

The Role of Central Structures for Coordination, Management and Control of the Civil Service: the Case of Slovakia

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Abstract

“Central structures for coordination, management and control of the civil service” is a term used by SIGMA/OECD think tank to cover the wide spectrum of different organization structures that carry out tasks mainly in strategic human resource management. A framework for analysis of these structures is missing in current literature. In this paper, we take the structural-instrumental approach to studying these structures by looking at the scope of functional HRM areas within the competence of the central structure and the degree of power it has within them, i.e. the level of autonomy that line ministries have in decision-making HRM issues. Based on public administration literature on civil service systems, as well as literature on HRM, we normatively define the possible range of functions a central structure may perform and, that way, propose a framework for analyzing the role of these structures. We apply this framework to the case of Civil service office in Slovakia to capture the changes in its role throughout its four year existence. We find that its role has gradually diminished due to the increase of ministerial autonomy as well as due to the difficulties in applying its scope of competences in practice. This may have accounted for its eventual abolishment in 2006.

Keywords: civil service, human resource management, central structures, autonomy, HRM function

1. Introduction

The topic of central coordinating structures for civil service was brought into attention in the late 90’s by the EU or, more precisely, by SIGMA a think tank and a joint initiative of EU and OECD. The EU was concerned that the administrative capacities of CEE candidate countries – former communist countries - stand up to the EU standards. Based on theoretical knowledge, as well as practices in old member states, SIGMA designed the “European public administration principles” (OECD 1999) which gave guidance to the CEE states on what a “good” public administration system should look like. Central structures for managing, coordinating and controlling the civil service, were a part of the package.

SIGMA did not give further details on what this central capacity should look like or what it should do. The reasons are obvious – there were no common standards not even in the old member states. On the other hand, the entire area of public administration was not a part of the Acquis, i.e. there was no legal basis to condition the candidate countries to apply specific measures. The so called administrative conditionality, which vaguely involved the implementation of principles of European administration, was evaluated within the political criteria as “administrative capacity building”. But that was as specific as EU could officially get. SIGMA did, however, stress one important feature of the central structures: “this central capacity should be vested with sufficient powers to effectively manage horizontally across the public administration.” (ibid: 26)

The paper is primarily a conceptual explorative one, but it also addresses issues in changes of civil service management in central government on the Slovak case. It draws on a set of empirical data gathered in Slovakia by way of example. The data base consists of public documents, interviews with key political and managerial executives, and existing scholarly literature on the field. The main research question is how did the role of the Civil service office change during its existence from 2002 – 2006 when it was abolished as a result of parliamentary voting.

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2. Framework for Analysis of the Central Structures

Two basic models of civil service management organization have been identified in contemporary literature – a **centralized and decentralized model**. Centralization means, that decision-making powers in the field of HRM are vested in bodies at a hierarchical level (Demmke, Moilanen 2010: 142). As Nunberg (1995) writes, centralized control allows a limited degree of de-concentration. The degree of delegation depends on two variables: the importance of the function and the technical and institutional capacity at the de-concentrated level. The idea that a single monolithic structure controls the entire civil service is long outdated. In practice, several authorities on the central level share competencies and many of these competences are delegated to line ministries. Dividing various HRM functions between different central agencies (such as ministry of finance, government office, ministry of public administration) is referred to as horizontal decentralization (Demmke, Moilanen 2010). Vertical decentralization, on the other hand, points to handing over decision-making competencies to line managers at ministries (ibid). Demmke et al. (2001) distinguish between two types of decentralization of HRM competences – when the manager has a relatively **low level of discretion** and when he has a relatively **high decision-making autonomy**. They claim that the first type is more stressful for managers, because in case of high workload, the manager is constrained in decision-making. In the second case, the managers hands are free to manage the high workload as he wants. Because of this, proponents of decentralization claim that it is more efficient and effective in managing human resources.

Decentralization with low managerial autonomy essentially means the same thing as **de-concentration of central power**, which is a term used by Nunberg (1995). Other authors use terms such as **devolution** (Fleming 2000) or **delegation** (Demmke et al. 2001). In comparison to decentralization, these terms imply that certain powers are still vested in the hands of central structures, while decentralization ideally implies absolute decision-making autonomy. We cannot currently witness a purely centralized or decentralized system of civil service management. In most countries, different functions within the HRM are divided – horizontally, as well as vertically. **Centralization** and **decentralization** can be therefore perceived as **two opposite ends of a continuum**, where most countries are placed in between the two.

The role of the central structure will hence depend on the degree of vertical as well as horizontal centralization. We claim that, when creating a central coordination structure for civil service, governments always have to balance a) **the scope of functional areas** (human resource management areas) to be covered and b) **the level of autonomy** the HR units in individual ministries are to retain and kind of control to be exercised by the central coordinating structure upon these units. This structural-instrumental perspective has been used for example by Tom Christensen (2011) to analyze the civil service system in Norway. It is based on the work of Gulick, but it is in line with the classical organization theory represented by Taylor, Fayol or Max Weber. The main message is that formal structure “constrains and channels the models of thought and actual decisions of different actors” (Christensen 2011: 68), i.e. policy makers may design administrative systems that guide behaviour of civil servants to achieve their goals. Thus, when using this approach for the study of the formal central coordination structures, we look at organizational vertical and horizontal specialization. Horizontal specialization emphasizes “how civil service systems have divided functions on the same level, including types of differentiation and how divided the system is” (ibid), which is a subject we cover when studying **the scope of functional areas**. Vertical implies “how authority is spread” among the levels of hierarchy, which we study when looking at the **level of autonomy and control**.

2.1. Scope of functional areas

To define the possible scope of functional areas within the competence of central structures we have used mainly literature on human resource management. Management of human resources is a broad term covering all sorts of areas concerning the relationship between employer and employees. Armstrong (2009) divides these areas into two categories: 1. **strategic** (transformational), concerned with the alignment and implementation of HR and business strategies, and 2) **transactional**, covering

the main HR service delivery activities of resourcing, learning and development, reward and employee relations (2009: 83). Huselid et al. (1997) distinguish strategic or technical service of the HRM function.

2.1.1.Strategic HRM functions

Strategic HRM sets out how the organization's goals will be achieved through people by means of HR strategies and integrated HR policies and practices (Armstrong 2009: 29). It is an interface between HRM and strategic management (Boxall 1996) integrating the overall business strategy with human resources. In private firms, it takes place in executive boards, which HR top managers are a part of (Armstrong 2009). In the public sector, the government of the day functions as the 'executive board' and its 'business strategy' is the government program. The link between the strategic HRM functions and top executive implies that it is desirable for it to be centralized.

When assessing strategic HRM function, the OECD (2011) looks at whether there is an accountability framework for managers, whether HRM targets performance assessment, whether there is regular HRM assessment of ministries, whether the framework requires top and middle management to plan and report on HRM areas and whether there is forward planning. The tasks express whether some coordination, planning or control of HRM rules and practices exists between the centre and its subordinate organizations. Strategic planning will most probably involve the task of setting the **size of the civil service** – i.e. the number of civil servants in relation to the state budget. The size touches up on the issues of **job classifications (i.e. ranks or payment categories) and descriptions**, which will also need to be planned strategically.

Coordination in public sector is done mainly through the means of secondary legislation. Strategic HRM coordination will there **involve formulation of secondary legislation or non-legislative material, such as guidelines or codes of conduct** to ensure implementation of the strategic material, as well as standards formulated in the law (OECD 1997). Any rules or regulations are subject to **consultation with the trade unions** (ibid) – i.e. this would be another functional field of strategic HRM.

Effective implementation of rules and regulations cannot work without effective strategic **control**, i.e. checking that rules for a specific body are fully consistent with both the general standards and broader governmental interests and being able to sanction non-compliance. This may be done, for example by assigning central structure lawyer's expert to HR units to jointly work on drafting measures or by asking the central structure for approval of such measures. This type of control would be regarded as before the fact (Thompson 1993). After the fact controls would be, for example, the right of a central institution to investigate internal ministerial rules and if they are in compliance with general rules, strategies or laws. Another option would be regular monitoring of measures issued by ministries, by requiring the ministries to report their activities to the centre. This requires regular access to information, through IT systems and databases, or through regular contact between representatives of central and line institutions (ibid). **Authority to perform strategic control** is crucial here, as well as the tools it has to sanction non-compliance.

Control of practices is, however, equally important as control of rules. Especially in government organizations, there is always an organizational department, which carries out internal control, but also an overarching and independent government organization, which performs audit and ex-post controls. Such an organization is also necessary in HRM. It should also function as an appeal body in case of any injustices felt by the civil servants or citizens. This organ should be able to issue sanctions, disciplinary measures or compensations to have efficient powers in hands.

Deducting from the definition of strategic HRM above, strategic civil service management will also involve 'setting out goals of the government achieved through people by means of civil service strategies, policies and practices'. The strategic management functions will therefore include **drafting strategic material, such as action plans, conceptions and strategies**. As all strategic material, this must be approved by the government, but nevertheless, a concrete institution or institutions have to be

responsible for preparing such material. Strategic HRM functions are summed up and operationalized in relation to central government structures in Table 1.

Table 1: Strategic HRM functions and their operationalization in relation to central government structures

Strategic HRM function	Operationalization in relation to central government structures
Planning	<ul style="list-style-type: none"> ▪ The central structure drafts strategic material, which it puts forward to the government (HRM strategies, action plans, conceptions, reforms) ▪ The central structure plans the size of the civil service (numbers, types of positions, job classifications and descriptions) ▪ The central structure consults strategic material for the government with trade unions
Coordination	<ul style="list-style-type: none"> ▪ The central structure drafts secondary legislation and non-legislative material in relation to the line ministries (such as directives, regulations, guidelines or codes of conduct) ▪ The central structure consults secondary legislation and non-legislative material in relation to the line ministries with trade unions
Control	<ul style="list-style-type: none"> ▪ Central structure executes control over whether the internal measures taken by ministries are in compliance with general rules, strategies and code of conduct (either by means of ex-ante controls: requirements for approval of measures to be taken/assigning experts from the central structure to work jointly on measures; or ex post controls: investigations and monitoring/reporting ministerial activity) ▪ Central structure executes control over HRM practices and whether they are in compliance with general rules and code of conduct (either by means of ex-ante controls: requirements for approval of personnel decisions to be taken/assigning experts from the central structure to work jointly on decisions; or ex post controls: investigations and monitoring/reporting personnel decisions made on the ministerial level) ▪ Central structures issues sanctions in case of non-compliance ▪ Central structure has access to information on HRM practices (databases, etc.)

Source: own compilation

2.1.2. Operational HRM functions

Under operational functions we mean the technical or transactional functions of HRM. As was mentioned above, this function means delivering services related to ‘resourcing, learning and development, reward and employee relations’. Stone (1995: 10-13) mentions these domains of operational HRM activity: **acquisition, development, reward, motivation maintenance and departure of employees**. The areas of operational activity basically copy the trajectory of an employee, who enters the organization until he leaves it. His stay in the organization requires various procedures, which the operational HRM function administers. That is why operational functions may be identified by the fact that they manage relationship with an employee, rather than his organization, as it is in case of strategic HRM functions. Most private organizations are occupied with the following issues: recruitment/resourcing, administration, absence, pay and benefits, employee relations, training and development and strategic activities (Armstrong 2009).

Public administration literature focuses on the similar areas, when analyzing the HRM: 1. Access to the civil service, 2. career development, internal promotion and mobility, 3. Training, 4. Appraisal system, 5. Remuneration, 6. Working time, 7. Pension systems and Reform process, 8. Social dialogue, 9. Equal opportunities and 10. Disciplinary legislation and codes of ethics (Demmke et al. 2001). The first five practically copy the five dimensions of HRM present in the private sector. Operational HRM in the sense of service delivery for human resources concerns these areas, as well as perhaps working time and administration of pension systems. The other functional areas, such as reform, social dialogue, equal opportunities incorporated into strategic documents as well as disciplinary legislation and codes of ethics are more strategic HRM functions. Van der Meer (2011),

when describing the civil service systems in 15 European countries, pays attention to **politicization** and **representation** (in terms of gender, ethnic, national, etc. representation policies). These may be, again, regarded a strategic HRM function, as they do not take form of a HR service delivery, rather they are parts of policies or strategies.

OECD refers to the operational HRM function as HR management practice. It includes these areas: recruitment, pay setting, promotions, mobility, performance, working conditions and training, which are almost identical with the ones mentioned above. OECD also analyzes the degree of centralization or decentralization of chosen functions. Some of these we classify as strategic while others are more operational. The strategic functions are similar to the ones we have already mentioned: distribution of posts in civil service, classification of posts, budget allocation, code of conduct, working conditions and equal opportunities, pay system management (in terms of rules and regulations). The more operational functions are: bonuses management, recruitment, dismissal, career management, contract duration, performance appraisal. The functions of operational HRM and their operationalization in relation to central government structures are summed up in Table 2.

Table 2: Operational HRM functions and their operationalization in relation to central government structures

Operational HRM function	Operationalization in relation to central government structures
Recruitment	<ul style="list-style-type: none"> ▪ The central structure announces of vacancies ▪ The central structure establishes eligibility criteria ▪ The central structure establishes selection criteria ▪ The central structure executes selection procedure ▪ The central structure appoints employee
Working conditions	<ul style="list-style-type: none"> ▪ The central structure sets contract duration ▪ The central structure sets working time ▪ The central structure sets job descriptions ▪ The central structure sets criteria for performance measurement
Career growth	<ul style="list-style-type: none"> ▪ The central structure decides about promotion ▪ The central structure decides about mobility
Training	<ul style="list-style-type: none"> ▪ The central structure decides upon training objectives ▪ The central structure decides upon methods and practices ▪ The central structure delivers training or delivers procurement for training
Remuneration	<ul style="list-style-type: none"> ▪ The central structure decides upon salaries of employees ▪ The central structure decides upon bonuses to salaries of employees ▪ The central structure decides upon rewards to salaries
Displacement	<ul style="list-style-type: none"> ▪ The central structure makes decisions about employees' displacement ▪ The central structure makes decisions upon appeals against displacements ▪ The central structure makes decisions upon time limits ▪ The central structure manages the displacement, when no vacant position is found

Source: own compilation

2.2. The level of autonomy of line ministries

As we may notice, both strategic and operational functions are interconnected. Recruitment, for example, is an operational function, because it indicates an HR service capturing a relationship between the organization and individual. However, rules and regulations regarding recruitment procedures, as well as planning the number of recruitments would be a strategic function. The same applies to ex-post or ex-ante control of transparency of recruitment, for example.

The benefit of distinguishing between strategic and operational functions will, however, become more visible when analyzing whether particular functions are centralized or decentralized. Those that are

strategic are, naturally, more efficient and effective when they are centralized, whereas the operational functions are more efficient when decentralized. Also, the centralized functions may be horizontally decentralized – i.e. carried out by different central institutions. In most countries, a “triumvirate” consisting of ministry of finance (usually for planning purposes), government office (for strategy formulation) and a HRM expert body (for coordination and control) exists. Sometimes, control is executed by a fourth body, an independent audit body. (Nunberg 1995)

The level of autonomy expresses the degree of vertical decentralization. What is crucial is always the level of decision-making discretion of the managers towards the centre. This may be relatively high or low (Demmke’s distinction mentioned earlier), or there may be no discretion, which would imply a completely centralized system. The operationalization of terms in regards to central structure implies a state of complete centralization of the system. This will be regarded as our benchmark of centralized systems. Everything below it will be more or less decentralized.

3. Case Study of Slovakia

In Slovakia, the Civil Service Office (CSO) was created as a central coordination structure in March 2002 with a remit to develop a unified, professional and ethical Civil Service based on the relevant legislation. The CSO was a central state administration body that was given the responsibility of ensuring professional, politically neutral and efficient performance of the state’s tasks. For details on civil service performance by civil servants the CSO issued secondary service regulations. The amendment of 2006 terminated the operation of the CSO as of 1 June, 2006.

Following its abolition some of the tasks were handed over to the Ministry of Labour, Social Affairs and Family, some to the Government office, some to individual ministries and some completely disappeared. The tasks related to human resource management (recruitment, remuneration, education, deployment, etc.) were handed over to individual ministries, to heads of the service office and is now fully decentralized. One task – the organization of exams for the nominated civil service – was handed over to the Head of the Government Office. Thus, in these cases the responsibilities were handed over to political nominees. The responsibility to prepare secondary legislation (such as Ethical Codex for Civil Servants or List of Civil Service Posts Available for Slovak Citizens only) was given to the Ministry of Labour, Social Affairs and Family. The task of central civil service registry, disciplinary committees disappeared completely.

3.1. Strategic HRM functions

Based on our theoretical framework, we will concentrate on the role of the CSO in three types of strategic HRM functions: planning, coordination and control. Our data source is the Act No. 312/2001 on civil service with its consequent amendments, government Reports on the implementation on the Civil service Act, interview with the former head of the CSO, as well as secondary literature written on this topic. We will concentrate on how the competences were initially formulated in the law and how they were carried out by the CSO in practice.

3.1.1. Planning

The initial Act on civil service does not recognize the term “HRM” strategy or strategic planning in HRM. The strategic functions, such as planning, coordination and control, are nevertheless present in the act. The CSO has actually drafted an HRM strategy as a result of twinning cooperation (Review of the results of previous projects 2006). It was designed for the period 2005 – 2009. It never got into the parliament due to contemplations over the abolishment of the CSO.

Probably the most important planning function explicitly mentioned in the Act is the number of posts and associated expenditures. Originally, the Civil Service Law gave responsibility to the CSO to forecast and analyse the necessary number of civil service posts and operational expenditure by means of systemization. The systemization had to include the number of permanent, temporary, nominated

and preparatory civil service posts, ranked by position resulting from the organisational structure of the service office (i.e. ministry or other state administrative body). In addition, the systemization had to state the volume of financial resources allocated for remuneration of civil servants. The systemization had to be approved by the government when discussing the draft budget, and then voted on by parliament as part of the state budget. The process of systemization created tension between the CSO and Ministry of Finance (MoF) as both considered themselves to have the authority for final decisions on number of posts and related expenditure. In practice, it was the Ministry of Finance having the final word on expenditures for the civil servants providing arguments that they are the members of the Government, not the CSO. As a result, service offices complained about the structure of systemization and the inflexibility in making changes and the fact that they were not clear whether to contact MoF or CSO. Systemization was abolished in 2006 reform package, as one of the main reasons for the amendment.

In regards to drafting concept material which would involve some sort of strategic planning, the Act mentions the competence of the office to draft conceptions of social security.

The CSO was also made responsible for managing training. In 2003 it delivered a training strategy, followed by a Concept of civil service training, both approved by the Government Resolution No. 79 on 28th January 2004. The CSO provided methodological and professional support to service offices in conducting training for temporary civil servants. The service offices submitted proposals for written and oral questions to the CSO for approval of whether it is in compliance with relevant Government resolution. (Report on CS Act, 2004: 19).

The CSO was expected to perform a role of an institution that would drive the reform of the civil service – this, however never actually happened, as from the very beginnings it had to struggle for survival from the economic as well as personnel point of view. The former head of CSO complained in an interview with the researchers, that the material and political support that the CSO received was not adequate for the number and character of tasks it was expected to perform. The CSO was expected to formulate and implement policies at the same time. Therefore, in practice it had to prioritize and fulfil the most urgent tasks. These mainly concerned operational management, which we will discuss below.

3.1.2.Coordination

The Act on Civil service gives the CSO the competency to draft secondary legislation. To make this part more comprehensive, we decided to separate the secondary legislation according to the area of HRM: recruitment, career growth, training and job evaluation. Coordination is also possible through means of Codes of Ethics as well as collective bargaining. These constitute the last two points of this part.

▪ Recruitment

The CSO has for long been unable to establish common strategies for recruitment and selection procedures which would apply throughout the civil service. Nevertheless, in 2003 the CSO issued methodology on selection procedure. With delegation of recruitment to line ministries (see chapter 4.2), also the methods of assessment during the selection procedure were decentralized and determined by individual line ministry regulations. They nevertheless followed the original methodology developed by the CSO from 2003 and thus were very similar in nature.

▪ Career growth

The CSO formally had the competence to set standards in career growth and staff evaluation criteria (Act 312/2001). In general, the civil service law does not know career advancement of civil servants and thus, in this sense the Civil Service law is position based and advancement is solely in the hands of the line ministries. The only exception was the introduction of so called nominated civil service brought about by 2003 reform (and terminated in 2009) which was to create top civil service as a career path for civil servants. The nominated civil service was to reward top officials with specific

salaries (a 50% pay increase) and job protection in the form of security of tenure. At the same time, those in the nominated civil service had to reveal personal income (including spouses' income). Only a top qualified candidate from within the permanent civil service, fluent in English, French or German and with top personal assessments qualified for exams into the nominated civil service. The contents and scope of examination in nominated civil service was regulated by the Service Regulation of the CSO. It was expected that approximately 1000 civil servants would be part of the 'nominated service' with tenure. According to Staroňová and Láštic (2012), however, during the existence of CSO only 5 candidates passed the exams (out of 367 applicants) in the first round in 2004 and in 2005 none of the 177 applicants passed. With the abolition of the CSO this competence was transferred to the head of office at the Government Office which until the termination of the fast stream system in 2009 did not announce any rounds of examination.

▪ **Training**

Training was coordinated through service regulation No. 5/2005 of 29th June 2005 which lays down the minimum standards for education programs and gives a framework for targeting priority groups of civil servants (Report on CS Act, 2004: 20). A database of trained civil servants was assigned to the CSO as part of Government resolution in 2003. It was to serve coordination and control purposes of employees, who underwent EU integration and language training. The CSO also organized a benchmarking seminar targeted at EU related training in 2005.

▪ **Job evaluation**

The 2003 package of changes introduced a first step towards a new system of job evaluation and appraisal –the so called 'performance based points system'. The CSO issued corresponding service regulation that established and specified criteria for service assessment of a civil servant. Service regulation seized its effect with termination of the CSO as of 1 June 2006 and was replaced by individual service regulations of individual ministries and other central agencies which detail the assessment criteria. Nevertheless, the broad system was defined in the Civil Service Law (and seized its effect in 2009).

On an annual basis each civil servant was evaluated by his or her superior using a points system which could bring him or her additional payments (up to 3% annually that are cumulative in nature) or lead to the termination of employment. It was not linked to promotion. This was at least a potential albeit rudimentary start for a performance management approach using individual objectives and targets as the basis for appraisal. The system was, however, left in a vacuum without clear HR strategies in the individual ministries that would link personal targets and career plans to overall organizational goals and departmental objectives. Also, the absence of a performance appraisal scheme and a lack of proper training in HR techniques resulted in appraisals that are carried out by immediate superiors using their own discretion.

▪ **Code of Ethics**

According to the Act on civil service, the CSO has the competence to issue the Code of Ethics. It did so and the ministries were made aware that the code exists. Most of them published it on their website to make it available also for the public. The Code is principally not a legal document, i.e. no legal obligations can be derived from it and no sanctions may be applied either. However, the Code was used when the CSO performed control in ministerial offices, usually in relation to appeals. It annually reported to the government, how many appeals proved right in violating the rights of civil servants in matters related to the Code. (Report on CS Act, 2003)

▪ **Collective bargaining**

Collective bargaining was and has been rather decentralized, i.e. the CSO did not play a prominent role. The unions negotiated directly with the individual offices of ministries (§145 of the Act No. 312/2001 on CS) and it was the duty of these offices to inform the unions on decisions made upon creation, change or termination of contracts.

3.1.3. Control

The Act on civil service gives the CSO competence to decide on appeals against decisions of the Office of Staff in matters of civil service employment” and “monitor compliance with Act on civil service and generally binding legal regulations issued for its implementation and professional standards (ibid). These formulations fulfil one of the operationalizations of the term “control”. The CSO was responsible for carrying out inspections in case of appeals of civil servants and according to the Reports on implementation... it did do regularly. Effective control, however, requires sanction mechanisms. The CSO had quite effective tools at hand. It functioned as the second level appeal organ against decisions made by the Head of Office, which meant that the Head of Office had to respect its decisions. At the same time, it created a committee which made a final decision upon disciplinary proceedings, which were subject of appeal.

The purpose of control was to guarantee that actions of ministries were in compliance with general rules, strategies and code of conduct. The authors have no information, if there were controls of compliance of internal norms with general rules or if the ministries had to consult their internal regulations with the CSO. They suspect, however, that if non-compliance of rules was found in investigations upon appeals, they would have to be changed otherwise the ministry would be subject to more inspections on the matter.

A precondition for carrying out effective control is to have access to information. In regards to appeal and disciplinary proceedings, the CSO was legitimated by Act to have this access. However, despite the fact that the Act also grants the CSO the competence to maintain registers on civil servants, this never fully took place. The registry was supposed to include personal information on individual civil servants, such as name, address, birth number, as well as information on salary and rewards. Despite the fact, that the government created an independent IT infrastructure to reduce the possibility of leaking information, the ministries refused to share this information with the CSO (Report on CS Act 2003) by not being willing to sign contracts of information access. The head of the CSO even asked for the Office for Personal data Protection for a statement, in which it said, that the information may be shared this way. What is interesting is that institutions such as the Data Protection office, or the General Prosecutor’s Office had no problem to sign the contracts, but almost a half of ministries used the argument of data protection in order not to share information. The registry was finally abolished with the CSO.

Table 3: Strategic HRM functions of the Civil Service Office (CSO)

Strategic HRM function	Initial competence of the CSO	Practice
Planning	<ul style="list-style-type: none"> ▪ Shared competence with the MoF to plan the number of posts and expenditures within systematization ▪ Formal competence to draft concepts on social security and training ▪ No formal competences to draft concepts in other areas ▪ No complex HRM strategy drafting competence 	<ul style="list-style-type: none"> ▪ Conflicts with the MoF over the approved version of systematization; confusion of ministries over who collects data on systematization ▪ Never implemented
Coordination	<ul style="list-style-type: none"> ▪ The CSO drafts secondary legislation on recruitment, career growth and job evaluation ▪ The CSO issues Code of ethics ▪ Collective bargaining is decentralized 	<ul style="list-style-type: none"> ▪ Recruitment: drafted and implemented by ministries, though not compulsory ▪ Ministries were aware of it ▪ Ministries performed collective bargaining
Control	<ul style="list-style-type: none"> ▪ The CSO decides upon appeals against decisions of the Ministry in matters of civil service employment and monitors compliance with Act on civil service and generally binding legal regulations issued for its 	<ul style="list-style-type: none"> ▪ The CSO executes control over HRM practices of ministries in employment issues and this way executes control over compliance of internal legislation with general rules and code of conduct

<ul style="list-style-type: none"> implementation and professional standards ▪ The CSO issues sanctions in case of non-compliance ▪ The CSO creates a Registry of civil servants 	<ul style="list-style-type: none"> ▪ Yes and the sanctions are binding for the Ministry ▪ The ministries refused to give access to this information
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Source: Own compilation

3.1.4. Conclusion

The first Act on civil service granted the CSO relatively wide powers when it comes to strategic HRM. Although the Act, nor practice, nor contemporary legislation for that matter, does not actually recognize the term HRM strategy, several measures mentioned in the act may be perceived as demonstration of strategic management. Formally, the strongest measures were systemization, i.e. planning number and budget for the civil servants, drafting secondary legislation and Code of Ethics and executing control through investigation of appeals. In practice, the most effective measures were the last, as the CSO could actually make decisions upon appeals of civil servants, who felt unfairly treated by their heads of offices. Much of the secondary legislation proved to be ineffective, as the job evaluation and career growth examples show. Last but not least, planning was the cause of discontent between the competences of the MoF and CSO and general confusion over who is superior in deciding the size of the civil service.

3.2. Operational HRM functions

The operational HRM functions involve execution of decisions upon individual cases, such as who is chosen in the recruitment process, who is promoted or who gets rewards and how high the amount is. Naturally, decision-making is to a certain extent limited by the law. Nevertheless, it is important to know who has operational HRM decision-making authority, because it often leaves some room for manoeuvring – whether legal or illegal.

Most of the areas of operational HRM were decentralized, i.e. in the hands of ministries during the existence of the CSO. As our goal is to characterize the role of the CSO, we will concentrate mainly on the area of recruitment, as this is where the CSO actually performed operational decision-making.

3.2.1. Recruitment

According to the Act on civil service, the CSO had the competence to execute the selection procedure. The CSO formed committees made up of 5 civil servants from other line ministries (with a minimum of 3 persons from the ministry or agency where the post was to be filled.). Due to the late set up of the CSO, the office experienced an overload of work and delays in the recruitment. In March 2003 the Decree on the CSO empowered the heads of line ministries to delegate the competencies for recruitment to ministries (see Table 4).

Table 4: Ratio of selection procedures: delegated vs. directly managed by CSO

	Since August 2002	2003	2004	2005	Until June 2006	Total
Number of announced selection procedures	2000	4639	11682	4283	1291	23895
Delegated to service offices	0	2067	9349	4184	1171	16717
Directly managed by CSO	256	351	142	202	79	1030

Source: authors, on the basis of Annual Reports of the CSO

The CSO also announced publicly the vacancy, created the selection committee while line ministry was responsible for the specification of the job description and actual selection of civil servants.

Nevertheless, the line ministry already specified everything for a concrete position during selection procedure. Anecdotal evidence suggests that vacancies and selection criteria were adjusted to the profile of the personal nomination (e.g. vacancy asks for max. of 1 year experience for a top position of the general director of the section where subordinates were asked for 7-10 years of working experience). Gradually, also the advertisement was delegated to line ministries. The CSO was, however, still responsible for the selection of heads of the (service) office in line ministries and general directors of the sections. This changed only with the abolishment of the CSO, when the head of service office became once again politically nominated, as was before 2002.

The CSO prepared the content of different types of examinations. The most important type was the qualification exam, which served as a) entry exam from preparatory to permanent civil service which was abolished since June 2006 b) a screening process for all existing civil servants during the transition years from Labour Code to Civil Service employment relations in the period of 1 April 2002 – 31 March 2004. The contents and scope of examination was regulated by the Resolution of the Government No. 573/2002. The qualification exams were administered by the CSO. Once the employee passed qualification exams he/she became a permanent civil servant. The qualification exam (and commission) was terminated with the amendment coming into effect as of 1 June 2006.

The CSO also administered the “fast stream” recruitment, cancelled in 2009. As Staroňová and Brown (2006) point out, half of the successful candidates did not start their career in the civil service. The ministries hesitated to employ them, because they had their own criteria and own selection procedures. (Staroňová, Láštík 2012: 61).

3.2.2. Training

According to the Act on civil service, the CSO was meant to manage training horizontally, though the law does not state what “manage” actually means. In practice, line ministries themselves were responsible for development, organization, implementation and monitoring of training activities. The role of the CSO has gradually diminished in this field since the transition from temporary to permanent civil service form (CSO organized trainings for civil servants who had to undertake qualification examination to be transferred into permanent civil service) with abolishment of the training unit at the CSO in 2004 and finally with the termination of the CSO in June 2006.

There is no special school or institute for the training of civil servants, but rather a number of organizations (educational, non-profit, for-profit) working in commercial market. It is up to the line ministry which organization they choose and contract for the provision of training activities. The only requirement is for the line ministries to observe the public procurement law. It is possible to consult a central list of organizations and institutions which have received accreditation from the Ministry of Education for the provision of training services; however, this is not a requirement. Currently, there are a vast number of all kinds of institutions providing one or several training activities which are brought in by the service offices usually on a contractual basis for 1 year. The budget for training was determined by line ministries themselves and is not publicly available. The CSO while still in existence recommended dedicating 1% of the previous year’s volume of payments to civil service salaries for further education and trainings. This was, however, a mere recommendation and in practice, the service offices could use their budget as they wished.

With the help of Danish and Finnish twinning partners, the CSO has introduced horizontal training for superior officers and specialists for HRM (Report on CS Act, 2004: 19). Simultaneously, trainings in cooperation with the French *Ecole Nationale d’Administration* (ENA) took place. Altogether, over 107 top management civil servants underwent this training. (ibid) The CSO also co-organized a set of French language trainings for civil servants in cooperation with the French Embassy.

The employees of the CSO themselves also delivered trainings to the service officers. Their aim was to train professionals in implementing the systems approach in training in line with the minimum training standards. The target group were personnel office employees, who were responsible for training of civil servants. (ibid: 22)

3.2.3. Working conditions & Career growth

Working conditions in terms of working time, duration in case of temporary civil servants as well as the salary (including all allowances) were, according to the Act on civil service, specified in a written statement given to the civil servant along with his official appointment by the head of office. This practice has not changed until today – the negotiation of working conditions takes place within the line ministry and often depends on individual agreement of the superior and his employee.

Career growth in terms of mobility, job rotation and promotion was according to the law in the hands of the heads of offices. The CSO would get involved only if the decision was a subject of appeal of the civil servant and its job would be to judge the appeal against existing rules and regulations. In the area of career growth there were not many rules or regulations. Perhaps the most significant rule in the act was that vacant positions should be primarily filled by temporarily inactive employees (either on maternity leave or due to cancelation of position). (§16 of the Act No. 312/2001 on CS)

3.2.4. Remuneration

General limits on civil service numbers and the costs and expenditures for the civil service functional pay are set by the state budget, approved by government in the form of government resolution and checked by the MoF. Rewards to the civil service if it does not exceed set budget depends on each ministry. The 2003 amendment introduced higher flexibility and opportunities for creating funds for the payment of rewards from the surplus in the budget agreed. The surplus could have been acquired by each ministry when cutting back its staff or not filling vacancies planned in that particular year.

Besides the monetary salary base determined by the salary table specified in the Act on CS, there is a number of supplementary bonuses (e.g. management, deputizing, and performance related pay, personal and special bonuses). The determination and allocation of these bonuses to civil servants was “soft” which means that formalized procedures and standards were formulated insufficiently and vaguely. This, naturally, gave great discretion to line ministry managers.

Each line ministry decides internally on the amount and mechanism of the payment of both **personal and reward bonuses** for its civil servants and this information is not publicly available on the grounds of data protection. The personal bonus may be as high as 100% of the monetary salary base for quality fulfilment of service tasks. Nevertheless, it was many times already negotiated in the contract of the civil service and only not fulfilling of the tasks results in the cuts in the personal bonuses. In addition to the personal bonus also rewards can be provided for targeted output or high quality work. In addition, the budget for remuneration of civil servants was agreed annually in the state budget which did not allow for very high personal and reward bonuses. The 2003 amendment introduced higher flexibility and opportunities for creating funds for the payment of these bonuses. The variable segment could have been acquired by each ministry when cutting back its staff or not filling vacancies planned in that particular year. In this way, no additional finances were needed for bonuses and ministries were motivated to slim their offices to have finances for bonuses. Reorganization to gain additional funds for bonuses, however, has not proved to be possible in all ministries as they differ in the number of staff and stage of reorganization. Relatively small ministries simply do not have the opportunity to slim the offices to keep finances for bonuses. Moreover, this informal system is not sustainable in the long term as currently the ministries deliberately overestimate the number of posts needed in annual budget discussions with the MoF in order to keep the unspent finances for remuneration.

The 2003 reform introduced two distinctive posts with **permanent special bonuses**: the nominated civil service and posts of ‘superior significance’. The nominated civil service is to reward top officials with automatic 50% pay increase to monetary salary base. Posts of superior significance have a permanent special bonus to monetary salary base of 50-100% of their tariff salary, however, with an obligation to disclose their and their family’s assets. These posts are designated by the Minister and head of office for tasks and priorities stemming from the Cabinet Memorandum (including EU tasks) and used to be approved by the CSO and government through systemization if additional finances were required. If the ministry was able to provide the permanent special bonus from its own budget

without asking additional resources from the state budget, the posts do not need to be approved by the government. There used to be approximately 300 posts of superior significance with permanent special bonuses according to systemization data which after its abolishment are non-existent. In addition, there are posts of superior significance with **permanent special salary**. These posts are designated by ministers and heads of office in appropriate Ministry and approved together with the proposed salary by the government in order to oversee the process. The salary is calculated on the basis of comparison with private sector.

3.2.5. Dismissal

The Act on civil service gave decision-making competences over dismissals to the head of the service office. His decision, however, had to be in compliance with the law, which specified conditions for dismissal. The most utilized strategy was (and still is), however, reorganization of the institution and dismissals on the ground of cancellation of the employment post. This was the quickest and most efficient way to get rid of an unwanted civil servant. The same post could not be created within the next six months. The amendment of 2006, when the CSO was abolished, gave the head of office the freedom to dismiss a civil servant for unspecified reasons. (Staroňová, Láštík 2012: 64)

Table 5: Operational HRM functions performed by the CSO

Operational HRM function	Initial competences of the CSO	Practice
Recruitment	<ul style="list-style-type: none"> ▪ The CSO announces vacancies ▪ The CSO prepares content of examinations ▪ The central structure forms a committee to execute selection procedure ▪ The central structure appoints employee ▪ The CSO is the appeal body (2nd level) 	<ul style="list-style-type: none"> ▪ As of 2003 delegated to line ministries by Decree
Working conditions	<ul style="list-style-type: none"> ▪ The CSO is the appeal body (2nd level) 	<ul style="list-style-type: none"> ▪ The line ministry sets contract duration ▪ The line ministry sets working time ▪ The line ministry sets job descriptions ▪ The line ministry sets criteria for performance measurement
Career growth	<ul style="list-style-type: none"> ▪ The CSO is the appeal body (2nd level) 	<ul style="list-style-type: none"> ▪ The line ministry decides about promotion ▪ The line ministry decides about mobility
Training	<ul style="list-style-type: none"> ▪ The CSO organizes training activities ▪ The CSO executes training activities 	<ul style="list-style-type: none"> ▪ The CSO delivers training for qualification exams preparation; abolished in 2004 ▪ Decision-making upon other types of trainings is upon ministries ▪ CSO organizes horizontal training (EU issues, language, how to train trainings)
Remuneration	<ul style="list-style-type: none"> ▪ Approval of posts of special significance 	<ul style="list-style-type: none"> ▪ The line ministry decides upon bonuses and rewards
Dismissal	<ul style="list-style-type: none"> ▪ No management of dismissal, when no vacant position is found 	<ul style="list-style-type: none"> ▪ The line ministry makes decisions about employees' dismissal, but only under legal

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- The CSO is the appeal body (2nd level)
 - conditions; organizational changes frequently used in practice to dismiss employees
 - Termination of contract only possible under legally specified conditions, but line ministry decides upon meeting these conditions
 - The line ministry makes decisions upon time limits
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Source: Own compilation

3.2.6. Conclusion

The operational HRM functions were carried out mainly by line ministries, execution of recruitment and horizontal trainings being an exception. The CSO initially managed the entire process of recruitment. It announced the vacancy based on job description given by line ministry, prepared examinations, based on which candidates were selected and created committees, which the CSO member was a part of. The ministries had tried to avoid many of the rules and procedures and often revolted against the decisions made by the CSO, which was apparent in their rejecting of candidates recruited through the fast-stream system. Mainly for technical reasons, such as lack of human and material resources, the CSO had to delegate the competences in recruitment to line ministries. In regards to training, the CSO employees did organize or even perform a number of horizontal trainings for ministries. The decision-making competence over what type of training, for what group of civil servants and whom it would be delivered by for what price was up to the service offices. The trainings managed by CSO directly only complemented it.

4. Discussion and Conclusion

During its short existence, the role of the CSO had been changing in a way that its competences **narrowed**. The first type of narrowing occurred **in favour of more autonomy of line ministries**. An example would be the delegation of operational competences in recruitment. The factors which could be attributed to this phenomenon are the lack of capacity of the CSO to carry out the vast number or selection procedures within limited number of staff. On the other hand, even while it did carry out recruitment competencies, the ministries were hesitant to employ candidates selected by the office, as the fast stream case shows.

The second type of narrowing involved the **scope of competences**, esp. in the area of strategic HRM. An example would be systemization and creation of the registry, both in the hands of the CSO according to the civil service act. Practice showed, however, that these competences were only formal and the CSO had to face obstructions to carry them out in practice. The CSO had to **fight for its respectable position among the central government organs**. The ministries rejected it as a superior organ in the HRM area, which was proved by their refusal to share data on personnel in the registry the CSO was meant to administer by law. Regarding systemization, the MoF and CSO had a shared competence of gathering data and preparing proposal, which had lead to confusion and potential duplicities (ministries were to send the data to two organs) as well as conflicts over who the final word of the draft. Even though the MoF is an institution which is generally responsible for the budget and therefore rightfully has the last word over it, the CSO was, on the other hand, expected to represent the interests of the civil service. This constellation inevitably leads to a clash of interests. This wouldn't be so striking, as all other ministries are practically in the same position when it comes to budgeting – the MoF can veto any proposal. The fact that the CSO was an independent office and its director was not politically accountable to the government put him in a difficult negotiating position. In effect, he had no power over the actual planning of human resources.

It is interesting to see that initially the CSO was equipped with a wider range of competences that it actually ended up with. This brings us to the **question why did the scope and depth of competences of the CSO narrow** and whether or not a common denominator exists. The literature on sustainability of public administration reforms in CEE countries point to the fact that they were driven by EU conditionality, which was ambiguous (Cardona, Dannequin 2010:4) on one hand, meaning there was no coherent model (Dimitrova 2002: 186), but strictly conditional on the other, not taking into account the preferences of domestic actors (Ibid). This resulted in laws adopted in a hurry (Dimitrova 2002, Staroňová, Láštík 2012), not giving a chance for a political consensus to develop on the issue in candidate countries, as domestic actors were driven by EU conditionality, not the actual content of the reform. Slovakia had chosen normatively one of the most ambitious models for this region – an independent civil service office, which has never before existed in the country. The reasons for the narrowing of its competences in practice therefore may be that it did not fit into the institutional setting of civil service management. Our paper hence provides a legitimate basis for further research of possible explanations for the decline in role of the CSO.

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