were declared unconstitutional by the Constitutional Court and were amended. The term 'official' was outdated. It was widely used in the Lithuanian language in the XIX c. and the beginning of the XX c. (until the beginning of the Second World War). Finally, the term 'official' can be more applicable to non-democratic countries. The term 'civil servant' was more appropriate in the context of the developing democracy. A modern state is a political compound of its active citizens, whereas serving the state means the same as serving the society (citizens).

It became apparent that the Law on Officials did not provide the adequate legal basis to ensure effective public management (Minkevičius, Ivanauskienė, 2007, p. 70- 88), thus, taking into consideration the provisions of the European Union, a decision was made to draw up legal acts which would help create a permanent, professional civil service. The launch of the programme 'Lithuanian Administrative Reform' financed by PHARE gave rise to the draft of *the Law on Civil Service* in 1997 (Adomonis, 1999, p. 59 - 61).

It was believed that the success of the civil service activities would be ensured by permanent and professional human resources, as this was the main issue of the civil service from 1990. Stability, permanence, professionalism and merits are the features of the career-based civil service system and they were attractive in the situation, although some believed that civil service position-based system (which is currently under the influence of the 'new public management' and is mainly applied in the countries with the Anglo-Saxon governance culture) is more efficient, more flexible in providing services to citizens and in adapting to the changing social environment (Minkevičius, Ivanauskienė, 2007, p. 70- 88). However, it was necessary for Lithuania to strengthen law and order to be able to ensure the legal security of the society and the preponderance of justice, which meant that it was necessary to assign responsibility for the implementation of laws to the civil service. This kind of service is more neutral and answerable to courts. In this vein the career-based system seemed appropriate, as the rights and duties of civil servants are more strictly defined in such systems, thus their relationships with politicians are restricted and less dependent on personal relations. At that time it seemed that the career-based civil service system best matched the needs of the country, the historical development of Lithuanian governance and the principles of governance of the modern nation state.

### Civil service reform development in 1999-2002 (Stage III)

*The Law on Civil Service* adopted in 1999 is based on classical civil service models of France, Germany and Spain. These models, in contrast with the Anglo-Saxon ones, view the servant as the executor of the public will, rather than a service provider (Židonis, 2007, p. 346). Lithuania chose an obsolescent administration tradition, Weberian, merit-based civil service, a way of hierarchical subordination which was more intensely criticised at that time. The neighbouring country Estonia made a different choice when it resolved to create an effectively functioning state with a small public sector which only minimally intervened into the state's economic and social life.

Nevertheless, the adoption of this law was a step forward towards the modernization of the civil service system. Attempts were made to improve the career-based civil service model in Lithuania. This civil service model conformed to the standards set for civil service in the above-mentioned old countries of continental Europe. However, these standards did not comply with the principles of public governance and personnel management under the position-based civil service system advocated and implemented by Anglo-Saxon states and smaller EU member states. The main issue of the Law on Civil Service of 1999 was that it was difficult for new people to get into the civil service from the 'outside'. This slowed down the modernization of the civil service, thus the need to improve the law became apparent (Smalskys, 2010).

The law had to embrace civil servants of all public institutions (both state and local governance) (Minkevičius, Ivanauskienė, 2007, p. 70- 88). It was not meant to be applied only to statutory civil servants, prosecutors, judges and politicians. Civil servants were intended to be classified into three groups: career civil servants, civil servants appointed on the basis of political confidence and heads of public institutions. Career civil servants were admitted to the civil service based on special procedures, defined in special legal acts, as stipulated by the law (Adomonis, 1999, p. 59 – 61).

It should be noted that *the Law on Civil Service* was a legal act of a relatively high volume, which thoroughly regulated many issues, and interpreted civil service very broadly: not only servants of institutions were attributed to the category of civil servants, but also entities providing public services (e.g. university professors) or entities performing economic functions (e.g. drivers, office cleaners). It should be noted that this law for the first time distinguished a provision on 'Training of Civil Servants' (Šnapštienė, 2007, p. 16), thus we can claim that *the Law on Civil Service* of 1999 created preconditions for a rational and systemised training system of civil servants to appear.

A legal aspect of *the Law on Civil Service* which should be stressed is that civil service was viewed as the object of administrative law, not civil law (Šiuolaikinės valstybės tarnybos pagrindai, 1998). This leads to the logical conclusion that employment contracts with public administration civil servants were not concluded. Labour laws and other legal acts regulating working relations and social guarantees were valid for civil servants only in cases when *the Law on Civil Service* did not regulate their working relations and social guarantees (Law on Civil Service of the Republic of Lithuania, 1999).

Upon the implementation of *the Law on Civil Service*, which came into force on 30 July, 1999, civil servants were classified into groups: public administration civil servants (about 500 institutions, 57,000 servants) and public employees (about 2,300 institutions, 220,000 public servants). The positions of civil servants were grouped into categories (A, B, C, D) and divided into 30 grades (Minkevičius, Ivanauskienė, 2007, p. 70- 88). The positions of civil servants were also classified into career civil servants, civil servants of political (personal) confidence, heads of institutions and acting civil servants (Law on Civil Service of the Republic of Lithuania, 1999). Two ways of admission to career civil service positions were provided for: competition-based and without competition. Admission to positions of civil servants of political (personal) confidence was conducted without competition based on the choice of a state politician or a collegial public body, however, for the term not longer than the term of office of the politician or the collegial public body which had hired the person. The law provided for admission to positions of head of institution to be based on competition or political confidence, whereas acting civil servants were admitted to positions without competition until the career civil servant resumed his duties, but not longer than for three years (Law on Civil Service of the Republic of Lithuania, 1999).

Under the Law on Civil service the salary of the civil servant was composed of basic salary, premiums and seniority bonuses. Seniority bonuses were paid to civil servants for the number of years served in the civil service. The seniority of several offices non-concurrently held in public institutions, agencies or municipalities was summed. This bonus could not exceed 30% of the basic salary (Law on Civil Service of the Republic of Lithuania, 1999).

It should be mentioned that the practical implementation of *the Law on Civil Service* was complicated, and the law itself had over 60 internal contradictions. Improvement of the civil service system revealed that not all provisions of the law ensure creation of efficient, modern civil service, thus in November 2001 the Government submitted a draft of *the Law on Amendment of the Law on Civil Service* and a draft of the law on implementation of this law for the Seimas to consider (Minkevičius, Ivanauskienė, 2007, p. 70- 88).

However, the draft of *the Law on Amendment of the Law on Civil Service* contained statements that the civil service would be developed on the basis of career-based, not position-based, system, i.e. the flaw of 1999 reoccurred: a career-based system which did not provide easy access to the civil service was opposed to an open and more flexible system, where the majority of positions were open to both internal and external candidates. This fact proved that there was no concurrence neither at the political, not the civil service level on what civil service model is necessary in Lithuania (Minkevičius,

Ivanauskienė, 2007, p. 70- 88). The drafting of *the Law on Amendment of the Law on Civil Service* was a complex and complicated process, nonetheless the recast of *the Law on Civil Service* came into force on 1 July, 2002.

#### **Aspects of the organization of civil service after 2002 (Stage IV)**

The recast of *the Law on Civil Service*, which came into force on 1 July, 2002, created a new legal environment for civil service management. This was the third attempt to regulate civil service relations since the restoration of Independence of Lithuania. Although the Government had not prepared all necessary executive laws under *the Law on Civil Service* adopted in July 1999, the Seimas amended *the Law on Civil Service* thirteen times during this period (Šnapštienė, 1999, p. 16). The new *Law on Civil Service of the Republic of Lithuania*, approved by the Seimas in 2001, had to create conditions for formation of a corps of professional civil servants, which would ensure continuity, political neutrality, efficiency and publicity of the activities of civil service institutions and municipalities, as well as high quality of services provided and responsibility for the decisions taken.

The recast of the Law on Civil Service approved in 2002 narrowed the concept of the civil service – the term ‘civil servants’ refers to persons who conduct public administration activities, i.e. implement public policy in different spheres. The chosen civil service model was based on the career principle combined with elements of the position-based system; however, the following positions were distinguished: head of institution, civil servant of political (personal) confidence (Šarmavičius, 2007). A system of bonuses (in addition to salary) was introduced. The recast of the Law on Civil Service provided for the system of servants’ assessment which was related to performance and salary. Training of civil servants was mandatory. An institution regulating the civil service was set up – the Civil Service Department under the Ministry of Interior of the Republic of Lithuania (Minkevičius, Ivanauskienė, 2007).

Another important document which had impact on the development of the civil service in Lithuania was Strategy for the Development of the Public Administration Sector 2010. This strategy sought to promote ‘the system of public administration which would provide better and public interest-oriented services’ and would be able to ‘adopt the experience of administration and political processes of the EU institutions’. By all means, the strategy pays great attention to the improvement of civil service: training, development of administrative skills, simplification of civil service management procedures, cooperation between institutions in human resource management, enhancement of civil service management monitoring and improvement of the civil service image. Having a bureaucracy which is trusted is a dream of every state government (VRM, 2009).

The provisions of the recast of *the Law on Civil Service* did not apply to persons who provided public services and performed economic or technical functions, i.e. the concept of the civil servant was narrowed. The positions of civil servants were grouped into categories (A, B, C) and 20 grades. Servants’ pay system was based namely on the grade of the civil servant: basic salary was established based on the grade and was equal for the same grade (Minkevičius, Ivanauskienė, 2007, p. 70- 88).

In comparison with the first legal acts passed after the restoration of Independence, the recast of *the Law on Civil Service* of 2002 significantly enhanced civil servants’ social guarantees. The Law on Officials adopted in 1995 provided for pensions and compensations in case of death or illness of a civil servant (Law on the Amendment of the Law on Civil Service of the Republic of Lithuania, 2002), meanwhile *the Law on Civil Service* of 2002 guarantees not only pensions: civil servants are covered by compulsory state social insurance and mandatory health insurance. Besides, civil servants are entitled to not only 28 calendar days of annual leave (though it is two days shorter than under the law of 1995), but also to three months of unpaid leave or professional development leave, severance pay and compensation (Law on the Amendment of the Law on Civil Service, 2002). The position held and the established salary of a civil servant are guaranteed in case of a business trip – for the period of the business trip on working days and the trip itself, in case of death of close relatives – up to three working days, upon the summons or subpoena to court, conscription commission, or when a civil servant is sent to training, etc. (Law on the Amendment of the Law on Civil Service, 2002).

In the process of implementation of the law the Government, via executing the Resolution No 1732 (5 November, 2002) ‘*On Civil Service Department under the Ministry of Interior*’, established an institution with the functions of civil service management - Civil Service Department under the Ministry of Interior (Dėl Valstybės tarnybos departamento steigimo, 2002). The main goal of this institution was to ensure implementation of the Civil Service Law and legal acts related thereto, to conduct public policy by implementing the civil service reform, to create conditions for prevention of offences in civil service, to control and strengthen the continuity of the civil service. The department was established as a budgetary institution with the main aim to take part in the process of creation of the professional and effective civil service.

The recast of *the Law on Civil Service*, which came into force on 1 July, 2002, was positively evaluated by the European Commission in the progress report 2002. This law provided for the basic civil service principles, status of the civil servant, responsibility, salary, social and other guarantees, and the legal framework for civil service management (Law on the Amendment of the Law on Civil Service, 2002). This law followed the conception of an open civil service which is limited in size, where civil servants are only those who coordinate or implement a certain policy of public governance, draw up and

coordinate drafts of laws, contracts or projects, manage the personnel and financial resources, and have public administrative powers with respect to persons not subordinate to them (Šarmavičius, 2005, p. 18). The law rejects some elements of the career-based system: a person can be admitted to any grade, there is no requirement to have seniority in the civil service to be able to occupy civil service positions. Thus the recast of *the Law on Civil Service* of 2002 conditioned the creation of an open civil service system. From the above it can be stated that a mixed civil service system, which had features of the career-based and the position-based models, was created in modern Lithuania.

### **The new stage of the development of the civil service of Lithuania from 2008 (Stage V)**

This stage in the development of the civil service of Lithuania is distinguished by the fact that having more opportunities to realize liberal provisions the Government has launched reforms which are oriented towards the implementation of the position-based system model in the civil service. Orientation towards performance of the civil service and each civil servant in particular, attempts to introduce quality evaluation systems, more flexible working hours for civil servants, easier admission (with prior work record not being a necessity for the civil service) and easier dismissal, contracts with civil servants and implementation of other measures provide hope that the civil service of Lithuania will become more effective with elements of the position-based models widely applied in other countries and proven to be efficient. These ideas have been partially implemented in the current Law on Civil Service (Law on the Amendment and Supplement of the Law on Civil Service, 2012). Its implementation is likely to contribute to further modernization and facilitation of the Lithuanian civil service.

From the aspect of the development of the civil service the new public management is being replaced by several traditional public administration assumptions. First of all, there are changes to the assumption that in comparison with other offices the civil service is exceptional in respect to the term of office and pay stability, and that the civil service should rely on contractual and work relationships similar to respective relations in the business sector, i.e. these relationships should better reflect the efficiency of a servant's performance (Domarkas, 2007, p.28). This slightly weakens the attention paid to moral values and ethical norms. A strong assumption of the new public management is to seek better customer service and enhance sensitivity to their needs. However, the implementation of this assumption poses certain dilemmas. Provision of civil services often reveals conflicts between bureaucratic control and professional discretion, and a higher level of efficiency in service provision is not achieved in comparison with the traditional public administration (Domarkas, 2007, p.29).

The analysis of tendencies of the development of civil service in the European area reveals that part of civil servants in the continental European Union states (Germany, France, etc.), who have good background in the sphere of administrative law, have problems when shifting to 'managerial' public administration models based on administration methods. It should be admitted that strict legal environment limits servants' initiative, whereas German-Austrian and French public administration schools historically have relied on concepts of vertical management. Principles of Weberian bureaucracy and the roles assumed in continental Europe have undergone only slight changes: they are too much regulatory, rigid, prevailing over citizens and underlying the bureaucratic functioning of the civil service (Masiulis, 2007, p. 118).

In Lithuania, as in other Eastern and Central European countries, the system of the civil service is also influenced by the public administration tradition of continental Europe. As mentioned above, the public administration tradition of continental Europe is still ruled by the legal aspect of public administration. Thus reformation/ analysis of the perspectives of the public administration system cannot be detached from the influence of administrative law on the public administration tradition.

As it has already been mentioned Lithuania has adopted an integrated civil service model. This type is characterised by a set of features from two models (Table 1):

<b>Features</b>	<b>Career-based model of civil service</b>	<b>Position-based model of civil service</b>
Recruitment		to any position, seniority in the civil service is not required
Career system	promotion	
Term of office	appointment of an indefinite duration, the maximum age limit – 65 years old	
Pay	special regulation, pay related to the grade	
Pension system		no special pension system

Based on the information provided by the Civil Service Department under the Ministry of Interior.

We believe that features relevant for the career-based model are prevalent. The personnel of the current public sector in Lithuania comprise civil servants and other employees of the public sector recruited on the basis of employment agreements. The positions of civil servants are divided into the following (The Law on Civil Service of the Republic of Lithuania, 2002):

- **career civil servant** - a civil servant admitted to office for an indefinite term and having an opportunity to realise his right to career development in the civil service in accordance with the procedure prescribed by the law;
- **civil servant of political (personal) confidence** - a civil servant admitted to a position for the term of office of a state politician or a collegial state institution that has recruited him;
- **head of an institution** – a civil servant recruited to head a state or municipal institution or agency;
- **statutory civil servant** - a civil servant, whose service is regulated by a statute approved by the law or by the Law on the Diplomatic Service establishing special terms and conditions of admission to the civil service, the performance of the service, responsibility and other conditions, related to the specific features of the service, and/or who has public administrative powers with respect to persons not subordinate to him.

The category of career servants conforms to the Weberian model, whereas the category of servants of political or personal confidence conforms to the spoils system model. When talking about the civil service in Lithuania we refer primarily to career civil servants, as they ensure the stability of public bureaucracy, continuity of competence and professionalism. Besides, in comparison with civil servants of political confidence they form a much bigger part of the civil service. Career servants are admitted to office for an indefinite term, whereas the term of office of civil servants of political (personal) confidence is directly related to the term of office of the state politician who has recruited them.

*Statutory* civil servants form a specific category of civil servants according to the Law on Civil Service. The legal status of these civil servants differs from others (first of all career civil servants) by the fact that under legal acts they are often attributed to officers and have a right to hold a forceful mandate and other sanctions with respect to persons not subordinate to them (e.g., police officers are entitled to apprehend a person suspected of having committed an offense). The particularity of this category of civil servants related to the status of an officer is a specific (very often of a military character) internal institutional system of hierarchical subordination, thus typically more severe sanctions can be imposed on them for disciplinary misconduct (Vaičiaitis, 2008, p. 43-50). Statutory civil servants comprise a kind of peculiar distinct system, which is reflected in scientific works and service investigations.

### **Perspectives of civil service reforms in Lithuania**

Recently the debate on the modernization trends of the Lithuanian civil service is becoming more acute. In order to achieve a more efficient civil service, there are considerations to transform the public sector into managerial, which would have more contractual features and elements, and where a more free cooperation style between hierarchical levels, between controlling and executive departments, would be sought. There are attempts to improve human resource management, to seek greater involvement of personnel in the decision-making and management. The essence of the reforms is to have highly qualified specialists in the civil service, to create a more effective civil servants' motivation system, to promote competition, to provide customers with the service of the highest quality possible.

The analysis of programmes of the two recent governments of the Republic of Lithuania (2008-2012 (XV) and 2012-2016 (XVI)) reveals several general trends in civil service reforms:

- **creation of the effective civil servants' motivation system which is result oriented.**

*XV:IV.12. We will create the effective civil servants' motivation system which is result oriented.*

*XVI.414. [...] We will improve the systems of civil servants' performance evaluation and career planning, salary and motivation, we will ensure salary and career possibilities adequate to performance and contribution.*

- **creation of impartial and objective civil servants' selection.**

*XV:IV.13. We will improve civil servants' selection, introduce impartial, objective, partially centralized selection to civil service positions.*

*XVI.413. We will introduce a system of partially centralized selection to civil service to ensure a more objective and transparent selection to the civil service, to prevent protectionism and politicization of the civil service, to assign civil servants who have the necessary competences and moral values. We will ensure that only persons of impeccable reputation are admitted to and work for the civil service.*

- **creation of a responsible, transparent and open civil service.**

*XV: IV.15. We will ensure the unavoidability of personal responsibility of civil servants, we will secure that civil servants who have conducted gross misconduct do not avoid professional or other liability.*

*XVI.412. We will seek the Lithuanian civil service to be trusted by the society, to function efficiently and productively, to be responsible, transparent, well managed, open to innovation and society.*

*XV:IV.16. We will ensure that state and municipal institutions and agencies are provided with all the information required for making, planning and controlling decisions of civil service management.*

XVI.414. *In order to attract new people to the civil service and maintain high qualifications and moral values of the civil servants already employed we will create conditions for young and talented persons to enhance their competency and consistently pursue their career, and withstand competition from the private sector.*

In order to improve the *civil servants' motivation system*, pay would be presumably related to performance. Pay would be counted in a similar way as it is at the moment – part of the pay would be fixed, the other part – variable. The latter would depend on performance. A contract between the head of the institution and the employee would be fixed-term. It would set out specific tasks to be performed. This should enhance people's motivation, encourage them to work better as they would know that they will be rewarded. The new model will encourage servants to produce high-quality work, pay more attention to performance, servants will become responsible themselves for fulfilment or failure. This model conforms to the contract-based civil service model.

The contract-based civil service model has been successfully implemented in Denmark. Reforms successfully implemented from 1960-s established a civil service system, where the employee-employer relations are regulated by the collective agreement; however, other mechanisms of labour market regulation are also applied in specific circumstances. Civil servants can be assigned to positions for a specified term. The aim of the fixed-term employment is to achieve higher mobility and flexibility of admission, especially to management positions (DPADM, 2006).

In order to analyse the possibilities of the Middle East European countries to adopt the contractual civil service model, the impact of the above-mentioned eastern (Russian, soviet, patrimonial) governance should be emphasized, as it manifested itself in more rigid hierarchical governance and voluntaristic decisions. All this partially conditions the problems of implementation of the new public management principles in continental Europe. Taking into account the normative, legalistic nature of public governance in counties of continental Europe effective contracts are possible only in very narrow public administration spheres (e.g. provision of public services). In the strict legal environment of continental Europe contracts (agreements) are confronted with a variety of constraints, as personnel management in the public governance system (especially under the career-based civil service model) is highly regulated (Smalskys V., 2009).

Some researchers claim that contractual relations can maximize the effectiveness of civil service activities which are extremely important for the development of the Lithuanian civil service. As already mentioned, international experts consider Lithuania to be one of the countries which implement reforms in the civil service sphere best. Thus the implementation of the contractual civil service in Lithuania would be another step to encourage public administration system to provide better and public interest-oriented services, as well as to improve the image of the Lithuanian civil service (Puškorius, Raipa, 2002, p. 13). The contractual system ensures mobility in the civil service as an alternative to the closed career-based civil service ('life-long'). Contracts with persons from the external environment enhance the number of highly qualified servants in civil service. The contractual system is a radical variant of the position-based civil service system; it allows flexibility in dealing with pay matters, proximity to the average in the private sector, pay not for seniority, but for the work done (if only it were possible to define and measure what is the 'work done') (Smalskys, 2009, p. 70-72).

However, during the process of introduction of elements of the contractual model in order to improve the civil service motivation system the result can be opposite. In foreign countries civil servants are motivated due to stability and higher salary in the civil service. As OECD expert research (2009) has also revealed, in Lithuania this profession is attractive only due to its stability. Introduction of the contract-based civil service can reduce this to some extent. Thus this could lead to transition of part of qualified specialists to the private sector, where they would get the same job security for a higher salary. Thus at the conference 'Lithuanian Civil Service and Guidelines for its Modernization', which took place at the Seimas on 24 February, 2009, there were proposals to view salary as one of the ways to motivate civil servants and compete with the private sector. So, introduction of the new model into the civil service leads to consideration of yet another question, i.e. motivating civil servants by salary, which would also enhance the image of this profession.

On the other hand, an effective transparent contract-based civil service requires an appropriate legal base and adequate public consciousness and level of respectability, in other words, an adequate level of common and political public culture (VRM, 2009, p. 66-69). Having no civil society fully formed, having weak civil servants trade unions, where management positions in state institutions are occupied by mainly autocratic managers, make it easier to dispose of an inconvenient servant via contract terms. Contracts cannot help to form a servants' team which is competent, they rather form a team which is loyal to voluntaristic political decisions of its leader (Smalskys, 2009, p. 71).

The analysis of the perspectives of creation of the *impartial and objective selection to civil service* is related to the introduction of the partially centralized selection process of civil servants (VRM, 2013). Assessment of competencies of candidates to the civil service is to be centralized. The Lithuanian public sector has already had similar experience. Since 2011 a similar centralized evaluation of competencies of candidates to school leadership positions has been launched. As this practice was successful, it was decided to apply this model more extensively.



## CONCLUSIONS

1. During the first years of the Independence of Lithuania (1990-1992, Stage I) the focus was put on the recognition and consolidation of the state in the international arena and strengthening of loyalty in state institutions. At the same time there was no sufficient understanding that only professional civil service can ensure the efficiency of public administration. The actual work on drafting legal acts in the sphere of civil service started only in 1993-1994 (it can be attributed to the Stage I).
2. The Law on Officials, which was approved and entered into force in 1995-1999 (Stage II), was the first attempt to create an efficient and professional civil service. This law focused on the importance of professional development of servants, however, it did not provide for the career development mechanisms. The Law on Officials did not meet the western standards and classical civil service models.
3. The system of the civil service oriented towards the career-based model (Stage III) was created in 1999. Principles of career development were defined: promotion and mobility in the civil service. Levels of servants, grades, etc. were set. The classical career-based civil service model, close to the governance tradition of countries of continental Europe, was formed. On the other hand, the recast of the Law on Civil Service as approved in 2002 (Stage V) rejected elements of the career-based model, e.g. a person could be admitted to any grade of civil service, the requirement of seniority was removed. In 2002 a mixed civil service model with elements of 'good governance' was created.
4. Currently (from 2008, Stage V) attempts are being made to reform the mixed model in the Lithuanian civil service created in 2002. In order to ensure efficiency of public governance the position-based model, which is under the influence of the 'new public management' and oriented towards business management principles, is being introduced.

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